



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	981 701 046
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	INOVYN NORGE AS
Forretningsadresse:	Herreveien 801 3962 STATHELLE

### Regnskapsår

Årsregnskapets periode:	01.01.2023 - 31.12.2023
-------------------------	-------------------------

### Konsern

Mørselskap i konsern:	Ja
Konsernregnskap lagt ved:	Ja

### Regnskapsregler

Regler for små foretak benyttet:	Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet:	Regnskapslovens alminnelige regler
Benyttet ved utarbeidelsen av årsregnskapet til konsernet:	-

### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet:	Elin Maaren
Dato for fastsettelse av årsregnskapet:	05.06.2024

### Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 15.07.2025



### Resultatregnskap

Beløp i: NOK	Note	2023	2022
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2,3	2 207 234 000	2 269 386 000
<b>Sum inntekter</b>		<b>2 207 234 000</b>	<b>2 269 386 000</b>
<b>Kostnader</b>			
Varekostnad	3,4	1 156 608 000	1 197 827 000
Lønnskostnad	5	434 719 000	434 122 000
Oridnær avskrivning	6	242 747 000	229 822 000
Annen driftskostnad	3,6	237 166 000	219 439 000
<b>Sum kostnader</b>		<b>2 071 240 000</b>	<b>2 081 210 000</b>
<b>Driftsresultat</b>		<b>135 994 000</b>	<b>188 176 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		888 000	1 067 000
Annen finansinntekt	7	10 773 000	8 988 000
<b>Sum finansinntekter</b>		<b>11 661 000</b>	<b>10 055 000</b>
Rentekostnad til foretak i samme konsern	3,7	51 133 000	17 877 000
Annen rentekostnad	7	10 678 000	8 301 000
Annen finanskostnad	7	18 725 000	69 980 000
<b>Sum finanskostnader</b>		<b>80 536 000</b>	<b>96 158 000</b>
<b>Netto finans</b>		<b>-68 875 000</b>	<b>-86 103 000</b>
<b>Ordinært resultat før skattekostnad</b>		<b>67 119 000</b>	<b>102 073 000</b>
Skattekostnad ordinært resultat	8	17 116 000	24 112 000
<b>Ordinært resultat etter skattekostnad</b>		<b>50 003 000</b>	<b>77 961 000</b>
<b>Årsresultat</b>		<b>50 003 000</b>	<b>77 961 000</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte	9	50 000 000	250 000 000
Overføring til/fra annen egenkapital	9	3 000	-172 039 000
<b>Sum overføringer og disponeringer</b>		<b>50 003 000</b>	<b>77 961 000</b>



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
---------------------	-------------	-------------	-------------

---



### Balanse

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
CO2 kvoter	4	90 726 000	71 598 000
<b>Sum immaterielle eiendeler</b>		<b>90 726 000</b>	<b>71 598 000</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom	6,10	140 011 000	149 785 000
Maskiner og anlegg samt øvrig driftsløsøre	6,10	1 249 939 000	1 400 676 000
Anlegg under utførelse	6,10	628 163 000	290 161 000
<b>Sum varige driftsmidler</b>		<b>2 018 113 000</b>	<b>1 840 622 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	11	120 000 000	120 000 000
Investering i andre aksjer	11	100 000	100 000
<b>Sum finansielle anleggsmidler</b>		<b>120 100 000</b>	<b>120 100 000</b>
<b>Sum anleggsmidler</b>		<b>2 228 939 000</b>	<b>2 032 320 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer	10,12	63 024 000	70 086 000
<b>Sum varer</b>		<b>63 024 000</b>	<b>70 086 000</b>
<b>Fordringer</b>			
Kundefordringer	10,13	931 000	18 511 000
Andre kortsiktige fordringer	10,13	101 162 000	96 139 000
Konsernfordringer	13	557 612 000	623 244 000
<b>Sum fordringer</b>		<b>659 705 000</b>	<b>737 894 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	10	37 713 000	19 771 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>37 713 000</b>	<b>19 771 000</b>
<b>Sum omløpsmidler</b>		<b>760 442 000</b>	<b>827 751 000</b>



### Balanse

Beløp i: NOK	Note	2023	2022
<b>SUM EIENDELER</b>		<b>2 989 381 000</b>	<b>2 860 071 000</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Aksjekapital	9,14	294 193 000	294 193 000
Overkurs	9	255 907 000	255 907 000
<b>Sum innskutt egenkapital</b>		<b>550 100 000</b>	<b>550 100 000</b>

##### Opptjent egenkapital

Annen egenkapital	9	318 482 000	327 775 000
<b>Sum opptjent egenkapital</b>		<b>318 482 000</b>	<b>327 775 000</b>

##### Sum egenkapital

**868 582 000**      **877 875 000**

#### Gjeld

##### Langsiktig gjeld

Pensjonsforpliktelser	15,16	107 692 000	115 714 000
Utsatt skatt	8	19 723 000	21 350 000
Andre avsetninger for forpliktelser	16	13 871 000	14 629 000
<b>Sum avsetninger for forpliktelser</b>		<b>141 286 000</b>	<b>151 693 000</b>

##### Annen langsiktig gjeld

Langsiktig konserngjeld	13	29 465 000	29 465 000
<b>Sum annen langsiktig gjeld</b>		<b>29 465 000</b>	<b>29 465 000</b>

##### Sum langsiktig gjeld

**170 751 000**      **181 158 000**

##### Kortsiktig gjeld

Leverandørgjeld	13	274 245 000	240 975 000
Betalbar skatt	8	214 848 000	220 640 000
Skyldige offentlige avgifter		112 316 000	121 702 000
Utbytte	9	50 000 000	250 000 000
Annen kortsiktig gjeld	13,16	1 275 361 000	947 741 000
Andre avsetninger for forpliktelser	16	23 278 000	19 980 000
<b>Sum kortsiktig gjeld</b>		<b>1 950 048 000</b>	<b>1 801 038 000</b>



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
Sum gjeld		2 120 799 000	1 982 196 000
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 989 381 000</b>	<b>2 860 071 000</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 631387

#### Enheten

Organisasjonsnummer: 981 701 046  
Organisasjonsform: Aksjeselskap  
Foretaksnavn: INOVYN NORGE AS  
Forretningsadresse: Herreveien 801  
3962 STATHELLE

#### Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

#### Konsern

Morselskap i konsern: Ja  
Konsernregnskap lagt ved: Ja

#### Regnskapsregler

Regler for små foretak benyttet: Nei  
Benyttet ved utarbeidelsen av  
årsregnskapet til selskapet: Regnskapslovens alminnelige regler  
Benyttet ved utarbeidelsen av  
årsregnskapet til konsernet: -

#### Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Elin Maaren  
Dato for fastsettelse av årsregnskapet: 05.06.2024

#### Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.  
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

*Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.*

Brønnøysundregistrene, 12.08.2024



Organisasjonsnr: 981 701 046  
INOVYN NORGE AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2023</b>	<b>2022</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt	2,3	2 207 234 000	2 269 386 000
<b>Sum inntekter</b>		<b>2 207 234 000</b>	<b>2 269 386 000</b>
<b>Kostnader</b>			
Varekostnad	3,4	1 156 608 000	1 197 827 000
Lønnskostnad	5	434 719 000	434 122 000
Oridnær avskrivning	6	242 747 000	229 822 000
Annen driftskostnad	3,6	237 166 000	219 439 000
<b>Sum kostnader</b>		<b>2 071 240 000</b>	<b>2 081 210 000</b>
<b>Driftsresultat</b>		<b>135 994 000</b>	<b>188 176 000</b>
<b>Finansinntekter og finanskostnader</b>			
Annen renteinntekt		888 000	1 067 000
Annen finansinntekt	7	10 773 000	8 988 000
<b>Sum finansinntekter</b>		<b>11 661 000</b>	<b>10 055 000</b>
Rentekostnad til foretak i samme konsern	3,7	51 133 000	17 877 000
Annen rentekostnad	7	10 678 000	8 301 000
Annen finanskostnad	7	18 725 000	69 980 000
<b>Sum finanskostnader</b>		<b>80 536 000</b>	<b>96 158 000</b>
<b>Netto finans</b>		<b>-68 875 000</b>	<b>-86 103 000</b>
<b>Ordinært resultat før skattekostnad</b>			
Skattekostnad ordinært resultat	8	17 116 000	24 112 000
<b>Ordinært resultat etter skattekostnad</b>		<b>50 003 000</b>	<b>77 961 000</b>
<b>Årsresultat</b>		<b>50 003 000</b>	<b>77 961 000</b>
<b>Overføringer og disponeringer</b>			
Ordinært utbytte	9	50 000 000	250 000 000
Overføring til/fra annen egenkapital	9	3 000	-172 039 000
<b>Sum overføringer og disponeringer</b>		<b>50 003 000</b>	<b>77 961 000</b>



Organisasjonsnr: 981 701 046  
INOVYN NORGE AS

## BALANSE

Beløp i: NOK	Note	2023	2022
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
CO2 kvoter	4	90 726 000	71 598 000
<b>Sum immaterielle eiendeler</b>		<b>90 726 000</b>	<b>71 598 000</b>
<b>Varige driftsmidler</b>			
Tomter, bygninger og annen fast eiendom	6,10	140 011 000	149 785 000
Maskiner og anlegg samt øvrig driftsløsøre	6,10	1 249 939 000	1 400 676 000
Anlegg under utførelse	6,10	628 163 000	290 161 000
<b>Sum varige driftsmidler</b>		<b>2 018 113 000</b>	<b>1 840 622 000</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	11	120 000 000	120 000 000
Investering i andre aksjer	11	100 000	100 000
<b>Sum finansielle anleggsmidler</b>		<b>120 100 000</b>	<b>120 100 000</b>
<b>Sum anleggsmidler</b>		<b>2 228 939 000</b>	<b>2 032 320 000</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
Varer	10,12	63 024 000	70 086 000
<b>Sum varer</b>		<b>63 024 000</b>	<b>70 086 000</b>
<b>Fordringer</b>			
Kundefordringer	10,13	931 000	18 511 000
Andre kortsiktige fordringer	10,13	101 162 000	96 139 000
Konsernfordringer	13	557 612 000	623 244 000
<b>Sum fordringer</b>		<b>659 705 000</b>	<b>737 894 000</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter og lignende	10	37 713 000	19 771 000
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>37 713 000</b>	<b>19 771 000</b>
<b>Sum omløpsmidler</b>		<b>760 442 000</b>	<b>827 751 000</b>
<b>SUM EIENDELER</b>		<b>2 989 381 000</b>	<b>2 860 071 000</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			



<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital	9,14	294 193 000	294 193 000
Overkurs	9	255 907 000	255 907 000
<b>Sum innskutt egenkapital</b>		<b>550 100 000</b>	<b>550 100 000</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital	9	318 482 000	327 775 000
<b>Sum opptjent egenkapital</b>		<b>318 482 000</b>	<b>327 775 000</b>
<b>Sum egenkapital</b>		<b>868 582 000</b>	<b>877 875 000</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Pensjonsforpliktelser	15,16	107 692 000	115 714 000
Utsatt skatt	8	19 723 000	21 350 000
Andre avsetninger for forpliktelser	16	13 871 000	14 629 000
<b>Sum avsetninger for forpliktelser</b>		<b>141 286 000</b>	<b>151 693 000</b>
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	13	29 465 000	29 465 000
<b>Sum annen langsiktig gjeld</b>		<b>29 465 000</b>	<b>29 465 000</b>
<b>Sum langsiktig gjeld</b>		<b>170 751 000</b>	<b>181 158 000</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld	13	274 245 000	240 975 000
Betalbar skatt	8	214 848 000	220 640 000
Skyldige offentlige avgifter		112 316 000	121 702 000
Utbytte	9	50 000 000	250 000 000
Annen kortsiktig gjeld	13,16	1 275 361 000	947 741 000
Andre avsetninger for forpliktelser	16	23 278 000	19 980 000
<b>Sum kortsiktig gjeld</b>		<b>1 950 048 000</b>	<b>1 801 038 000</b>
<b>Sum gjeld</b>		<b>2 120 799 000</b>	<b>1 982 196 000</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>2 989 381 000</b>	<b>2 860 071 000</b>



Organisasjonsnr: 981 701 046  
INOVYN NORGE AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
5

Antall årsverk i regnskapsåret  
341.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

**Konsernregnskap**

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



**INOVYN Norge AS**  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
[www.inovyn.com](http://www.inovyn.com)

Årsberetning

og

Årsregnskap

2023



# INEOS

## Inovyn

INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

<b>1 Selskapets virksomhet</b>	<b>3</b>
<b>2 Fortsatt drift</b>	<b>3</b>
<b>3 Helse, Miljø og Sikkerhet</b>	<b>3</b>
3.1 Miljø og bærekraftig utvikling	4
3.2 Helse og Arbeidsmiljø	4
3.3 Kvalitet	4
<b>4 Forskning og utvikling</b>	<b>5</b>
<b>5 Organisatoriske forhold</b>	<b>5</b>
<b>6 Produksjon</b>	<b>7</b>
<b>7 Redegjørelse for årsregnskapet</b>	<b>7</b>
7.1 Investeringer	8
7.2 Finansiell stilling	8
7.3 Resultat	8
7.4 Kontantstrømoppstilling	9
7.5 Finansiell risiko	9
7.5.1 Markedsrisiko	9
7.5.2 Kredittrisiko	9
7.5.3 Likviditetsrisiko	9
<b>8 Framtidig utvikling og drift</b>	<b>9</b>
<b>9 ÅRSRESULTAT OG DISPONERING</b>	<b>9</b>



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

## 1 Selskapets virksomhet

INOVYN Norge AS ble stiftet 15.03.2000, og er et 100 prosent eid datterselskap av INOVYN Finance Plc. Aksjeselskapet har vært i drift fra 01.05.2000, etter overtakelse av petrokjemiske anlegg på Rafnes i Bamble og på Herøya i Porsgrunn.

INOVYN Norge AS har hovedkontor på Rafnes og inngår i INOVYN gruppen som igjen er en del av INEOS-konsernet.

Selskapet produserer plastråstoffet PVC ved fabrikkene på Herøya Industripark i Porsgrunn, og VCM og lut ved anleggene på Rafnes i Bamble.

INOVYN Norge AS gjennomførte den 01.10.2017 en konsernintern restrukturering når det gikk fra å drive sin virksomhet i Porsgrunn og Rafnes med full risiko, til å drive kontraktsproduksjon (Toll Manufacturing) med begrenset risiko. Restruktureringen innebærer at INOVYN Europe Ltd har overtatt eierskapet til råstoffene og ferdigvarene, og INOVYN Norge AS fungerer som en ren prosesseringsbedrift for INOVYN Europe Ltd på lik linje med konsernstrukturen i resten av Europa.

I 2020 ble selskapsstrukturen i Norge forenklet. Dette ble gjort i to steg med virkning fra 1.1.

Steg 1: En mor-datter fusjon til kontinuitet med INOVYN Intermediate Holdings Norge AS som overtakende selskap, og INOVYN Norge Holdings AS som overdragende selskap.

Steg 2: En omvendt mor-datter fusjon til kontinuitet med INOVYN Norge AS som overtakende selskap, og INOVYN Intermediate Holdings Norge AS som overdragende selskap.

## 2 Fortsatt drift

I samsvar med Regnskapslovens § 3.3a bekreftes at forutsetningen for fortsatt drift er til stede.

## 3 Helse, Miljø og Sikkerhet

INOVYN Norge AS har høye mål for sitt arbeid med helse, miljø, sikkerhet og kvalitet. Arbeidet med å nå disse målene har generelt gitt oss bedre resultater innenfor disse områdene i de siste årene. Bedriften følger opp en rekke parametere som måler både prosess- og personsikkerhet og ytre/indre miljøforhold. I 2023 hadde vi en OSHA skade. Hendelsen er grundig undersøkt og i tråd med våre kontinuerlige forbedringsprosesser er det iverksatt forebyggende og korrigerende tiltak for å hindre tilsvarende hendelse i framtiden. Vi hadde 2 uhellsutslipp i 2023. For både OSHA og uhellsutslipp er dette en forbedring fra forgående år, og vi vil fortsette vårt forbedringsarbeid for å redusere faren for slike hendelser ytterligere.

Sikkerhet og oppfølging av uønskede hendelser er en av selskapets viktigste arbeidsprosesser for kontinuerlig forbedring på HMS-området. I 2023 ble det totalt innrapportert 970 uønskede hendelser. Tilsvarende tall for 2022 var 825. Det er fokus på viktigheten av å rapportere, som forventet gir dette oss økt antall rapporter av uønskede hendelser. Av hendelsene i 2023 ble 4 klassifisert som alvorlig på grunn av sitt potensial.



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Aktivt forebyggende vedlikehold skal sikre jevn og stabil drift i alle produksjonsavsnitt. Fabrikkenes tekniske tilstand kontrolleres gjennom et omfattende og systematisk inspeksjonsprogram.

Bedriftens HMS-styringssystem er i tillegg til nasjonalt regelverk underlagt INEOS-konsernets omfattende krav til styring og kontroll av risiko og HMS-forhold i bred forstand. Dette kontrolleres løpende gjennom et omfattende sett av måle-parametere samt gjennom revisjoner, egenrapportering og forbedringsprogram.

### 3.1 Miljø og bærekraftig utvikling

Alle utslippene fra bedriften var lavere enn årsgrensene gitt av myndighetene for selskapets to fabrikker i 2023.

Det ble ikke registrert noen naboklager i 2023.

Bedriften utarbeider årlig en bærekrafts-rapport som omfatter det samme som EMAS rapporten har gjort, i tillegg til mer utfyllende rundt bærekraft.

### 3.2 Helse og Arbeidsmiljø

I 2023 var sykefraværet 5,55%, på samme nivå som i 2022. Korttidssykefraværet utgjorde 1,11%.

I fabrikkene gjøres det kontinuerlige målinger av eksponering for VCM og EDC. Antallet personeksponeringer har økt noe de senere årene og det er iverksatt både administrative og tekniske tiltak for å forbedre situasjonen. I Klor/VCM fabrikken var 1,00 % av målingene over grenseverdien for VCM mot 1,04% i 2022, for EDC var 3,75% av målingene over grenseverdien mot 2,34% i 2022. Grenseverdien for EDC er redusert fra 1 ppm til 0,25 ppm, dette preger resultatet for 2022 og 2023 noe. Vi har intensivert monitoreringen og jobber videre med både forebyggende og tekniske tiltak. I PVC-fabrikken var det 4,3% av VCM-eksponeringene over norm i 2023 mot 3,00 % i 2022. Tallene ansees å være akseptable, men det jobbes systematisk for å minimalisere risiko for overskridelse av grenseverdier for alle relevante stoffer og kjemikalier i arbeidsmiljøet.

### 3.3 Kvalitet

Kvalitetssystemet er en integrert del av ledelsessystemet i INOVYN Norge AS.

Bedriftens kvalitetssystem ble revidert i 2023. Bedriften er sertifisert etter kvalitetsstandard ISO 9001:2015 og miljøstandard ISO 14001:2015.



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

## 4 Forskning og utvikling

INOVYN Norge AS har lokale ressurser for utviklingsaktiviteter innenfor VCM og PVC teknologi. Disse aktivitetene er nært knyttet til selskapets produksjonsapparat, med overordnet mål om å bidra til økt konkurransedyktighet. Dette innebærer deltakelse i kontinuerlig utvikling av produksjonen gjennom økt produktivitet, redusert energiforbruk, sikker drift med minimale utslipp, produktkvalitet, samt også betydelig fokus på utviklingsplaner for fabrikkene på lenger sikt. I tillegg har INOVYN Norge AS nytte av INEOS INOVYN's sentrale avdeling for forskning og utvikling. Denne samhandler også godt med de lokale FoU-medarbeiderne og fabrikkenes ressurser.

De lokale forsknings- og utviklingsressursene har, sammen med de sentrale teknologi ressursene i INOVYN, stor betydning for INOVYN Norges evne til å identifisere, utvikle, forberede og gjennomføre større investeringsprosjekter.

Lokale forsknings- og utviklingsressurser brukes også for utvikling av nye PVC-typer som kan produseres i Porsgrunn. Disse ressursene brukes også i utviklingsarbeid for andre INOVYN-siter.

INOVYN Norge AS er engasjert i eksterne FoU-prosjekter, og har et samarbeid bl.a med NTNU. Dette omfatter først og fremst prosjekter rettet mot prosessforbedringer gjennom grunnleggende forståelse av de kjemiske prosessene involvert i produksjonen.

## 5 Organisasjonelle forhold

Selskapet hadde 317 fast ansatte pr. 31.12.2023. 305 av disse jobber i full stilling mens 12 jobber deltid. 7 av våre ansatte som jobber deltid har valgt å jobbe redusert i form av seniortiltak. Vi har 4 midlertidige ansatte og 25 lærlinger. Bedriftens satsing på lærlinger er strategisk viktig og inngår i vårt arbeid for å sikre ettervekst av kritisk kompetanse på sikt.

Ny Site Manager, David Verdu, tiltrådte i januar 2023. Han rapporterer til Regional Manager INEOS Inovyn Nordic, Rodney Ishak.

Medarbeidersamtaler inkludert oppdatering av kompetanse skal gjennomføres og dokumenteres for alle ansatte. Organisasjonsutviklingsprosessen i etterkant av årets medarbeidersamtaler er gjennomført og vi har hatt god kontroll på erstatningsprosessen og øvrig ressurs- og kompetansebehov. For å kunne håndtere generasjonsskiftet og sikre kompetanseoverføring på en forsvarlig måte, har skiftorganisasjonen i Klor/VCM blitt styrket.

Vi har gjennomført 3 linjeledersamlinger. I tillegg har 5 medarbeidere deltatt på grunnkurs ledelse i regi av Norsk Industri. Våre årlige dagssamlinger for alle ansatte fordelt på 4 samlinger ble gjennomført i mars 2023. Hovedfokus denne gangen var Resultater og fremtidsplaner, læring av Elektrohendelsen i Revisjonsstansen 2022 og bærekraft.

Vi har et velfungerende samarbeid med våre fagforeninger med kvartalsvise møter i Arbeidsmiljøutvalget og Bedriftsutvalget, samt uformelle møter i kontaktutvalget i forkant av hvert AMU/BU og ved behov. 85% av våre ansatte er organisert i en fagforening.

Selskapet har som mål å være en arbeidsplass der det råder full likestilling mellom kvinner og menn. Vår kvinneandel er 22 prosent. Kvinneandelen i ledergruppen er 56%. Vi har 0,01% kvinner og 0,01% menn i midlertidige stillinger. Det gjennomsnittlige antall uker foreldrepermisjon for kvinner og menn regnet om til hele uker er 15,53 uker for kvinner og 7,7 uker for menn.



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

INEOS konsernet er et globalt selskap som verdsetter mangfold og alle våre medarbeidere anerkjennes som en viktig del av teamet vårt. Vi jobber aktivt for å fremme likestilling og vi respekterer rettighetene, verdiene og verdigheten til alle medarbeidere, kunder, entreprenører, leverandører og andre interessenter. Hver og en av oss har en plikt til å forsikre at våre beslutninger når det gjelder valg, utvikling og forfremmelse av medarbeidere er basert på meritter, kvalifiserte, demonstrerte ferdigheter og prestasjoner. Vi har som prinsipp å praktisere like muligheter uten hensyn til rase, hudfarge, religion, kjønn, alder, nasjonalt opphav, seksuell legning, kjønnsidentitet, sivilstatus, funksjonshemming eller politisk tilknytning, «INEOS Code of conduct».

Vi vil ikke tillate at rase, hudfarge, religion, kjønn, alder, nasjonalt opphav, seksuell legning, kjønnsidentitet sivilstatus, funksjonshemming eller politisk tilknytning påvirker vår vurdering eller behandling av egne ansatte eller andre.

INOVYN oppmuntrer sine ansatte til å melde fra dersom de blir vitne til misligheter, diskriminering eller trakassering i selskapet. Vi har en etablert og lett tilgjengelig varslingskanal.

Bedriften har gjennom drøftinger med tillitsvalgte og hovedverneombud besluttet å utarbeide en plan for hvordan vi skal arbeide for å legge til rette for at vi kan få en større bredde i etnisitet blant våre ansatte. Blant annet vil dette bli et tema på våre AMU møter og kontaktmøter.

Bedriften har videreført prinsippene i IA avtalen hvor en av de overordnede målsettingene er å skape et arbeidsliv med plass til alle gjennom å forebygge sykefravær og frafall, og på den måten bidra til å øke sysselsettingen. Bedriften jobber godt med forebygging av sykefravær i linja og har tre velfungerende atferdsutvalg. Alle ansatte gjennomfører helsekontroll hvert 3. år.

Fra 1. juli 2022 trådte den nye Åpenhetsloven i kraft i Norge. Formålet med loven er å fremme virksometers respekt for grunnleggende menneskerettigheter og anstendige arbeidsforhold hos forretningsforbindelser og leverandører. En vesentlig del av loven er sikre allmennheten tilgang til informasjon om hvordan virksomheter håndterer faktiske og potensielle negative konsekvenser for grunnleggende menneskerettigheter og anstendige arbeidsforhold.

INEOS Inovyn omfattes av Åpenhetsloven og plikter å utføre aktsomhetsvurderinger i tråd med OECDs retningslinjer for flernasjonale selskaper.

INEOS Inovyn erkjenner sitt ansvar og respekterer Den internasjonale menneskerettighetsloven (The International Bill of Human Rights) og Den internasjonale arbeidsorganisasjonen (ILO) erklæring om grunnleggende prinsipper og rettigheter på arbeidsplassen.

Bedriften viser til sin bærekrafts rapport både sentralt i INEOS Inovyn og lokal bærekrafts rapport i INOVYN Norge når det gjelder aktsomhetsvurderinger. Videre har bedriften gull score i Ecovadis som er en ledende uavhengig global leverandør av bærekrafts vurderinger basert på miljø, arbeid og menneskerettigheter, etikk og bærekraftige anskaffelser. Bærekrafts rapportene er gjort tilgjengelig via våre nettsider; ineos.no; ineos.com. Selskapet benytter et godkjenningssystem som gjennomfører en kartlegging av potensielle leverandører før de blir godkjent hvis kriteriene tilfredsstilles. Her er det spesifikke spørsmål som går på grunnleggende menneskerettigheter og anstendige arbeidsforhold. For å bli godkjent leverandør må disse kravene være oppfylt.



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Beskrivelse av stillingsnivå/-gruppe		Andel kvinner	Sum alle kontante ytelser	Avtalt lønn/fastlønn
			Forskjeller kontante ytelser (%)	Forskjeller avtalt lønn/fastlønn (%)
<b>Total</b>		22%	99,5%	104,6%
1	Høyere adm. Lederstillinger	56%	85,1%	88,2%
2	Stillinger som krever min. 4 års utd. Fra høyskole el. universitet	32%	88,4%	90,4%
3	Stillinger som krever 1-3 års utd. Fra høyskole el. Universitet.	21%	94,2%	99,1%
4	Stillinger som krever fagbrev	19%	91,5%	96,4%
5	Stillinger uten formelle krav til kompetanse	33%	50,0%	94,8%

### Styre- og styreansvarsforsikring

INEOS har en styreansvarsforsikring som dekker konsernet og dets datterselskaper.

## 6 Produksjon

INOVYN Norge AS produserer Lut, VCM og PVC.

Klorfabrikken produserte 276 815 tonn Lut i 2023, mens det i 2022 ble produsert 234 788 tonn Lut. Det ble produsert 437 100 tonn VCM, mot 343 958 tonn året før.

PVC-fabrikken produserte 128 275 tonn S-PVC og 32 452 tonn P-PVC i 2023. I 2022 ble det produsert 1 103 336 tonn S-PVC og 35 219 tonn P-PVC.

Etylen er sammen med klor hoved råstoff i selskapets VCM-produksjon. Til produksjonen i Klor/VCM fabrikkene medgikk det 424 659 tonn salt og 730 370 GWh elektrisk kraft.

## 7 Redegjørelse for årsregnskapet

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.



**INOVYN Norge AS**  
Rafnes  
NO-3966 Statthelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Selskapet har to pågående skattesaker som er beskrevet i note 8 i årsregnskapet. Overordnet gjelder sakene henholdsvis skattemessig behandling av reorganisering av selskapet i 2017, samt renter på overskuddslikviditet for årene 2014-2021.

## 7.1 Investeringer

Investeringene for 2023 endte på 420 MNOK. Vi har flere store pågående prosjekter. De vesentligste er URANUS påløpt 103 MNOK, SIRIUS påløpt 115 MNOK og ELECTRA påløpt 25 MNOK. Renseanleggsprosjektet i PVC fabrikken ble satt i drift i 2023, påløpt MNOK 25. Investeringene for 2022 var på 425 MNOK, et år med revisjonsstans for periodisk vedlikehold.

## 7.2 Finansiell stilling

Selskapet har siden 1. juli 2015 vært en del av det britiske kjemiselskapet INOVYN Limited, og har siden 1. juli 2016 vært heleid av INEOS-konsernet.

Selskapet er sammen med de øvrige selskapene innenfor INOVYN finansiert gjennom et selskap i INOVYN strukturen, INOVYN Finance plc. Det ultimate morselskapet er INEOS Limited, registrert på Isle of Man.

INEOS Limited inkluderer flere separat finansierte selskapsstrukturer. Alle disse har egne langsiktige finansieringsordninger, uten mulighet for finansielle transaksjoner mellom dem, utover kjøp og salg av produkter på armlengdes basis.

31.januar 2021 ble INOVYN Gruppen tilsluttet INEOS Quattro Group sammen med enkelte andre forretningsområder i INEOS konsernet. Gjennom denne refinansieringen bedømmes selskapets finansielle stilling som styrket i et langsiktig perspektiv. INEOS Quattro Group reforhandlet og utvidet eksisterende låneavtale i november 2023.

Likviditetssituasjonen pr 31.12.2023 er tilfredsstillende.

Styret vurderer INOVYN Norge AS finansielle stilling til å være god.

## 7.3 Resultat

Driftsresultatet (resultat før finans og skatt) ble 136 MNOK i 2023 mot 188 MNOK i 2022. Bedriften har skarpt fokus på driftskostnader. Energi og råstoff er i stor grad sikret gjennom langsiktige kontrakter. Med hensyn til avsetningsforhold og prisutvikling, er det ikke noe å bemerke ut over det som framgår av årsregnskapet.

Årsresultatet etter skatt ble på 50 MNOK mens det var 78 MNOK i 2022.

Etter styrets oppfatning gir fremlagt årsregnskap et riktig bilde av selskapets eiendeler, gjeld, finansielle stilling og resultat.



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

## 7.4 Kontantstrømoppstilling

Selskapet hadde en positiv kontantstrøm på 389 MNOK fra operasjonelle aktiviteter mot 401 MNOK i 2022.

Netto investeringsaktiviteter i bl.a infrastruktur, vedlikeholds – og HMS prosjekter svekket kontantstrømmen med 420 MNOK i 2023, mot 425 MNOK i 2022.

Finansieringsaktiviteter ga en netto kontantstrøm på 49 MNOK i 2023, mot 22 MNOK i 2022.

Endring i konsernkontoordningen styrket kontantstrømmen med 299 MNOK i 2023, tilsvarende 282 MNOK i 2022.

For detaljer vises det til kontantstrømoppstillingen i årsregnskapet.

## 7.5 Finansiell risiko

### 7.5.1 Markedsrisiko

Selskapet er eksponert for endringer i valutakurser, spesielt i EURO, da en vesentlig del av selskapets kostnader er i utenlandsk valuta. Selskapet sikrer ikke valuta.

### 7.5.2 Kredittrisiko

Risikoen for at motparter ikke har økonomisk evne til å oppfylle sine forpliktelser anses for lav, da det historisk sett har vært små tap på fordringer.

### 7.5.3 Likviditetsrisiko

Selskapet styrer likviditetsrisiko gjennom løpende overvåkning av fremtidige og faktiske kontantstrømmer, og ved å matche forfallsprofilen til finansielle eiendeler og forpliktelser. Likviditetsrisikoen i selskapet er lav.

## 8 Framtidig utvikling og drift

Petrokjemi er en global industri og det er stor konkurranse om markedet. Dette markedet er preget av sykliske svingninger. Prisene på produktene svinger som følge av den globale konjunkturutviklingen. Etterspørsel og priser, spesielt i Europa, har betydning for konsernets forventede inntjening, men siden INOVYN Norge AS kun driver produksjonsvirksomhet har dette liten betydning for resultatet i INOVYN Norge i et enkelt år.

Lønnsomheten til bedriften og konsernet var tilfredsstillende i 2023. Men, markedsituasjonen ble gradvis vanskeligere gjennom året, og særlig andre halvdel var utfordrende med redusert etterspørsel og derav også reduserte produktpriser. Alt i alt medførte dette betydelig lavere lønnsomhet for konsernet i 2023 enn hva tilfellet var i 2022. Og i særdeleshet var lønnsomheten svært utfordrende i andre halvår av 2023, vedvarende inn i 2024 også. Som følge av dette har vi i lengre perioder kjørt noe redusert i alle fabrikkene våre.

Som en konsekvens av de vanskelige markedsforholdene har konsernet igangsatt et betydelig prosjektarbeid for å redusere kostnadsbasen vår, «Project Fit». Dette prosjektet ble startet i Q4 for vår bedrift, og vil jobbes



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

med gjennom 2024-2026, med mål om vesentlige kostnadsreduksjoner og økt konkurransekraft. Samtidig er vi i god posisjon for å produsere på maksimal kapasitet så snart markedet skulle tilsi det, og anleggene våre har aldri hatt høyere kapasitet enn de har i dag. Som følge av kontinuerlig forbedringsarbeid og utvidelsesprosjekter ferdigstilt i årene 2020 og 2021, er bedriften i en god konkurranseposisjon, noe som gjør at vi er godt rustet også for å kunne sikre drift i perioder med svekkede konjunkturer.

Gjennom vårt årlige strategiarbeid har vi også i 2023 jobbet for videre utvikling av bedriften. Dette omfatter både nødvendige vedlikeholds-investeringer, kapasitetsøkninger og bærekrafts-prosjekter. Særlig prosjektene for å redusere vårt CO<sub>2</sub>-fotavtrykk blir viktige for oss i årene som kommer. Disse prosjektene er imidlertid svært kostbare, og foreløpig med liten eller moderat inntjening. Vi har derfor søkt både norske og europeiske klimaprogram om støtte slik at vi kan ta en ledende rolle i å utvikle og implementere ny teknologi og tilby produkter med lavere karbonavtrykk.

## 9            **Årsresultat og disponering**

Årets overskudd som er 50 003 KNOK er disponert på følgende måte :

Overført til / fra annen egenkapital	3
Avsatt til utbytte	<u>50 000</u>
Årsresultat	50 003

Etter styrets oppfatning vil selskapet etter utdelingen ha forsvarlig egenkapital og likviditet jf. aksjeloven § 8-1 fjerde ledd, jf. § 3-4.



**INEOS**  
**Inovyn**

INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Nils Eirik Stamland  
Styreleder

Rodney Ishak  
Daglig leder

David James Horrocks  
Styremedlem

Paul Mark Daniels  
Styremedlem

Roger Erik Øvrebø  
Styremedlem

John Øivind V. Selmer  
Styremedlem

Geir Trygve Alfsen  
Styremedlem

Otto Johannes A Grolig  
Styremedlem

Ulf Magnus Røös  
Styremedlem



**INEOS**  
Inovyn

**INOVYN Norge AS**  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

---

Rodney Ishak  
Daglig leder

---

David James Horrocks  
Styremedlem

---

Nils Eirik Stamland  
Styreleder

---

Paul Mark Daniels  
Styremedlem

---

Roger Erik Øvrebo  
Styremedlem

---

John Øivind V. Selmer  
Styremedlem

---

Geir Trygve Alfsen  
Styremedlem

---

Otto Johannes A Grolig  
Styremedlem

---

Ulf Magnus Røds  
Styremedlem



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Rodney Ishak  
Daglig leder

Nils Erik Stamland  
Styreleder

Paul Mark Daniels  
Styremedlem

John Øivind V. Selmer  
Styremedlem

Otto Johannes A Grolig  
Styremedlem

David James Horrocks  
Styremedlem

Roger Erik Øvrebø  
Styremedlem

Geir Trygve Alfsen  
Styremedlem

Ulf Magnus Røös  
Styremedlem



INOVYN Norge AS  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

---

Rodney Ishak  
Daglig leder

---

Nils Eirik Stamland  
Styreleder

---

Paul Mark Daniels  
Styremedlem

---

John Øivind V. Selmer  
Styremedlem

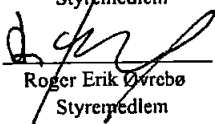
---

Otto Johannes A Grolig  
Styremedlem

---

David James Horrocks  
Styremedlem

---



Roger Erik Øvrebo  
Styremedlem

---

Geir Trygve Alfsen  
Styremedlem

---

Ulf Magnus Røds  
Styremedlem



**INEOS**  
Inovyn

**INOVYN Norge AS**  
Rafnes  
NO-3966 Stathelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

---

Rodney Ishak  
Daglig leder

---

Nils Eirik Stamland  
Styreleder

---

David James Horrocks  
Styremedlem

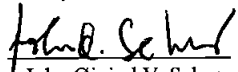
---

Paul Mark Daniels  
Styremedlem

---

Roger Erik Øvrebø  
Styremedlem

---

  
John Øivind V. Selner  
Styremedlem

---

Geir Trygve Alfsen  
Styremedlem

---

Otto Johannes A Grolig  
Styremedlem

---

Ulf Magnus Røøs  
Styremedlem



**INEOS**  
Inovyn

INOVYN Norge AS  
Rafnes  
NO-3966 Statthelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

Rodney Ishak  
Daglig leder

Nils Eirik Stamland  
Styreleder

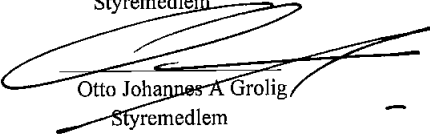
David James Horrocks  
Styremedlem

Paul Mark Daniels  
Styremedlem

Roger Erik Øvrebø  
Styremedlem

John Øivind V. Selmer  
Styremedlem

Geir Trygve Alfsen  
Styremedlem

  
Otto Johannes A. Grolig  
Styremedlem

Ulf Magnus Røds  
Styremedlem



**INEOS**  
Inovyn

**INOVYN Norge AS**  
Rafnes  
NO-3966 Statthelle  
Norway

Tel: +47 35 00 60 00  
www.inovyn.com

---

Rodney Ishak  
Daglig leder

---

Nils Eirik Stamland  
Styreleder

---

David James Horrocks  
Styremedlem

---

Paul Mark Daniels  
Styremedlem

---

Roger Erik Øvrebø  
Styremedlem

---

John Øivind V. Selmer  
Styremedlem

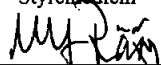
---

Geir Trygve Alfsen  
Styremedlem

---

Otto Johannes A Grolig  
Styremedlem

---



---

Ulf Magnus Røds  
Styremedlem



# Årsregnskap

**INOVYN Norge AS**

2023



## INOVYN Norge AS

### Resultatregnskap

(tall i hele tusen)

NOTE	DRIFTSINNTEKTER OG DRIFTSKOSTNADER	2023	2022
2, 3	Salgsinntekt	2 207 234	2 269 386
	<b>Sum driftsinntekter</b>	<b>2 207 234</b>	<b>2 269 386</b>
3,4	Varekostnad	1 156 608	1 197 827
5	Lønnskostnad	434 719	434 122
6	Ordinær avskrivning	242 747	229 822
3,6	Annen driftskostnad	237 166	219 439
	<b>Sum driftskostnader</b>	<b>2 071 240</b>	<b>2 081 210</b>
	<b>Driftsresultat</b>	<b>135 994</b>	<b>188 176</b>
<b>FINANSINNTEKTER OG FINANSKOSTNADER</b>			
	Annen renteinntekt	888	1 067
7	Annen finansinntekt	10 773	8 988
3,7	Rentekostnad til foretak i samme konsern	-51 133	-17 877
7	Annen rentekostnad	-10 678	-8 301
7	Annen finanskostnad	-18 726	-69 979
	<b>Netto finansresultat</b>	<b>-68 875</b>	<b>-86 103</b>
	<b>Resultat før skattekostnad</b>	<b>67 119</b>	<b>102 073</b>
8	Skattekostnad	17 116	24 112
	<b>ÅRSRESULTAT</b>	<b>50 003</b>	<b>77 961</b>
<b>OVERFØRINGER</b>			
9	Overført til/fra annen egenkapital	3	-172 039
9	Avsatt til utbytte	50 000	250 000
		<b>50 003</b>	<b>77 961</b>



## INOVYN Norge AS

## Balanse pr 31. desember

(tall i hele tusen)

NOTE	EIENDELER	2023	2022
	<b>Anleggsmidler</b>		
	<b>Immaterielle eiendeler</b>		
4	CO2 kvoter	90 726	71 598
8	Utsatt skattefordel	0	0
	<b>Sum immaterielle eiendeler</b>	<b>90 726</b>	<b>71 598</b>
	<b>Varige driftsmidler</b>		
6,10	Tomter, bygninger og annen fast eiendom	140 011	149 785
6,10	Maskiner og anlegg, samt øvrig driftsløsøre	1 249 939	1 400 676
6,10	Anlegg under utførelse	628 163	290 162
	<b>Sum varige driftsmidler</b>	<b>2 018 114</b>	<b>1 840 622</b>
	<b>Finansielle anleggsmidler</b>		
11	Investering i andre aksjer	120 100	120 100
	<b>Sum finansielle anleggsmidler</b>	<b>120 100</b>	<b>120 100</b>
	<b>Sum anleggsmidler</b>	<b>2 228 939</b>	<b>2 032 320</b>
	<b>Omløpsmidler</b>		
10,12	Varer	63 024	70 086
	<b>Fordringer</b>		
10,13	Kundefordringer	558 543	641 756
10,13	Andre fordringer	101 162	96 139
	<b>Sum fordringer</b>	<b>659 705</b>	<b>737 894</b>
10	<b>Bankinnskudd, kontanter o.l.</b>	<b>37 713</b>	<b>19 771</b>
	<b>Sum omløpsmidler</b>	<b>760 442</b>	<b>827 751</b>
	<b>SUM EIENDELER</b>	<b>2 989 381</b>	<b>2 860 071</b>



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

Rodney Ishak  
Daglig lederNils Eirik Stamland  
StyrelederDavid James Horrocks  
StyremedlemPaul Mark Daniels  
StyremedlemRoger Erik Øvrebø  
StyremedlemJohn Øivind V. Selmer  
StyremedlemGeir Trygve Alfsen  
StyremedlemOtto Johannes A Grolig  
StyremedlemUlf Magnus Rööös  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024


\_\_\_\_\_  
Rodney Ishak  
Daglig leder

\_\_\_\_\_  
Nils Eirik Stamland  
Styreleder

\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Otto Johannes A Grolig  
Styremedlem

  
\_\_\_\_\_  
David James Horrocks  
Styremedlem

\_\_\_\_\_  
Roger Erik Øvrebø  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfsen  
Styremedlem

\_\_\_\_\_  
Ulf Magnus Rööf  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

\_\_\_\_\_  
Rodney Ishak  
Daglig leder

\_\_\_\_\_  
Nils Eirik Stømland  
Styreleder

\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Otto Johannes A Grolig  
Styremedlem

\_\_\_\_\_  
David James Horrocks  
Styremedlem

\_\_\_\_\_  
Roger Erik Øvrebø  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfsen  
Styremedlem

\_\_\_\_\_  
Ulf Magnus Røös  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

\_\_\_\_\_  
Rodney Ishak  
Daglig leder

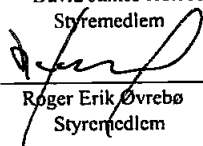
\_\_\_\_\_  
Nils Eirik Stamland  
Styreleder

\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Otto Johannes A Grolig  
Styremedlem

\_\_\_\_\_  
David James Horrocks  
Styremedlem

  
\_\_\_\_\_  
Roger Erik Øvrebo  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfsen  
Styremedlem

\_\_\_\_\_  
Ulf Magnus Røös  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

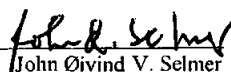
\_\_\_\_\_  
Rodney Ishak  
Daglig leder

\_\_\_\_\_  
Nils Eirik Stamland  
Styreleder

\_\_\_\_\_  
David James Horrocks  
Styremedlem

\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
Roger Erik Øvrebø  
Styremedlem

  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfseth  
Styremedlem

\_\_\_\_\_  
Otto Johannes A Grolig  
Styremedlem

\_\_\_\_\_  
Ulf Magnus Røøs  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelseser</b>		
15,16	Pensjonsforpliktelseser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelseser	13 871	14 629
	<b>Sum avsetninger for forpliktelseser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelseser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

\_\_\_\_\_  
Rodney Ishak  
Daglig leder

\_\_\_\_\_  
Nils Eirik Stamland  
Styreleder

\_\_\_\_\_  
David James Horrocks  
Styremedlem

\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
Roger Erik Øvrebo  
Styremedlem

\_\_\_\_\_  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfsen  
Styremedlem

\_\_\_\_\_  
Otto Johannes A. Grolig  
Styremedlem

\_\_\_\_\_  
Ulf Magnus Røøs  
Styremedlem



**INOVYN Norge AS**  
**Balanse pr 31. desember**  
(tall i hele tusen)

NOTE	EGENKAPITAL OG GJELD	2023	2022
	<b>Egenkapital</b>		
	<b>Innskutt egenkapital</b>		
9,14	Aksjekapital (294 192 699 aksjer á kr 1,-)	294 193	294 193
9	Overkurs	255 907	255 907
	<b>Sum innskutt egenkapital</b>	<b>550 100</b>	<b>550 100</b>
	<b>Opptjent egenkapital</b>		
9	Annen egenkapital	318 482	327 775
	<b>Sum opptjent egenkapital</b>	<b>318 482</b>	<b>327 775</b>
	<b>Sum egenkapital</b>	<b>868 582</b>	<b>877 875</b>
	<b>Gjeld</b>		
	<b>Avsetning for forpliktelser</b>		
15,16	Pensjonsforpliktelser	107 692	115 714
8	Utsatt skatt	19 723	21 350
16	Andre avsetninger for forpliktelser	13 871	14 629
	<b>Sum avsetninger for forpliktelser</b>	<b>141 286</b>	<b>151 693</b>
	<b>Annen langsiktig gjeld</b>		
13	Gjeld til konsernselskaper	29 465	29 465
	<b>Sum langsiktig gjeld</b>	<b>29 465</b>	<b>29 465</b>
	<b>Kortsiktig gjeld</b>		
13	Leverandørgjeld	274 245	240 975
16	Andre avsetninger for forpliktelser	23 278	19 980
8	Betalbar skatt	214 848	220 640
	Skyldige offentlige avgifter	112 316	121 702
9	Avsatt utbytte	50 000	250 000
13,16	Annen kortsiktig gjeld	1 275 362	947 741
	<b>Sum kortsiktig gjeld</b>	<b>1 950 049</b>	<b>1 801 039</b>
	<b>Sum gjeld</b>	<b>2 120 800</b>	<b>1 982 197</b>
	<b>SUM EGENKAPITAL OG GJELD</b>	<b>2 989 381</b>	<b>2 860 071</b>

Rafnes, 5. juni 2024

\_\_\_\_\_  
Rodney Ishak  
Daglig leder

\_\_\_\_\_  
Nils Eirik Stamland  
Styreleder

\_\_\_\_\_  
David James Horrocks  
Styremedlem

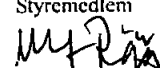
\_\_\_\_\_  
Paul Mark Daniels  
Styremedlem

\_\_\_\_\_  
Roger Erik Øvrebø  
Styremedlem

\_\_\_\_\_  
John Øivind V. Selmer  
Styremedlem

\_\_\_\_\_  
Geir Trygve Alfsen  
Styremedlem

\_\_\_\_\_  
Otto Johannes A Grolig  
Styremedlem

\_\_\_\_\_  
  
Ulf Magnus Røös  
Styremedlem



## INOVYN Norge AS

### Kontantstrømoppstilling

	2023 TNOK	2022 TNOK
<b>KONTANTSTRØMMER FRA OPERASJONELLE AKTIVITETER:</b>		
Ordinært resultat før skattekostnad	67 119	102 073
Periodens betalte skatt og mottatt skatt på tidligere år	-21 912	-27 395
Ordinære avskrivninger	242 747	229 822
Avgang anleggsmidler	0	2 568
Forskjell mellom kostnadsført pensjon og inn-/utbet. i pensjonsordning	-20 698	-15 208
Tilgang tildelte utslippskvoter (uten kontanteffekt)	-19 128	-4 562
Endring i varer	7 062	-14 048
Endring i kundefordringer	83 212	206 957
Endring i leverandørgjeld	33 270	12 407
Endring i andre omløpsmidler og andre gjeldsposter	17 571	-91 754
<b>Netto kontantstrømmer fra operasjonelle aktiviteter</b>	<b>389 243</b>	<b>400 860</b>
<b>KONTANTSTRØMMER FRA INVESTERINGSAKTIVITETER:</b>		
Investert i varige driftsmidler	-420 239	-425 014
<b>Netto kontantstrøm fra investeringsaktiviteter</b>	<b>-420 239</b>	<b>-425 014</b>
<b>KONTANTSTRØMMER FRA FINANSIERINGSAKTIVITETER:</b>		
Endring i konsernkontoordning*	298 938	281 833
Utbetalt utbytte	-250 000	-260 000
<b>Netto kontantstrøm fra finansieringsaktiviteter</b>	<b>48 938</b>	<b>21 833</b>
Netto endring i bankinnskudd, kontanter og lignende	17 943	-2 321
Beholdning av bankinnskudd, kontanter og lignende pr 01.01.	19 771	22 092
<b>Beholdning av bankinnskudd, kontanter og lignende pr 31.12.</b>	<b>37 713</b>	<b>19 771</b>

\* Reklassifisert fra investeringsaktiviteter



## INOVYN NORGE AS

### Noter til regnskapet 2023

(tall i hele tusen)

#### Note 1 Regnskapsprinsipper

Årsregnskapet er satt opp i samsvar med regnskapsloven og god regnskapsskikk.

INOVYN Norge AS er en del av INOVYN konsernet. Konsernspiss der INOVYN Norge AS blir konsolidert, INOVYN Limited, har forretningskontor i Runcom, United Kingdom og adressen hvor en kan få konsernregnskapet utlevert er :

INOVYN Limited  
Bankes Lane Office  
PO Box 9  
Runcom  
Cheshire  
WA7 4JE  
United Kingdom

#### Hovedregel for vurdering og klassifisering av eiendeler og gjeld

Eiendeler bestemt til varig eie eller bruk er klassifisert som anleggsmidler. Andre eiendeler er klassifisert som omløpsmidler. Fordringer som skal tilbakebetales innen et år er klassifisert som omløpsmidler. Ved klassifisering av kortsiktig og langsiktig gjeld er tilsvarende kriterier lagt til grunn.

Anleggsmidler vurderes til anskaffelseskost, men nedskrives til virkelig verdi når verdifallet forventes ikke å være forbigående. Varige anleggsmidler som forringes i verdi avskrives lineært over forventet økonomisk levetid.

Omløpsmidler vurderes til laveste av anskaffelseskost og virkelig verdi. Kortsiktig gjeld balanseføres til nominelt mottatt beløp på etablerings tidspunktet. Kortsiktig gjeld oppskrives ikke til virkelig verdi som følge av rentendring.

Enkelte poster er vurdert etter andre prinsipper og redegjøres for nedenfor.

#### Varige driftsmidler

Varige driftsmidler balanseføres og avskrives lineært over driftsmiddelets forventede levetid dersom de er ment for varig eie og bruk. Ved revisjonsstans aktiveres vedlikeholdsbeløp og fordeles lineært frem til neste planlagte revisjonsstans. Øvrig løpende vedlikehold av driftsmidler kostnadsføres løpende under driftskostnader. Påkostninger eller forbedringer tillegges driftsmidlets kostpris og avskrives i takt med driftsmidlet. Skillet mellom vedlikehold og påkostninger/ forbedringer regnes i forhold til driftsmidlets stand ved kjøp av driftsmidlet.

#### Anlegg under utførelse

Anlegg under utførelse aktiveres fortløpende basert på progresjon og utført arbeid. Når anlegget tas i bruk, overføres anleggene til sine respektive driftsmiddelgrupper. Avskrivning påbegynnes ved ferdigstillelse og overføring til driftsmiddelgruppene.

#### Nedskrivning av anleggsmidler

Ved indikasjon på at balanseført verdi av et anleggsmiddel er høyere enn virkelig verdi, foretas test for verdifall. Testen foretas for det laveste nivå av anleggsmidler som har selvstendige kontantstrømmer. Hvis balanseført verdi er høyere enn både salgsverdi og gjenvinnbart beløp (nåverdi ved fortsatt bruk/ eie), foretas det nedskrivning til det høyeste av salgsverdi og gjenvinnbart beløp. Tidligere nedskrivninger reverseres hvis forutsetningene for nedskrivningene ikke lenger er til stede (med unntak av blant annet nedskrivning av goodwill).

#### Utslippsrettigheter

Som følge av EU's regelverk vedrørende klimagasser mottar selskapet årlige vederlagsfrie utslippsrettigheter. Disse rettighetene kan nyttes til å innfri selskapets forpliktelser som oppstår som følge av faktiske utslipp av CO<sub>2</sub>. Anskaffelseskost for de vederlagsfrie utslippsrettighetene beregnes ved å benytte et årlig gjennomsnitt av observerte markedspriser på utslippsrettighetene i tildelingsåret omregnet til en årlig gjennomsnittskurs EURO/NOK. Innløste vederlagsfrie utslippsrettigheter 2023 for utslipp realisert i 2022 tilsvarer TNOK 83 829. Eiendel knyttet til utslippsrettigheter og motsvarende utslippsforpliktelse per 31.12.2023 fraregnes når kvoteforpliktelsen gjøres opp våren 2024. Per 31.12.2023 er eiendel og utslippsforpliktelse presentert brutto henholdsvis under immaterielle eiendeler og annen kortsiktig gjeld.

#### Investering i datterselskap og tilknyttede selskap klassifisert som anleggsmidler

Investeringer i datterselskap og tilknyttede selskap er vurdert etter kostmetoden. Investeringene nedskrives til virkelig verdi ved verdifall som forventes ikke å være forbigående. Mottatt utbytte fra selskapene inntektsføres som annen finansinntekt.

#### Inntekter

Ved varesalg:

Inntekt regnskapsføres når den er opptjent, altså når både risiko og kontroll er overført til kunden. Dette vil normalt være tilfellet når varen er levert til kunden. Inntektene regnskapsføres med verdien av vederlaget på transaksjonstidspunktet.

Ved tjenestosalg:

Inntekt regnskapsføres når den er opptjent, altså når krav på vederlag oppstår. Dette skjer når tjenesten ytes, i takt med at arbeidet utføres. Inntektene regnskapsføres med verdien av vederlaget på transaksjonstidspunktet.

1.oktober 2017 startet selskapet med ren prosesseringsvirksomhet. Det betyr at produksjonskostnader blir viderefakturert til konsernintern oppdragsgiver med et påslag.

#### Forskning og utviklingskostnader

Utviklingskostnader er vurdert og de kvalifiserer ikke for innregning som immateriell eiendel.



## Leieavtaler

Driftsmidler som leies på betingelser som i det vesentlige overfører økonomisk risiko og kontroll til selskapet (finansiell leasing), balanseføres under varige driftsmidler og tilhørende leieforpliktelse medtas som forpliktelse under rentebærende langsiktig gjeld til nåverdien av leiebetalningene. Driftsmiddelet avskrives planmessig, og forpliktelsen reduseres med betalt leie etter fradrag for beregnet rentekostnad.

Øvrige leieavtaler kostnadsføres løpende.

## Varer

Varer vurderes til det laveste av et veid gjennomsnitt av anskaffelseskost og virkelig verdi.

## Fordringer

Kundefordringer og andre fordringer oppføres til pålydende etter fradrag for avsetning til forventet tap. Avsetning til tap gjøres på grunnlag av en individuell vurdering av de enkelte fordringer.

## Kontanter og kontantekvivalenter

Kontanter inkluderer kontanter i kasse og bankbeholdning. Kontantekvivalenter er kortsiktige likvide investeringer som omgående kan konverteres til kontanter med et kjent beløp, og med maksimal løpetid på 3 måneder. Størrelse på kontantbeholdningen reflekterer at de fleste eksterne bankkonti er tilknyttet INOVYN Treasury Ltd som formidler kontanter til selskapene som inngår i konsernet. De bør derfor sees i sammenheng med konserninterne fordringer og gjeld.

## Avsetninger

En avsetning regnskapsføres når selskapet har en forpliktelse (rettslig eller selvpålagt) som følge av en tidligere hendelse, og det er sannsynlig (mer sannsynlig enn ikke) at det vil skje et økonomisk oppgjør som følge av denne forpliktelsen og beløpets størrelse kan måles pålitelig. Hvis effekten er betydelig, beregnes avsetningen ved å neddiskontere forventede fremtidige kontantstrømmer med en diskonteringsrente før skatt som reflekterer markedets prissetning av tidsverdien av penger og - hvis relevant - risikoer spesifikt knyttet til forpliktelsen.

Avsetninger for tapsbringende kontrakter innregnes når selskapets forventede inntekter fra en kontrakt er lavere enn uunngåelige kostnader som er påløpt for å innfri forpliktelsen etter kontrakten.

## Valuta

Transaksjoner i utenlandsk valuta omregnes til kursen på transaksjonstidspunktet. Pengeposter i utenlandsk valuta omregnes til norske kroner ved å benytte balansedagens kurs. Ikke-pengeposter som måles til historisk kurs uttrykt i utenlandsk valuta omregnes til norske kroner ved å benytte valutakursen på transaksjonstidspunktet. Ikke-pengeposter som måles til virkelig verdi uttrykt i utenlandsk valuta, omregnes til valutakursen fastsatt på balansetidspunktet. Valutakursendringer resultatføres løpende i regnskapsperioden.

## Pensjoner

Selskapet har pensjonsordninger som gir de ansatte rett til avtalte fremtidige pensjonsytelser.

Selskapet har to forskjellige pensjonsordninger for alderspensjon:

- 1) Innskuddspensjon: Ansatte som er født 1. januar 1964 og senere, og alle som er ansatt etter 01.01.2016
- 2) Ytelsespensjon: Ansatte som er født før 1. januar 1964 og som er ansatt før 01.01.2016

For innskuddsordningen betaler selskapet inn faste bidrag. Innskuddet kostnadsføres når det påleper.

Ved regnskapsføring av pensjon som er ytelsesplan, kostnadsføres forpliktelsen over opptjeningstiden i henhold til planens opptjeningsformel. Allokeringsmetode tilsvarer planens opptjeningsformel med mindre det vesentlige av opptjeningen skjer mot slutten av opptjeningsperioden. Lineær opptjening legges da til grunn. Estimatavvik og virkningen av endrede forutsetninger, etter justering for skatt, føres løpende direkte mot egenkapitalen i tråd med at selskapet anvender adgangen i NRS 6 til å benytte løsninger slik de fremkommer i IAS 19. Virkningen av planendringer med tilbakevirkende kraft, innregnes i resultatregnskapet umiddelbart. Netto pensjonsforpliktelse er differansen mellom nåverdien av pensjonsforpliktelsene og verdien av pensjonsmidler som er avsatt for betaling av ytelsene. Pensjonsmidlene vurderes til virkelig verdi. Måling av pensjonsforpliktelse og pensjonsmidler gjennomføres på balansedagen. Arbeidsiveravgift er inkludert i tallene, og er beregnet av netto faktisk underfinansiering. Netto pensjonsforpliktelser på overfinansierte ordninger er balanseført som langsiktig rentefri gjeld, mens netto pensjonsmidler på overfinansierte ordninger er balanseført som langsiktig rentefri fordring dersom det er sannsynlig at overfinansieringen kan utnyttes. Netto pensjonskostnad klassifiseres som ordinær driftskostnad, og er presentert sammen med lønn og andre ytelser.

## Skatter

Skattekostnad består av betalbar skatt og endring utsatt skatt. Utsatt skatt/skattefordel er beregnet på alle forskjeller mellom regnskapsmessig og skattemessig verdi på eiendeler og gjeld.

Utsatt skattefordel er regnskapsført når det er sannsynlig at selskapet vil ha tilstrekkelige skattemessige overskudd i senere perioder til å nyttiggjøre seg skattefordelen. Selskapene regnskapsfører tidligere ikke regnskapsført utsatt skattefordel i den grad det har blitt sannsynlig at selskapet kan benytte seg av den utsatte skattefordelen. Likeledes vil selskapet redusere utsatt skattefordel i den grad selskapet ikke lenger anser det som sannsynlig at det kan nyttiggjøre seg av den utsatte skattefordelen.

Utsatt skatt og utsatt skattefordel føres opp til nominell verdi og er klassifisert som innværende eiendel (langsiktig forpliktelse) i balansen.

Betalbar skatt og utsatt skatt er regnskapsført direkte mot egenkapitalen i den grad skattepostene relaterer seg til egenkapitaltransaksjoner.

Finansdepartementet offentliggjorde i november 2023 et utkast til resolusjon om implementering av "OECD Pilar Two Model Rules" i norsk lovgivning. Forslaget ble vedtatt i januar 2024 og suppleringskatteloven trådte i kraft for inntektsåret 2024. Loven skal sikre at store konsern skattelegges med en global minimumsskatt på 15%. Dette kan gjelde for INOVYN-selskaper i Norge, men vår foreløpige vurdering er at vi ikke forventer noen vesentlig økonomisk effekt av reglene.

## Offentlige tilskudd

Investeringstilskudd er ført brutto i balansen og periodiseres over investeringens økonomiske levetid som driftsinntekt. Mottatte driftstilskudd periodiseres sammen med de kostnader tilskuddet er ment å dekke.

## Kontantstrømpstilling

Kontantstrømpstillingen utarbeides etter den indirekte metoden. Kontanter og kontantekvivalenter omfatter kontanter, bankinnskudd og andre kortsiktige, likvide plasseringer som umiddelbart og med uvesentlig kursrisiko kan konverteres til kontantbeløp og med forfallsdato kortere enn tre måneder fra anskaffelsesdato.



Note 2 Salgsinntekt	2023	2022
(Tall i 1 000)		
<b>Pr virksomhetsområde:</b>		
Produkter	202 815	469 595
Avtale om tolling leveranse på produksjon	2 004 419	1 799 791
<b>Sum</b>	<b>2 207 234</b>	<b>2 269 386</b>
<b>Pr geografisk marked:</b>		
Norge	210 111	476 552
EU-land	1 997 124	1 792 835
<b>Sum</b>	<b>2 207 234</b>	<b>2 269 386</b>

## Note 3 Transaksjoner med nærstående parter

(Tall i 1 000)

Ytelser til ledende ansatte er omtalt i note 5, og mellomværende med konsernselskaper er omtalt i note 13.

### Selskapets transaksjoner med nærstående parter:

	2023	2022
<b>a) Salg av varer og tjenester</b>		
Salg av varer:		
INEOS Rafnes AS	45 762	39 050
INEOS Bamble AS	8 422	7 732
INEOS Europe AG (O&P EU)	85 675	68 747
Sum salg av varer	139 859	115 530
Salg av tjenester:		
INOVYN Europe Ltd	1 997 123	1 792 835
INOVYN Europe Ltd Norwegian Branch	7 296	6 957
Sum salg av tjenester	2 004 419	1 799 791
<b>Sum totalt salg</b>	<b>2 144 278</b>	<b>1 915 322</b>
<b>b) Viderefakturering av tjenester</b>		
INEOS Rafnes AS*	29 233	52 642
INOVYN Europe Ltd	125 967	93 684
INEOS Bamble AS	7 046	14 693
INEOS Upstream Holdings Ltd	11 168	10253
INOVYN Chlor Vinyls LTD	269	190
INOVYN Sverige AB	3 775	937
INOVYN Manufacturing Belgium	66	53
Sum viderefakturering av tjenester	177 524	172 451
<b>c) Kjøp av varer og tjenester</b>		
Kjøp av varer:		
INEOS Rafnes AS	115 530	111 683
INEOS Sales Norge AS	217 286	163 577
INEOS Vinyls Belgium NV	9 431	20 119
INOVYN Manufacturing Belgium SA	1 459	760
Sum kjøp av varer	343 706	296 139
Kjøp av tjenester:		
INOVYN Europe Ltd	0	21 298
INEOS Technologies SA	1 783	0
INOVYN Group Treasury Ltd	11 546	8 276
INOVYN Chlor Vinyls LTD	874	1 037
INEOS Rafnes AS*	20 014	17 981
INOVYN Belgium sa	679	0
INOVYN Sverige AB	577	125
INOVYN France	41	8
INEOS Bamble AS	40	0
Sum kjøp av tjenester	35 554	48 726
<b>Sum totalt kjøp</b>	<b>379 260</b>	<b>344 865</b>
* INEOS Rafnes AS inkluderer Norward AS.		
<b>d) Finansielle tjenester</b>		
INOVYN Group Treasury Ltd	51 133	17 877
<b>Sum</b>	<b>51 133</b>	<b>17 877</b>

Konsernintern valutagevinst og valutatap er ikke fordelt på selskap, se note 7.

Det er ingen i styret eller ledelsen eller nærstående til disse som har ceterinteresser hos kunder eller leverandører til INOVYN Norge AS.

## Note 4 CO2 - kvoter

(Tall i 1 000)

	2023	2022
Anskaffelseskost 1.)	71 598	67 035
Tilgang frikvoter	102 957	44 264
Kjøp kvoter	-	21 298
Avgang innleverte kvoter	-83 829	-61 000
<b>Sum</b>	<b>90 726</b>	<b>71 598</b>

Selskapet hadde pr 31.12.2022 en kvote beholdning med verdi tilsvarende TNOK 71 598, og en tilsvarende kvoteforpliktelse på TNOK 61 000.



I 2023 har selskapet CO2 kvoter innregnet som immateriell eiendel med TNOK 90 726, og med en tilhørende utslippsforpliktelse innregnet i annen kortsiktig gjeld med TNOK 83 829. Selskapet har ikke kjøpt kvoter i 2023.

## Note 5 Lønnskostnad, antall ansatte, godtgjørelser, lån til ansatte mm

(Tall i 1 000)

	2023	2022
<b>Lønnskostnad</b>		
Lønn	338 211	347 465
Arbeidsgiveravgift	61 747	54 603
Pensjonskostnader ytelsespensjon	12 960	14 530
Pensjonskostnader innskuddspensjon	20 421	16 879
Andre ytelser	1 380	644
<b>Sum</b>	<b>434 719</b>	<b>434 121</b>

Gjennomsnittlig antall årsverk: 341 2023, 337 2022

Selskapet har kausjonert for lån til ansatte. Sikkerhetsstillelsen overfor Danske Bank beløper seg totalt til TNOK 1 717.

Ytelser til ledende personer	Daglig leder	
	1.1.-31.12	Styret
Lønn	3 275	0
Pensjonskostnader	443	0
Annen godtgjørelse	164	0

Det er ikke gitt lån eller stilt sikkerhet for daglig leder, styremedlemmer eller akkseiere som utgjør mer enn 5% av egenkapitalen.

Det foreligger ingen avtale om tilleggskompensasjon til daglig leder ved opphør av ansettelsesforholdet.

Daglig leder er som alle ansatte en del av INOVYN's bonusprogram.

Pensjonskostnad for daglig leder utgjøres av terminpremie og engangspremie betalt til forsikringselskapet.

## Revisor (Alle beløp er eksklusive mva.)

	2023	2022
<b>Deloitte AS</b>		
Lovpålagt revisjon	1 335	1 526
Andre attestasjonstjenester	88	50
Skatterådgivning	60	60
Andre tjenester utenfor revisjon	82	336
<b>Sum</b>	<b>1 565</b>	<b>1 972</b>

## Note 6 Varige driftsmidler

(Tall i 1 000)

	Tomter	Bygn. og annen fast eiendom	Maskiner, anlegg og driftsløsøre	Anlegg under utførelse	Totalt
Anskaffelseskost 01.01.2023	7 008	478 206	4 175 966	290 162	4 951 342
Tilgang driftsmidler	-	-	30 646	389 593	420 239
Avgang driftsmidler	-	-	-7 431	-	-7 431
Overføringer	-	-	51 591	-51 591	-
<b>Anskaffelseskost 31.12.2023</b>	<b>7 008</b>	<b>478 206</b>	<b>4 250 773</b>	<b>628 163</b>	<b>5 364 150</b>
Akkumulerte avskrivninger 31.12.2023	0	345 202	3 000 833	-	3 346 035
<b>Baldført verdi pr. 31.12.2023</b>	<b>7 008</b>	<b>133 004</b>	<b>1 249 939</b>	<b>628 163</b>	<b>2 018 114</b>
Herav årets avskrivninger		9 773	232 974		242 747
Økonomisk levetid		30 - 40 år	3-20 år		
Avskrivningsplan		Lineær	Lineær		

## Operasjonelle leieavtaler 2023

	Bygninger, kontorlokaler	Maskiner, biler, inventar	Totalt
Årlig leie ikke balanseførte driftsmidler	3 748	8 849	12 597

Fremtidig minimumsleie (udiskontert) knyttet til ikke-kansellerbare leieavtaler forfaller som følger:

Innen 1 år:	3 748	8 849	12 597
2 til 5 år	14 990	3 181	18 171
Etter 5 år	12 545	-	12 545
<b>Fremtidig minimumsleie</b>	<b>31 283</b>	<b>12 030</b>	<b>43 313</b>



## Note 7 Spesifikasjon finansinntekter og finanskostnader

(Tall i 1 000)

	2023	2022
<b>Annen finansinntekt</b>		
Konserninternt valutagevinst	5 104	3 300
Ekstern valutagevinst	5 669	5 688
<b>Totalt</b>	<b>10 773</b>	<b>8 988</b>
<b>Annen finanskostnad</b>		
Konserninternt valutatap	9 730	62 643
Ekstern valutatap	8 907	7 277
Annen finanskostnad	89	58
<b>Totalt</b>	<b>18 726</b>	<b>69 979</b>
<b>Annen rentekostnad</b>		
Annen rentekostnad	10 678	8 301
<b>Rentekostnad til foretak i samme konsern</b>	<b>51 133</b>	<b>17 877</b>
<b>Totalt</b>	<b>61 811</b>	<b>26 178</b>

## Note 8 Skatter

(Tall i 1 000)

	2023	2022
<b>Beregning av utsatt skatt/utsatt skattefordel</b>		
<b>Midlertidige forskjeller</b>		
Pensjoner og andre avsetninger for forpliktelser	-121 563	-130 343
Driftsmidler	243 696	296 058
Varelager	-10 060	-8 800
Avsetninger etter god regnskapskikk	-23 278	-19 980
Gevinst-/ tapkonto	857	1 071
<b>Netto midlertidige forskjeller</b>	<b>89 652</b>	<b>138 005</b>
Underskudd til fremføring	0	-40 960
<b>Grunnlag for utsatt skatt</b>	<b>89 652</b>	<b>97 046</b>
<b>Utsatt skatt(+)/skattefordel(-) i balansen</b>	<b>19 723</b>	<b>21 350</b>

Utsatt skattefordel er innregnet med basis i at det er høyst sannsynlig at denne vil kunne motregnes fremtidige skattemessige overskudd.

	2023	2022
<b>Årets skattekostnad fremkommer slik</b>		
Betalbar skattekostnad	16 121	0
Endring utsatt skatt (over resultatet)	995	24 112
<b>Skattekostnad resultat</b>	<b>17 116</b>	<b>24 112</b>

Skattekostnaden relaterer seg i sin helhet til Norge.

	2023	2022
<b>Betalbar skatt fremkommer som følger</b>		
Betalbar skattekostnad 2023	16 121	0
Betalbar skattekostnad 2013	0	21 913
Avsetning til skattesak 2014-2021	198 727	198 727
<b>Betalbar skatt i balansen</b>	<b>214 848</b>	<b>220 640</b>

### Avstemming fra nominell til faktisk skattesats:

Resultat før skattekostnad	67 119	102 073
Forventet inntektskatt etter nominell skattesats (22%)	14 766	22 456
Skatteeffekt av følgende poster:		
Andre ikke fradragsberettigede poster	2 350	1 656
<b>Skattekostnad</b>	<b>17 116</b>	<b>24 112</b>
<b>Effektiv skattesats</b>	<b>25,50 %</b>	<b>23,62 %</b>

### Størrelsen på utsatt skatt knyttet til poster ført direkte mot egenkapitalen:

Selskapet har i 2023 innregnet aktuariell gevinst direkte mot egenkapitalen pålydende TNOK - 11.918. Skatteeffekten relatert til dette utgjør TNOK - 2.622.

Ligningsmyndighetene kom 06.12.2019 med en anmodning om opplysninger, herunder interprisingsdokumentasjon for inntektsåret 2017. Overordnet gjelder saken skattemessig behandling av reorganisering av selskapet, og skattemyndighetene varslet den 12.09.2022 om at de vurderer å endre selskapets egenfastsettning for 2017 med en inntektsøkning i størrelsesorden MNOK 3 500. Selskapet er i dialog med skatteetaten, og mener at argumentene deres ikke gir tilstrekkelig substans. Selskapets klare syn er at skatteetatens argumentasjon ikke vil føre fram, og selskapet har følgelig ikke avsatt skatt relatert til dette pr 31.12.2023.

Den 12.01.2023 mottok selskapet en anmodning om opplysninger i forbindelse med kontroll for inntektsårene 2014-2021, samt oppfølging av fristavbrytende varsler for 2014-2020 og Skatteklagenemndas vedtak av 16.8.2022. Saken bygger på at skattemyndighetene anser at selskapets overskuddslikviditet på konsernkontoer er en langsiktig fordring og skulle derav hatt en høyere rentesats. Etterspurt informasjon ble oversendt Skatteetaten i mars 2023. Selskapet avventer tilbakemelding. Med utgangspunkt i Skatteklagenemndas vedtak, har selskapet avsatt 199 millioner for årene 2014-2021.



## Note 9 Egenkapital

(Tall i 1 000)

	Aksje- kapital	Overkurs	Innskutt EK	Annen EK	Total EK
<b>Egenkapital 01.01.23</b>	<b>294 193</b>	<b>255 907</b>	<b>0</b>	<b>327 775</b>	<b>877 875</b>
Årets resultat	0	0	0	50 003	50 003
Endring aktuariell gevinst pensjoner ført direkte mot egenkapital (78%)	0	0	0	-9 296	-9 296
Avsatt utbytte	0	0	0	-50 000	-50 000
<b>Egenkapital 31.12.23</b>	<b>294 193</b>	<b>255 907</b>	<b>0</b>	<b>318 482</b>	<b>868 582</b>

## Note 10 Lån, pantebestøttelser, sikkerhetsstillelser og bundne midler

(Tall i 1 000)

### Pantstillelse

Som et ledd i konsernets totale finansiering er det avgitt betingede pantstillelser til fordel for lån også til andre konsernselskaper av alle eiendeler, kontrakter, kundefordringer samt fordringer på øvrige konsernselskaper. Disse er gitt med forbehold om begrensningene knyttet til sikkerhetsstillelser overfor morselskap/aksjonær i under gjeldende norsk rett.

Bundne skattetreksmidler utgjør:	2023	2022
	15 695	15 873

## Note 11 Datterselskaper

(Tall i 1 000)

### Investeringer i aksjer og andeler

INOVYN Norge AS har eierandeler i følgende selskaper:

Firma	Ansk.tidspu- nkt	Forretnings- kontor	Sterme og Eierandel	I valuta	Resultat 2023	Egenkapital 31.12 2023	Balanseført verdi per 31.12.2023 (TNOK)
INEOS ChlorVinyls Holding BV*	01.01.2020	Rotterdam	100 %	TEUR	273	12 106	120 000
<b>Sum</b>							<b>120 000</b>

\* selskapet er unntatt for konsolidering jfr regnskapsloven §3-7.

## Note 12 Varer

(Tall i 1 000)

Driftsrekvisita	2023	2022
	63 024	70 086
<b>Sum</b>	<b>63 024</b>	<b>70 086</b>

Nedskrivning for ukurans i lagervarer pr. 31.12.2023 er TNOK 10 060. Tilsvarende pr. 31.12.2022 var TNOK 8 800.

## Note 13 Mellomværende med selskap i samme konsern m.v.

(Tall i 1 000)

### Spesifikasjon av konserninternt mellomværende

		Rentebærende	2023	2022
<b>Kundefordringer</b>	<b>Kortsiktig</b>	<b>Nett</b>	<b>557 612</b>	<b>623 244</b>
<b>Sum</b>			<b>557 612</b>	<b>623 244</b>
		<b>Rentebærende</b>	<b>2023</b>	<b>2022</b>
<b>Leverandørgjeld</b>	<b>Kortsiktig</b>	<b>Nett</b>	<b>54 875</b>	<b>33 569</b>
<b>Sum</b>			<b>54 875</b>	<b>33 569</b>
		<b>Rentebærende</b>	<b>2023</b>	<b>2022</b>
<b>Gjeld til konsernselskaper:</b>	<b>Langsiktig</b>	<b>Nett</b>	<b>29 465</b>	<b>29 465</b>
<b>INOVYN Bamble AS</b>			<b>29 465</b>	<b>29 465</b>
<b>Sum</b>			<b>29 465</b>	<b>29 465</b>
		<b>Rentebærende</b>	<b>2023</b>	<b>2022</b>
<b>Annen kortsiktig gjeld:</b>	<b>Kortsiktig</b>	<b>Nett</b>	<b>50 000</b>	<b>250 000</b>
Utbytte INOVYN Finance Plc		Ja	1 073 245	774 307
Konsekntoordinering INOVYN Group Treasury Ltd			1 123 245	1 024 307
<b>Sum</b>			<b>1 123 245</b>	<b>1 024 307</b>

## Note 14 Aksjekapital og aksjonærinformasjon (TNOK)

(Tall i 1 000)

Aksjekapitalen i selskapet pr 31.12.2023 består av følgende aksjeklasser:

	Antall	Pålydende	Bokført
Aksjer	294 192 699	1	294 193
<b>Sum</b>	<b>294 192 699</b>		<b>294 193</b>

### Eierstruktur

Erste aksjonær i selskapet pr 31.12.2023 var INOVYN Finance Plc.



**Note 15 Pensjonskostnader, -midler og -forpliktelser**  
(Tall i 1 000)

Selskapet har pensjonsordninger som omfatter i alt 353 personer, hvorav 300 er tilknyttet den innskuddsbaserte pensjonsordningen, og 53 er tilknyttet den ytelsesbaserte. Sistnevnte gir rett til bestemte fremtidige pensjonsytelser (ytelsesplan). Pensjonsytelsene er normalt basert på antall opptjeningsår og lønnsnivå ved pensjonsalder. I tillegg har ledende ansatte en tilleggspensjon utover den generelle ordningen  
Selskapets ansatte og pensjonister har sine tjeneste- og driftspensjonsordninger i Storebrand Livsforsikring AS.

Selskapets pensjonsordning tilfredsstiller kravene i lov om obligatorisk tjenstepensjon.

For detaljer knyttet til benyttede regnskapsprinsipper vises det til note 1.

	2023	2022
Nåverdi av årets pensjonsopptjening	8 645	10 399
Rentekostnad av pensjonsforpliktelsen	2 713	2 335
Netto pensjonskostnad (før arbeidsgiveravgift)	11 358	12 734
Periodisert arbeidsgiveravgift	1 602	1 796
Netto pensjonskostnad (etter arbeidsgiveravgift)	12 960	14 530
Beregnete pensjonsforpliktelser	-264 967	-302 556
Pensjonsmidler (til markedsverdi)	198 483	207 776
Ikke resultatført virkning av estimatavvik og planendringer	-40 048	-19 314
Forskuddsbetalt pensjon (netto pensjonsforpliktelser)	-106 532	-114 094
Periodisert arbeidsgiveravgift	-15 031	-16 249
Netto pensjonsforpliktelser	-121 563	-130 343

I pensjonsforpliktelsen per 31.12.23 og 31.12.22 så inkluderer netto pensjonsforpliktelse også langsiktig avsetning iht note 16, da denne avsetningen blir aktuareberegnet. Denne avsetning utgjør 13.871 TNOK per 31.12.23 og 14.629 TNOK per 31.12.22.

Antall personer omfattet av ordningen 31.12:	2023	2022
Aktive	53	59
Pensjonister	3	3

**Økonomiske forutsetninger per 31.12 (for balansen):**

Diskonteringsrente	3,00 %	1,80 %
Forventet lønnsregulering	3,50 %	2,25 %
Forventet pensjonsøkning	0,00 %	0,00 %
Forventet G-regulering	3,50 %	2,25 %

**Økonomiske forutsetninger per 01.01 (for resultatet):**

Diskonteringsrente	3,70 %	3,00 %
Forventet lønnsregulering	3,50 %	3,50 %
Forventet pensjonsøkning	0,00 %	0,00 %
Forventet G-regulering	3,50 %	3,50 %

**Aktuarmessige forutsetninger:**

Anvendt dødelighetstabell	K2013BE	K2013BE
Anvendt uføretarif	KU	KU

**Note 16 Andre avsetninger for forpliktelser**  
(Tall i 1 000)

Avsetninger	2023	2022
<b>Langsiktige avsetninger:</b>		
Avsetning for langsiktige ansattelytelse	13 871	14 629
Sum	13 871	14 629
<b>Kortsiktige avsetninger:</b>		
Avsetning for rivning gammelt anlegg	1 403	3 645
Avsetning for miljøtiltak	21 874	16 335
Sum	23 278	19 980
	Langsiktige ansattelytelse	Miljøtiltak
Periodens tillegg i avsetning og ny avsetning	0	6 000
Oppløsning av avsetning i perioden	-759	-461
Avsetning pr. 31.12.2023	13 871	21 874

Langsiktig avsetning ansattelytelse vedrører bonus til ansatte ved henholdsvis 25 og 40 års ansettelsestid. Beløpet inkluderer arbeidsgiveravgift. Selskapet har to avsluttede deponier, og et aktivt deponi for slam fra vannrenseanleggene og produksjonsavfall fra klor/VCM og etylenfabrikken. Deponiene er sikret i henhold til myndighetenes krav.



**Note 17 Andre ikke balanseførte forpliktelser**

(Tall i 1 000)

INOVYN Norge AS har inngått langsiktig kontrakt med faste betalingsforpliktelser for å sikre tilgang på elkraft.

Uoppsigelige kontraktsforpliktelser per 31.12.2023 er som følger:

"Take-or-pay" og langsiktige kontraktsforpliktelser	2024	2025	2026	2027	2028	2029-2035
Kraftkontrakt	571 695	581 536	593 166	605 030	618 821	4 681 510

Beløpene angitt ovenfor er estimerte, nominelle beløp i tNOK.

Kraftkontrakten stiller krav til selskapets egenkapital størrelse. Selskapet oppfyller dette kravet pr. 31.12.2023.

**Note 18 Hendelser etter balansedagen**

Datterselskapet INEOS ChlorVinyls Holding BV er likvidert i Q2 2024.



# Deloitte.

Deloitte AS  
Leirvollen 23  
NO-3736 Skien  
Norway

+47 23 27 90 00  
www.deloitte.no

Til generalforsamlingen i Inovyn Norge AS

UAVHENGIG REVISORS BERETNING

## Konklusjon

Vi har revidert årsregnskapet for Inovyn Norge AS som består av balanse per 31. desember 2023, resultatregnskap, kontantstrømoppstilling for regnskapsåret avsluttet per denne datoen og noter til årsregnskapet, herunder et sammendrag av viktige regnskapsprinsipper.

Etter vår mening

- oppfyller årsregnskapet gjeldende lovkrav, og
- gir årsregnskapet et rettviseende bilde av selskapets finansielle stilling per 31. desember 2023 og av dets resultater og kontantstrømmer for regnskapsåret avsluttet per denne datoen i samsvar med regnskapslovens regler og god regnskapsskikk i Norge.

## Grunnlag for konklusjonen

Vi har gjennomført revisjonen i samsvar med International Standards on Auditing (ISA-ene). Våre oppgaver og plikter i henhold til disse standardene er beskrevet nedenfor under *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*. Vi er uavhengige av selskapet i samsvar med kravene i relevante lover og forskrifter i Norge og International Code of Ethics for Professional Accountants (inkludert internasjonale uavhengighetsstandarder) utstedt av International Ethics Standards Board for Accountants (IESBA-reglene), og vi har overholdt våre øvrige etiske forpliktelser i samsvar med disse kravene. Innhentet revisjonsbevis er etter vår vurdering tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon.

## Øvrig informasjon

Styret og daglig leder (ledelsen) er ansvarlige for informasjonen i årsberetningen. Vår konklusjon om årsregnskapet ovenfor dekker ikke informasjonen i årsberetningen.

I forbindelse med revisjonen av årsregnskapet er det vår oppgave å lese årsberetningen. Formålet er å vurdere hvorvidt det foreligger vesentlig inkonsistens mellom årsberetningen og årsregnskapet og den kunnskap vi har opparbeidet oss under revisjonen av årsregnskapet, eller hvorvidt informasjon i årsberetningen ellers fremstår som vesentlig feil. Vi har plikt til å rapportere dersom årsberetningen fremstår som vesentlig feil. Vi har ingenting å rapportere i så henseende.

Basert på kunnskapen vi har opparbeidet oss i revisjonen, mener vi at årsberetningen

- er konsistent med årsregnskapet og
- inneholder de opplysninger som skal gis i henhold til gjeldende lovkrav.

## Ledelsens ansvar for årsregnskapet

Ledelsen er ansvarlig for å utarbeide årsregnskapet og for at det gir et rettviseende bilde i samsvar med regnskapslovens regler og god regnskapsskikk i Norge. Ledelsen er også ansvarlig for slik internkontroll som den finner nødvendig for å kunne utarbeide et årsregnskap som ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil.

Ved utarbeidelsen av årsregnskapet må ledelsen ta standpunkt til selskapets evne til fortsatt drift og opplyse om forhold av betydning for fortsatt drift. Forutsetningen om fortsatt drift skal legges til grunn for årsregnskapet så lenge det ikke er sannsynlig at virksomheten vil bli avvirket.

Deloitte AS and Deloitte Advokatfirma AS are the Norwegian affiliates of Deloitte NSE LLP, a member firm of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"). DTTL and each of its member firms are legally separate and independent entities. DTTL and Deloitte NSE LLP do not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more about our global network of member firms.

Deloitte Norway conducts business through two legally separate and independent limited liability companies: Deloitte AS, providing audit, consulting, financial advisory and risk management services, and Deloitte Advokatfirma AS, providing tax and legal services.

Registrert i Foretaksregisteret  
Medlemmer av Den norske Revisorforening  
Organisasjonsnummer: 980 211 282



## Deloitte.

Uavhengig revisors beretning  
Inovyn Norge AS

### *Revisors oppgaver og plikter ved revisjonen av årsregnskapet*

Vårt mål er å oppnå betryggende sikkerhet for at årsregnskapet som helhet ikke inneholder vesentlig feilinformasjon, verken som følge av misligheter eller utilsiktede feil, og å avgi en revisjonsberetning som inneholder vår konklusjon. Betryggende sikkerhet er en høy grad av sikkerhet, men ingen garanti for at en revisjon utført i samsvar med ISA-ene, alltid vil avdekke vesentlig feilinformasjon. Feilinformasjon kan oppstå som følge av misligheter eller utilsiktede feil. Feilinformasjon er å anse som vesentlig dersom den enkeltvis eller samlet med rimelighet kan forventes å påvirke de økonomiske beslutningene som brukerne foretar på grunnlag av årsregnskapet.

Som del av en revisjon i samsvar med ISA-ene, utøver vi profesjonelt skjønn og utviser profesjonell skepsis gjennom hele revisjonen. I tillegg:

- identifiserer og vurderer vi risikoen for vesentlig feilinformasjon i årsregnskapet, enten det skyldes misligheter eller utilsiktede feil. Vi utformer og gjennomfører revisjons handlinger for å håndtere slike risikoer, og innhenter revisjonsbevis som er tilstrekkelig og hensiktsmessig som grunnlag for vår konklusjon. Risikoen for at vesentlig feilinformasjon som følge av misligheter ikke blir avdekket, er høyere enn for feilinformasjon som skyldes utilsiktede feil, siden misligheter kan innebære samarbeid, forfalskning, bevisste utelatelser, uriktige fremstillinger eller overstyring av internkontroll.
- opparbeider vi oss en forståelse av intern kontroll som er relevant for revisjonen, for å utforme revisjons handlinger som er hensiktsmessige etter omstendighetene, men ikke for å gi uttrykk for en mening om effektiviteten av selskapets interne kontroll.
- evaluerer vi om de anvendte regnskapsprinsippene er hensiktsmessige og om regnskapsestimaterne og tilhørende noteopplysninger utarbeidet av ledelsen er rimelige.
- konkluderer vi på om ledelsens bruk av fortsatt drift-forutsetningen er hensiktsmessig, og, basert på innhentede revisjonsbevis, hvorvidt det foreligger vesentlig usikkerhet knyttet til hendelser eller forhold som kan skape tvil av betydning om selskapets evne til fortsatt drift. Dersom vi konkluderer med at det eksisterer vesentlig usikkerhet, kreves det at vi i revisjonsberetningen henleder oppmerksomheten på tilleggsopplysningene i årsregnskapet, eller, dersom slike tilleggsopplysninger ikke er tilstrekkelige, at vi modifierer vår konklusjon. Våre konklusjoner er basert på revisjonsbevis innhentet frem til datoen for revisjonsberetningen. Etterfølgende hendelser eller forhold kan imidlertid medføre at selskapet ikke kan fortsette driften.
- evaluerer vi den samlede presentasjonen, strukturen og innholdet i årsregnskapet, inkludert tilleggsopplysningene, og hvorvidt årsregnskapet gir uttrykk for de underliggende transaksjonene og hendelsene på en måte som gir et rettviseende bilde.

Vi kommuniserer med styret blant annet om det planlagte innholdet i og tidspunkt for revisjonsarbeidet og eventuelle vesentlige funn i revisjonen, herunder vesentlige svakheter i intern kontroll som vi avdekker gjennom revisjonen.

Skien, 20. Juni 2024  
Deloitte AS

**Kenneth Karlsen**  
statsautorisert revisor  
(elektronisk signert)



## Uavhengig revisors beretning

Name	Date
Karlsen, Svein Kenneth	2024-06-20

Identification

 bankID Karlsen, Svein Kenneth



This document contains electronic signatures using EU-compliant PAdES - PDF  
Advanced Electronic Signatures (Regulation (EU) No 910/2014 (eIDAS))



---

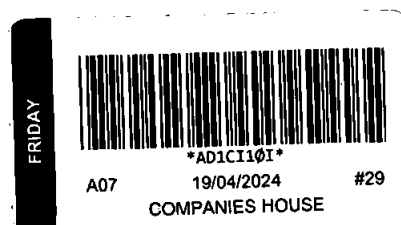
## INEOS Quattro Holdings Limited

Annual report and financial statements

Registered number 09922632

Year ended – 31 December 2023

---





**INEOS QUATTRO HOLDINGS LIMITED**

**TABLE OF CONTENTS**

<b>SECTION 1 – STRATEGIC AND DIRECTORS’ REPORT</b>	<b>PAGE</b>
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023.....	4
DIRECTORS’ REPORT FOR THE YEAR ENDED 31 DECEMBER 2023.....	25
<b>SECTION 2 – CONSOLIDATED FINANCIAL STATEMENTS</b>	
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS LIMITED.....	32
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023.....	37
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2023.....	38
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023.....	39
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023.....	40
CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023.....	42
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023.....	43
<b>SECTION 3 – COMPANY FINANCIAL STATEMENTS</b>	
COMPANY PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023.....	121
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2023.....	122
COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2023.....	123
NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023.....	124



---

## Section 1 – Strategic and Directors' Report



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their strategic report of INEOS Quattro Holdings Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 December 2023.

### Results for the year

The results of the Group are set out in the consolidated income statement on page 37 which shows a loss for the year of €203.1 million (2022: profit of €1,964.9 million).

### Review of the business

#### *Eastman acquisition*

On 1 December 2023, the Group acquired Eastman Texas City Chemicals Inc from Eastman Chemicals Company for a cash consideration of \$418.5 million (€381.3 million equivalent) plus deferred consideration totaling \$69.9 million (€63.7 million equivalent) payable in December 2024 and December 2025. The transaction included the 600 kiloton of Acetic Acid plant and all associated third party activities on the site. This transaction secured ownership of a strategically important acetic acid plant and chemical park in a cost advantaged location and will allow the Group to further develop its acetic acid operation in the US.

See note 3 of the financial statements for further details.

#### *Financing arrangements*

On 14 March 2023, the Group entered into an Incremental Facility Agreement to raise a new Dollar Term Loan B of \$500.0 million (€471.6 million equivalent) and a new Euro Term Loan B of €375.0 million, both maturing in 2030.

On 14 November 2023, the Term Loan Agreement was amended by a joinder and amendment agreement. In addition to the Existing Term Loans due 2026 and 2030, the joinder and amendment agreement to the Term Loan Agreement provided for new term loans B of the Group maturing in 2029 denominated in dollars and denominated in euro in aggregate principal amounts of \$1,100.0 million (€1,035.8 million equivalent) and €875.0 million, respectively.

On 14 November 2023, the Group issued \$400.0 million (€376.6 million equivalent) aggregate principal amount of 9 5/8% Senior Secured Notes due 2029 and €525.0 million aggregate principal amount of 8 1/2% Senior Secured Notes due 2029.

A portion of the gross proceeds from this refinancing were used to redeem €703.6 million of outstanding borrowings under the Euro 2026 Term Loan facility and \$890.4 million (€838.4 million equivalent) of outstanding borrowings under the USD 2026 Term Loan facility.

Additionally, the Group used a portion of the gross proceeds from the refinancing to complete a Tender Offer for the purchase of a proportion of the Senior Notes due 2026 and Senior Secured Notes due 2026 on 14 November 2023. As a result of the Tender Offer the Group purchased €127.8 million of the Senior Notes due 2026 for a purchase price of €115.6 million; €417.9 million of the Euro Senior Secured Notes due 2026 for a purchase price of €392.9 million and \$353.8 million (€333.2 million equivalent) of the Dollar Senior Secured Notes due 2026 for a purchase price of \$336.1 million (€316.5 million equivalent).



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### *Review of trading results*

Revenue from continuing operations was €12,446.1 million for the year ended 31 December 2023 (2022: €18,172.3 million) and earnings before interest, tax, impairment, depreciation, amortisation and exceptional items and after the share of profit/(loss) of associated undertakings and joint ventures using the equity accounting method ("adjusted EBITDA") was €909.3 million for the year ended 31 December 2023 (2022: €2,572.4 million). A reconciliation of the adjusted EBITDA to profit before tax can be found in note 2 to the financial statements.

The Styrolution business' revenue decreased by €2,122.6 million, or 32.0%, to €4,511.7 million in the year ended 31 December 2023 from €6,634.3 million in the year ended 31 December 2022. Decrease in revenue was a combination of lower volume and lower sales prices in all regions and industry sectors. The global polymer market demand was very soft due to general economic uncertainty and customers postponing orders. High energy prices, inflation and increasing interest rates weakened the overall market sentiment. Demand for durables reduced compared to the top-of-cycle conditions seen in 2021 and the first half of 2022. The reduction was most pronounced in the Electronics, Healthcare and Construction industry. Styrene Monomer sales reduced because of weak downstream demand and limited export opportunities from America to Asia. As a result, the overall volumes for the year were lower compared to the prior year, also affected by the divestiture of INEOS Styrolution India Limited in November 2022 which accounted for €612.0 million of the revenue reduction in the current financial year. The average sales prices reduced across all product groups and regions due to weaker market demand, new capacity in Asia and lower raw material prices. Revenues in the prior year included €71 million of royalty revenue for the sale of intellectual property to the Group's joint venture INEOS Styrolution Sinopec Advanced Material Limited.

In the Styrolution business, adjusted EBITDA decreased by €548.5 million, or 73.3%, to €200.1 million in the year ended 31 December 2023 from €748.6 million in the year ended 31 December 2022. The decrease in EBITDA compared to the prior year was the combination of lower volumes and lower margin. The margin reduction came primarily from the ABS and polymer businesses. Margin for ABS and polymer dropped in the course of 2023 and reached their lowest point in December 2023 under the combined effect of additional capacities coming onstream in China and low global demand. Market margins also reached bottom of cycle in 2023 for styrene monomer due to weak demand and oversupply. This was contrasted by top-of-cycle conditions in the first half of 2022. Specialties margins remained more stable. The comparison of the current financial year versus prior year was impacted by the divestiture of INEOS Styrolution India Limited and the royalty revenue from the Group's joint venture INEOS Styrolution Sinopec Advanced Material Limited, which contributed respectively €51.0 million and €67.0 million to the adjusted EBITDA in 2022.

The INOVYN business' revenue decreased by €1,636.7 million, or 31.9%, to €3,499.5 million for the year ended 31 December 2023, as compared to €5,136.2 million for the same period in 2022. Sales volumes of key products were lower than in the prior year with operating rates trimmed in response to the impact of higher inflation and interest rates on global chlor-vinyls markets. Nevertheless, the main reason for the decrease in turnover in 2023 compared to 2022 was the reduction in unitary pricing across the whole of product portfolio. General purpose PVC prices in domestic markets were significantly lower than in 2022 due to weak demand, high industry stock levels and ample supply in Europe, complemented by high volumes of competitively priced imports. Pricing of general-purpose PVC in export markets also experienced an erosion in prices, exacerbated by the abundant availability of material from China. Specialty PVC saw similar price reductions in both domestic and export markets. Demand for caustic soda in 2023 remained well below historical levels with the operating rate of European chlorine producers averaging around 60% which was more than sufficient to cover domestic demand. Despite this, very high caustic soda prices were achieved in Europe in the first half of 2023, supported by weak downstream demand for chlorine, before gradually reducing to pre-pandemic levels in the second half of the year. Sales of excess caustic soda tonnes into export markets averaged 17% of total volumes in 2023 compared to 2% in 2022. Revenues of other products such as caustic potash, epichlorohydrin, chloromethanes and salt were all lower than in the prior year.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### *Review of trading results (continued)*

In the INOVYN business, adjusted EBITDA decreased by €586.9 million, or 49.9%, to €589.1 million for the year ended 31 December 2023, as compared to €1,176.0 million for the same period in 2022. Lower business profitability was driven by lower margins on general purpose and specialty PVC partially offset by lower electricity and gas costs. High European caustic soda prices supported the business in the first half of the year before decreasing in the second half of the year. The portfolio of manufacturing assets ran at low operating rates for most of the year to avoid the production of negative margin tonnes. As a result of the subdued demand environment for general purpose PVC, the spread over ethylene in domestic markets was around 50% lower than in 2022, with similar reductions observed in export markets. Spreads on specialty PVC also suffered, although to a lesser extent than general purpose PVC, with margins achieved remaining above the historical average. The caustic soda European contract price in 2023 averaged €1,017/tonne, representing a 27% reduction compared to 2022, due to weak demand and ample supply. Offsetting these negative impacts was the reduced cost of electricity and natural gas with EEX (German power) and TTF (Dutch natural gas) indices trading at levels that were respectively 59% and 69% lower than the prior year, although prices in 2023 were still more than double pre-pandemic levels. Lower margins were achieved in 2023 on other products such as Cereclor, epichlorohydrin, chloromethanes and caustic potash due to a combination of volume and price impacts.

The Acetyls business' revenue decreased by €459.4 million, or 33.5%, to €910.2 million for the year ended 31 December 2023, as compared to €1,369.6 million for the same period in 2022. The decrease in revenues compared to the prior year was driven by lower sales volumes combined with lower average sales prices. Sales volumes were 17% lower compared to the prior year. In Europe, volumes were down as operating rates were trimmed in response to the challenging environment resulting from a weak demand, ample supply and high gas prices. European sales prices were down due to falling feedstock prices on cost plus pricing and market reference sales contracts for acetic acid and anhydride. Average gas price was £0.91/therm in the year-ending 2023 compared to £1.82/therm in the prior year. In the US, volumes and selling price were down due to a subdued market but margins were supported by low gas prices. In Asia, volumes were consistent with prior year, but average selling prices were down by 46.5% to €411/te in 2023 from €768/te in 2022 at the back of an oversupply market due to additional capacity coming onstream while demand remained weak.

In the Acetyls business, adjusted EBITDA decreased by €255.5 million, or 70.3%, to €107.9 million for the year ended 31 December 2023, as compared to €363.4 million for the same period in 2022. Lower business profitability was mainly driven by a lower share of joint venture net profit and lower margins. Share of joint venture net profit from the Asian joint ventures were down due to lower acid and Vinyl Acetate Monomer margins. Net profit of the Atlas joint venture was up compared to last year underpinned by a €26 million historical gas price settlement received from the National Gas Company of Trinidad and Tobago in compensation for production losses due to failure of supply incurred in the years 2012 to 2017. Following the fall in demand and feedstock pricing, total Acetyls margins fell by €34/te versus prior year to €113/te. The US continued to be the largest adjusted EBITDA contributor with 40% of their customers on cost plus sales pricing which provide more stable margins. Europe has seen lower margins versus the prior year driven by high energy costs, increased freight charges, higher plant costs due to lower utilization rates.

The Aromatics business' revenue decreased by €1,573.3 million, or 30.8%, to €3,541.9 million for the year ended 31 December 2023, as compared to €5,115.2 million for the same period in 2022. The reduction in revenue compared to prior year was mainly driven by lower sales volumes but also impacted by lower sales prices. Sales volumes were lower in all regions but the reduction was most pronounced in Europe and the US, as the regional cost disconnect between Asia and the West resulted in a higher flow of Asian imports into Europe and the US. Asia continued to operate at high production and sales rates in 2023 with volumes only down by 5% compared to prior year. The cost competitive position of the Zhuhai plant in particular allowed the business to continue production even in the bottom of cycle conditions that prevailed in 2023. The volume reduction was not evenly phased through the year. The first half of 2023 saw the largest reductions in volume compared to prior year due to the high sales volumes in 2022 combined with a slow start of the year. Sales volumes picked up in the second part of 2023 with the last quarter of the year recording a sales volume growth of 3% versus the same quarter in prior year. PTA prices dropped throughout the year as a result of the falling feedstock prices. Globally across the year, PTA pricing was around \$150/te lower in 2023 compared to 2022.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### *Review of trading results (continued)*

In the Aromatics business, adjusted EBITDA decreased by €272.2 million, or 95.7%, to €12.2 million for the year ended 31 December 2023, as compared to €284.4 million for the same period in 2022. Lower business performance in 2023 was mainly driven by lower volumes and also lower margins. Margins for Global Aromatics in 2023 were around 35% lower than the average margins for 2022. Aromatics margins declined quarter on quarter from the first quarter to third quarter of 2023 where it reached the low point of the year before improving through the last quarter of 2023. China spreads of PTA over PX reached their lowest level in the last 5 years in the third quarter of 2023 before improving into the last quarter. December showed positive momentum as the spreads improved above the prior year December 2022 level and off the bottom of the 5-year curve for the first time since June 2023. The gross margin generation of the Asia business was significantly impacted by the lower spread environment throughout 2023. Europe followed a similar pattern with declining margins through each quarter of the year that hit their lowest in the third quarter before an improvement in competitiveness from lower feedstock costs and higher freight costs provided some margin gains in the final quarter of the year. The impact of freight disruption in the Red Sea impacted the competitiveness of imports into the region and improved margin for locally produced European PTA. The US region margins dropped in the first half of the year and then remained stable at a depressed level for the second part of the year.

As at 31 December 2023, the Group has total equity of €3,254.0 million (2022: €4,648.6 million). Net debt at 31 December 2023 was €5,500.4 million (2022: €4,819.9 million).

### *Key exceptional items*

Net exceptional charges of €33.5 million have been recognised in 2023 (2022: €9.4 million). In 2023, exceptional cost of sales of €38.0 million were incurred by the INOVYN business in respect of update on provision for plant closure and environmental obligations. In 2023, exceptional administrative expenses of €47.7 million were incurred of which €4.6 million were related to business acquisition and €34.3 million were related to severance provision.

In 2023, exceptional finance costs of €12.4 million were incurred in relation to the write off of unamortised debt issue costs associated with the Term Loan B Facilities due 2026, the Senior secured Notes due 2026 and the Senior Notes due 2026 which were partially repaid on 14 November 2023. Additionally, exceptional finance income of €53.9 million was received in relation to the partial repayment of the Senior secured Notes due 2026 and the Senior Notes due 2026 at below par value.

For further details of exceptional items, refer to note 4 of the financial statements.

### **Key performance indicators**

The Group uses a number of financial and non-financial key performance indicators ("KPIs") to measure performance, which are monitored against budget and the prior year. The main financial KPI for the business is earnings before operating exceptional items, interest, taxation, impairment, depreciation and amortisation and after the share of profit/loss of associated undertakings and joint ventures using the equity accounting method ("Adjusted EBITDA"). Adjusted EBITDA for the Group for the year ending 31 December 2023 was €909.3 million (2022: €2,572.4 million). The Group also closely monitors fixed costs against budget and prior year.

Details of actual and comparative adjusted EBITDA results are provided below in note 2. The decrease in adjusted EBITDA in 2023 as compared to 2022 is discussed in the "review of the trading results" section within the Strategic report.

The Group uses a number of other non-financial key performance indicators to measure performance including safety, health and environmental ("SHE") metrics such as Occupational Safety and Health Administration ("OSHA") incident and injury rates to measure the safe working of employees and contractors. Other KPIs include monitoring the reliability of operating assets and working capital ratios of the Group. The Group used a number of KPIs to monitor its climate-related transition and physical risks. Those are discussed in the "Metrics and KPIs" section of the *Non-Financial and Sustainability Information Statement*.



INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

**Principal risks and uncertainties**

The management of the business and the execution of the Group's strategy are subject to a number of risks. Management undertakes an annual risk identification and assessment process to identify the key business risks affecting the Group. The key business risks affecting the Group which were identified within this risk assessment process are set out below:

1. The petrochemical industry is cyclical — changing market demands and prices may negatively affect the Group's operating margins and impair its cash flow which, in turn, could affect its ability to make payments on its debt or to make further investments in the business.
2. Raw materials and suppliers — if the Group is unable to pass on increases in raw material prices, or to retain or replace its key suppliers, its results of operations may be negatively affected.
3. International operations and currency fluctuations — the Group is exposed to currency fluctuation risks as well as to economic downturns and local business risks in several different countries that could adversely affect its profitability.
4. Competition — significant competition in the Group's industries, whether through efforts of new and current competitors or through consolidation of existing customers, may adversely affect its competitive position, sales and overall operations.
5. Inability to maximize utilization of assets — the Group may be adversely affected if it is unable to implement its strategy to maximize utilization of assets.
6. Synergies — the Group may not realize anticipated revenue and cost synergies, benefit from anticipated business opportunities or experience anticipated growth from any of its acquisitions.
7. Outbreaks of disease — the outbreak of contagious diseases may have a negative impact on the Group's business and performance, and an adverse impact on the global economy generally
8. Substantial debt — the Group's substantial debt could adversely affect its financial position and prevent it from fulfilling its debt obligations.
9. Cyber security — a cyber incident could occur and result in information theft, data corruption, operational disruption and/or financial loss.
10. Climate change – existing and proposed regulations to address climate change by limiting greenhouse gas emissions may cause us to incur significant additional operating and capital expenses. In addition compliance with new regulation could limit the useful economic life of our plants, lead to a reduction in demand for fossil fuel derived products and result in a lack of competitiveness if our competitors develop new technologies. The Group's operations may also be impacted by physical risks as a result of climate change.
11. Regulation – the Group is highly regulated and may have substantial obligations and liabilities arising from health, safety, security and environmental (“HSSE”) laws, regulations and permits applicable to our operations.
12. Customers — the Group is subject to the risk of loss resulting from non-payment or non-performance by our customers. Our credit procedures and policies may not be adequate to minimize or mitigate customer credit risk. Our customers may experience financial difficulties, including bankruptcies, restructurings and liquidations.
13. Employees — the success of the Group depends on the continued service of certain key personnel and on good relations with our workforce as any significant disruption could adversely affect the Group.
14. Wars and armed conflicts – military conflicts could lead to significant market and other disruptions, including significant volatility in energy and other commodity prices.
15. Joint ventures — some of the Group's petrochemical facilities are owned and operated in joint ventures with third parties. We do not control these joint ventures, and actions taken by our joint venture partners in respect of these joint ventures could materially adversely affect our business.



**INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Section 172(1) statement**

The directors have the duty under section 172 to promote the success of the Group for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers, investors and the environment. In the performance of its duty to promote the success of the Group and fairness in decision making the Board have regard (amongst other matters) for:

- a. the likely consequences of any decision in the long term;
- b. the interests of the Group's employees;
- c. the need to foster the Group's business relationships with suppliers, customers and others;
- d. the impact of the Group's operations on the community and the environment;
- e. the desirability of the Group maintaining a reputation for high standards of business conduct; and
- f. the need to act fairly as between members of the Group.

The Group's governance and processes are operated to ensure that all relevant matters are considered by the Board in its principal decision-making, as a means of contributing to the delivery of the Group's long-term success, which are discussed below.

*Long term factors (a)*

The Group's principal objectives are to maintain its position as a key global supplier of its products and to increase the value of INEOS by generating strong, sustainable, and growing cash flows across industry cycles. To achieve these objectives, the Group has the following key strategies:

- a. Maintain health, safety, security, and environmental excellence;
- b. Maintain and grow the Group's leadership positions to enhance competitiveness;
- c. Reduce costs and realise synergies;
- d. Maximise utilisation of assets;
- e. Access advantaged feedstock and energy opportunities; and
- f. Develop and implement a sustainable business.

The Group aims to operate and develop its business in a way that supports both the current and future needs, taking into account relevant economic, environmental, and social factors. This enables the Group to sustain the business for the long term. The directors strongly believe that sustainable business management and practices will contribute to long-term business success and will strengthen the Group's leading position in the market and also in a circular world. The directors ensure that the Group has sufficient resources to support its long-term growth strategy and to fund its investments. An important element is the Group's long-term cash and operational planning in relation to the capital requirements needed to grow and to extend the life span of the assets. The directors consider available and required funds as a basis for any dividend under its distribution policy.

*Stakeholder considerations (b – e)*

Engaging stakeholders and developing meaningful partnerships is essential for long-term business success. The Group engages in regular, open, and proactive dialogue with all relevant stakeholders as this is needed to understand their perspectives, expectations, concerns, and needs. The business relationships with suppliers and customers are of strategic importance to the directors of the Group and in the decision-making process. For example in many instances suppliers are located on the same chemical parks which helps develop partnerships, facilitate discussions as well as reduce waste, inefficiency. The Group also works with trade unions and have open and constructive discussions as well as investing in training programmes to continue to develop employees at all levels of the organisation (see the 'Employees' section within the Directors Report for further details of employee engagement). In this way, the Group is able to integrate stakeholder's considerations into business decision-making processes. Dialogue with stakeholders gives the Group the opportunity to explain its clear and committed approach to sustainability as well as the value of the Group's work, products and services for society.



**INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Section 172(1) statement (continued)**

*Stakeholder considerations (b – e) (continued)*

Key stakeholders contribute to the Group's economic, social, and environmental performance. Stakeholders include customers, suppliers, employees, investors, financial experts and rating agencies, local communities, industry associations, NGOs, scientific institutions, universities, government, and value chain partners. The Group is very conscious of having a sustainable business, so INEOS produces an annual sustainability report which aligns with the Global Reporting Initiative (GRI) framework and focuses on the issues most material to the Group and its stakeholders. The report focuses on eight key areas, being:

1. Climate change – advancing the transition to net zero;
2. Circular economy – maximising resource efficiency and eliminating waste;
3. Water stewardship – Tracking and reducing our water footprint chains;
4. Zero pollution – driving progress towards sustainable chemical value chains;
5. Our people – prioritising workplace health and safety (SHE) and fairness;
6. People in our value chain – safeguarding conditions and human rights;
7. People in our communities – respecting and supporting local communities;
8. Governance – maintaining the highest standard of ethics and compliance.

For further details on how Climate change is considered in the strategy and risk management of the Group, please refer to the “*Non-Financial and Sustainability Information Statement*” within the Strategic report.

The Group is committed to maintaining a workplace that is safe, professional, and supportive of teamwork and trust. The Group is committed to creating and sustaining a work environment of mutual trust where all employees are treated with respect and dignity, compensated fairly based on local market conditions, and are entitled to adequate working hours. The Group value diversity of its people and each of its employees is recognised as an important member of the team.

The Group is committed to protecting and maintaining the quality of the environment and to promoting the health and safety of its employees, contractors, suppliers, customers, visitors, and the communities in which it operates. For example INEOS is a signatory to the International Council of Chemical Associations' (ICCA) Responsible Care Global Charter which demonstrates the Group's commitment to strengthening chemicals management systems, safeguarding people and the environment, and working towards sustainable solutions through our value chain. Compliance with all legislation intended to protect people, property and the environment is one of the Group's fundamental priorities and applies to its products as well as to its processes. Management lead by example and allocate the required resources to achieve excellence in SHE performance.

*The need to act fairly as between members of the Group (f)*

The Group has a single shareholder and a single ultimate controlling party. Their interests are taken into account by the directors to promote fairness in decision making.



**INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Section 172(1) statement (continued)**

*Principal Decisions*

Below outlines the principal decisions made by the board over the past year and explains how the directors have engaged with, or in relation to, the key shareholder groups and how stakeholder interests were considered in decision-making. The principal decisions are defined to be decisions taken by the Group that are of a strategic nature and significant to any of the Group's key stakeholder groups.

1. The Styrolution business recently signed a second joint venture agreement with Sinopec, subject to regulatory approval, to build a 300 kiloton ABS plant in Tianjin, China. The objective of this decision was to continue to reinforce the Group's significantly enhanced presence in China. This decision was discussed and approved by the shareholders as part of the long-term plan and success for the Group.
2. On 1 December 2023, the Acetyls business acquired Eastman Texas City Chemicals Inc from Eastman Chemicals Company. The transaction included the 600 kiloton Acetic Acid plant and all associated third party activities on the site. This transaction secured ownership of a strategically important acetic acid plant and chemical park in a cost advantaged location and will allow the Group to further develop its acetic acid operation in the US. This decision was discussed and approved by the shareholders as part of the long-term plan and success for the Group.
3. Towards the end of 2023, the Aromatics business made the decision to close its PX2 unit in Texas City, US and to mothball its PTA 2 unit in Geel, Belgium in response to the challenging economic environment. This decision was reviewed and approved by the Group's shareholder with the objective to adapt the operating assets to the most recent market conditions.
4. In October 2023, the Acetyls business announced its decision to idle the Atlas methanol plant, which is owned in partnership with Methanex Corporation in September 2024 when its legacy 20-year natural gas agreement expires. This decision was reviewed and approved by the Group's shareholder with the objective to adapt the operating assets to the most recent market conditions.

**Strategic future developments**

The Group's corporate strategy is to continue growing profitability and cash flows by optimising the cost base of the businesses, increasing the focus on high margin products and further product diversification, leveraging existing resources to expand sales and keeping the overall management structure of the Group simple and decentralised.

1. To progress its strategic agenda in China, the Styrolution business has signed a shareholders' agreement with Sinopec to form a second ABS Joint Venture. A 300 kilotons ABS plant using INEOS proprietary Terluran technology is being built in Tianjin, China. The expected start-up date is in the second half of 2025.
2. In the Styrolution business, the new ASA polymer plant in Bayport Texas will complete in the first half of 2024.
3. In the INOVYN business, the salt plant upgrade project in Tavaux, France which utilises best-in-class mechanical vapour recompression technology is expected to complete in second half of 2024.
4. The Group will continue to closely monitor its debt leverage and debt maturity in line with its prudent financing policy.

The Group will continue to pursue its sustainability agenda and has committed to reducing its carbon emissions by 33%, (compared to 2019 levels) by 2030 and be Net Zero by 2050 in line with EU policy. The sustainability strategy of the Group is described in the "Non-Financial and Sustainability Information Statement" in the Strategic Report.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement

#### Governance

INEOS operates as a federation of businesses, each of which has its own executive board that reports directly to INEOS' shareholders. Each business is responsible for overseeing and managing its own climate-related risks and opportunities but must do so in accordance with relevant group-wide climate policies and commitments. INEOS businesses also share best practice and collaborate on managing climate-related issues through internal networks.

#### *INEOS' group-wide climate policies and commitments*

INEOS is a signatory to the United Nations Global Compact and supports the 17 UN Sustainable Development Goals, including goal 13 that calls for urgent climate action. We recognise our obligation to reduce greenhouse gas emissions consistently with the Paris Agreement and have pledged as a group to reduce operational emissions by 33% by 2030 compared to 2019 and reach net zero by 2050.

All INEOS businesses are required to contribute to the group climate target and act in accordance with the climate-related provisions in our Code of Conduct, Supplier Code of Conduct, and Safety, Health, Environment and Quality ("SHEQ") policy, which are published online. This includes developing 2030 roadmaps for all sites, implementing sustainable procurement policies, optimising efficiency, minimising waste, and switching to clean energy and raw materials where feasible.

The identification, assessment and management of climate-related risks and opportunities is done at each business level and INEOS has developed a suite of group-wide ESG procedures to ensure a consistent and rigorous approach is taken when conducting materiality assessments, monitoring emissions, preparing climate roadmaps, implementing sustainable procurement policies, and conducting due diligence. The procedures are based on international standards such as the GHG Protocol, European Sustainability Reporting Standards, and GRI framework. During the next financial year, the Group will enhance its analysis of the climate-related risks and opportunities and further define the frequency of review going forward.

Group-wide climate targets, policies, and procedures are developed by group-level functions teams in consultation with our businesses through cross-business networks. This includes the climate and energy network, as well as business director networks (described below). This process is informed by INEOS' group-wide data collection and materiality analysis and is overseen by INEOS' ESG Committee.

The ESG Committee comprises CEOs from different INEOS businesses as well as group directors. It oversees the activity of cross-business networks on climate-related matters and issues recommendations to INEOS' shareholders who ultimately sanction group-wide targets and policies that are enforced through INEOS' federal reporting structure once approved.

#### *INEOS business roles and responsibilities*

Each INEOS business has an executive board that is responsible for delivering a strategy to manage climate-related risks and opportunities. This includes implementing 2030 climate roadmaps and plans to improve the circularity of plastic products, as well as establishing management systems to optimise operational efficiency and minimise wider environmental impacts.

The CEO on the board of each business has overall responsibility for overseeing its climate transition. The CFO is responsible for climate-related investments that are under the board's consideration and overseeing management of climate-related budgets. The Operations Director is responsible for the climate performance of sites and overseeing delivery of site roadmaps. The Procurement Director is responsible for overseeing climate-related matters in the supply chain, such as ensuring suppliers meet INEOS' Supplier Code of Conduct (which includes climate provisions) and sourcing low-carbon energy and feedstock.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (*continued*)

#### Governance (*continued*)

Each INEOS business reviews progress on climate, energy, and sustainability issues at least monthly at board meetings that include the CEO and the executive team. Each board also reports regularly on climate and wider sustainability performance to INEOS' shareholders at Executive Committee (ExCo) meetings that take place six times a year. Business-specific targets are used to track performance at ExCos and executive bonuses are partly conditional upon meeting SHE KPIs. In addition, all CEOs confirm that their business is meeting group-wide sustainability standards in annual letters of assurance to INEOS' shareholders.

Each INEOS business has senior level SHE and sustainability managers who implement climate-related policies and report back to the Executive team on performance against KPIs. Each business also has an ESG gatekeeper who is responsible for monitoring sustainability performance at all sites and ensuring the integrity of ESG data submitted into INEOS' group-wide data platforms, including emissions data. At site level, there are also dedicated management teams responsible for SHE and sustainability performance.

#### Networks

Networks are fundamental to INEOS' system of sustainability governance due to our federal structure. As well as playing a critical role in developing group-wide policies, as mentioned above, our cross-business networks are used to disseminate information on group policies and targets, share best practice, and collaborate on managing climate-related issues.

INEOS' Climate and Energy Network (CEN) is coordinated at group level via a steering group that oversees eight issue teams working on a comprehensive range of topics. Experts are appointed to lead on issues and topics as well as represent each INEOS business and country of operation. A dedicated future-looking group of young colleagues (yCEN) prepares post-2025 strategies and actions in calls every two months. Ultimate governance of CEN is provided by our CEOs and directors. Monitoring reports are distributed to all CEN members weekly that help track climate-related risks and opportunities. Steering group calls and mailings happen monthly, and the network holds a global annual meeting.

In addition to CEN, INEOS directors from each business participate in networks that help coordinate governance of climate-related matters across the group. Operations directors meet three to four times a year on manufacturing excellence days to discuss issues such as SHE performance and emission reduction plans. Procurement and business directors meet every two months to discuss matters such as sourcing low-carbon feedstock and buying emissions allowances, whilst financial directors meet on an ad hoc basis to discuss matters such as carbon pricing and sustainable financing.

#### Strategy

The table below describes the climate-related risks and opportunities that have been identified for the Group, through a process described in the "Governance" section of this *Non-Financial and Sustainability Information Statement*, in the short, medium, and long term. Short-term (ST) is defined as the period up to 31 December 2024 and aligned with the Group budget process. Medium-term (MT) is defined as the period 2025–30 and aligned to the Group pledge to reduce carbon emission by 33% by 2030. Finally long-term (LT) is defined as the period 2031–50 and aligned to the Group pledge to be carbon neutral by 2050.

INEOS uses an advanced climate modelling tool to screen for physical climate-related risks, such as extreme weather events and long-term shifts in climate patterns, that could affect sites based on their location. Results are then aggregated to understand the overall exposure for the group.

Transition climate-related risks and opportunities associated with changes in policy, legal context, technology, and markets are assessed at business level. Results are then aggregated and weighted based on the relative EBITDA contribution of each business to the group.



INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Non-Financial and Sustainability Information Statement (continued)

Strategy (continued)

Risk/ Opportunity	Nature of the risk/ opportunity	Description of risk/opportunity and impact	Time horizon	Business response
<b>Physical risks</b>				
<b>Risk 1</b> Drought	Chronic	Fresh water is essential to our manufacturing processes. If precipitation were to fall significantly below average levels due to climate change, it could lead to water shortages that could restrict our ability to operate in certain locations.	MT	Section 3
<b>Risk 2</b> Flood	Acute	Climate change increases the risk of fluvial, pluvial, and tidal floods due to changes in daily precipitation extremes, which could damage our assets or interrupt production in certain locations.	LT	Section 4
<b>Risk 3</b> Heat wave	Chronic	An increase in temperature and frequency of extreme heat could impact INEOS' operations, leading to an increase in productivity costs, such as energy consumption required for cooling the productive assets.	MT	Section 5
<b>Transition risks</b>				
<b>Risk 4</b> Current and emerging regulations on GHG emissions	Policy	INEOS sites are regulated under the EU Emission Trading System ("ETS"), UK ETS, and carbon pricing schemes in Canada and South Korea, which charge industrial producers for their emissions. From 2026 we will also be exposed to the EU Carbon Border Adjustment Mechanism that will charge importers for the embedded emissions of products entering the EU. As carbon pricing gets stricter over time, our carbon costs are expected to increase and it may not be possible to pass costs on fully in the absence of a global level playing field.	MT	Section 1
<b>Risk 5</b> Increased costs of raw materials	Market	Raw materials, such as natural gas, crude oil, naphtha, ethane and mined minerals are fundamental inputs for the group. Fluctuations in their costs can have a major impact on profitability. Climate change could increase price volatility in raw materials due to supply chain disruptions. While we attempt to match raw material price increases with corresponding product price increases, our ability to pass on increases in the cost of raw materials to our customers is, to a large extent, dependent upon market conditions. There may be periods in which we are not able to recover increases in the cost of raw materials immediately due to our contractual arrangements or to weaknesses in demand for, or oversupply of, our products.	MT	Section 2
<b>Risk 6</b> Adoption of lower emissions technology	Technology	To meet group-wide climate targets, INEOS sites are implementing roadmaps that involve switching to cleaner energy and feedstock, optimising processes, and capturing emissions for storage or use. Delivering these roadmaps will require significant capital expenditure in new technologies which presents a risk of unforeseen technical delays and failures, as well as underperformance compared to technologies chosen by competitors.	MT	Section 1



**INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Non-Financial and Sustainability Information Statement (continued)**

**Strategy (continued)**

Risk/ Opportunity	Nature of the risk/ opportunity	Description of risk/opportunity and impact	Time horizon	Business response
<b>Risk 7</b> Reduced consumer demand for fossil-fuel based products	Market	As customers and end-consumers become increasingly climate-conscious, they are moving away from plastics and fuels made from fossil resources towards alternatives, which is expected to reduce traditional sources of revenue for INEOS.	LT	Section 2
<b>Risk 8</b> Financing risks	Market	Some investors, including institutional investors, are becoming more environmentally conscious and are reviewing their portfolios to align with their sustainability goals. Chemical projects might face higher interest rates or more stringent lending conditions due to the perceived higher risk associated with their long-term viability.	MT	Section 1
<b>Risk 9</b> Reputation risks	Reputation	INEOS discloses its GHG emissions and has ambitious public emissions targets. The company would face reputational damage if it did not deliver on its commitments and could face a loss of trust and credibility among customers, investors, and the general public.	MT	Section 1
<b>Opportunities</b>				
<b>Opportunity 1</b> Increased use of recycling and circular economy initiatives	Product and services	As customers and end-consumers become increasingly climate-conscious, new markets for low-carbon products made from recycled and bio-based materials are emerging. INEOS is rapidly expanding its sustainable plastic and chemical product portfolio to generate revenue in these new markets.	MT	Section 2
<b>Opportunity 2</b> Development of green and blue hydrogen	Acute	The US has announced significant tax credits for green and low-carbon hydrogen production under the Inflation Reduction Act, and the EU plans to scale up renewable hydrogen production to 10 million tonnes by 2030 with various incentives. Other jurisdictions have similar plans, such as the UK, which will use contracts for differences to cover the additional cost of producing green hydrogen. INEOS is well positioned to take a leading role in the emerging green hydrogen market as Europe's largest existing operator of electrolysis.	MT	Section 1



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (continued)

#### Strategy (continued)

##### Climate scenarios

After the climate-related risks and opportunities were identified, the most significant were stress-tested in three climate scenarios covering the 2024–50 period. The scenarios, characterised in the table below, derive from the Intergovernmental Panel on Climate Change (IPCC) and include one that is 1.5C-compliant.

	Net zero	Delayed transition	Current policies
<b>IPCC scenario reference</b>	SSP1-1.9 <sup>(1)</sup>	SSP2-4.5	SSP5-8.5
<b>Policy action</b>	Early policy action Align to Paris Agreement	Late policy action (from 2030)	No policy action
<b>Transition</b>	Smooth transition	Disruptive transition	Business as usual
<b>Temperature</b>	By 2050, global temperatures reach 1.5° above industrial level	By 2050, global temperatures reach 2.0° above industrial level	By 2050, global temperatures reach 2.4° above industrial level
<b>Risks</b>	Low physical and high transition risks	Variable impact on transition and physical risks	High physical risks and low transition risks
<b>Estimated carbon prices<sup>(2)</sup></b>	Estimated range - €133/tCO <sub>2</sub> in 2030 and €237/tCO <sub>2</sub> in 2050	Estimated range - €128/tCO <sub>2</sub> in 2030 and €190/tCO <sub>2</sub> in 2050	Estimated range - €13/tCO <sub>2</sub> in 2030 and €4/tCO <sub>2</sub> in 2050

(1) SSP1-2.6 has been used as default scenario when required information was not available under SSP1-1.9

(2) Based on the integrated framework of the International Energy Agency's Global Energy and Climate Model (GEC Model)

The impact scale of risks and opportunities for the group was modelled using cross-business data and forecasts in conjunction with assumptions concerning physical and transition developments in the three climate scenarios, drawing upon respected sources such as the IPCC and the International Energy Agency (IEA).

The impact scale of each risk is presented unmitigated. For physical risks this means risks were assessed before taking into consideration any existing mitigation measures and insurance. For transition risks this means risks were assessed before taking into consideration the impact of INEOS' climate transition plans. Understanding unmitigated risk in this way allows the group to assess different potential mitigation strategies compared to the costs of inaction. The assessment of the impact should therefore be read in conjunction with the business responses to each risk and opportunity (see section 1 to 5).

Although the group has performed scenario-based analysis in relation to the key climate-related transition opportunities, the results are not included in these financial statements as projects are currently under review.

The table below summarises the unmitigated key findings of the stress-test exercise:



INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Non-Financial and Sustainability Information Statement (continued)

Strategy (continued)

Risks/ opportunity	Description of risks	Timeframe	Scenario 1 "Net zero"	Scenario 2 "Delayed transition"	Scenario 3 "Current policies"
<b>Physical risks</b>					
<b>Drought</b>	The level of water stress increases materially for a small number of sites and could result in loss of revenue as operations are perturbed.	MT	Moderate	Moderate	Moderate
		LT	High	High	High
<b>Flood</b>	The level of flood risk increases for a small number of sites in all three-climate scenarios in the long-term.	MT	Low	n/a*	Low
		LT	Moderate	n/a*	Moderate
<b>Heat wave</b>	The intensity and frequency of heatwave increases materially for a small number of sites and could result in increase cost of operation to cool the productive assets.	MT	Moderate	Moderate	Moderate
		LT	Moderate	Moderate	Moderate
<b>Transition risks</b>					
<b>Pricing of GHG emissions</b>	Carbon pricing could vary widely between regions and between climate scenarios. Under the net zero and delayed transition scenarios, carbon pricing is expected to increase materially. The net impact on the financial performance of the group will depend on its ability to recover those costs from its customers.	MT	High	High	Low
		LT	Critical	Critical	Low
<b>Increase costs of raw materials</b>	Sourcing and availability of materials could be impacted by both transition and physical risks. Under the three-climate scenarios, the price of the key raw materials of the group are expected to experience significant variability. The net impact on the financial performance of the group will depend on its ability to recover those costs from its customers.	MT	Critical	Critical	Critical
		LT	Critical	Critical	Critical
<b>Adoption of lower emissions technology</b>	Adaptation of the productive tools of the group to lower emissions technology will be essential to enable the group to achieve its carbon reduction targets. Investment in new or emerging technologies will present risks which are ranked as critical under the three-climate scenarios.	MT	Critical	Critical	Critical
		LT	High	High	High
<b>Reduced consumer demand for fossil-fuel based products</b>	Market transition to lower-carbon products will be driven by carbon cost increases and customers striving to achieve their own climate targets. As such, the demand shift is more pronounced in the net zero scenario and is expected to present a material risk for the group in the long-term.	MT	Moderate	Moderate	Low
		LT	Critical	Critical	Moderate
<b>Financial risk</b>	The difference in cost of capital for a company with a significant carbon footprint versus lower carbon footprint sector is expected to increase under the net zero scenario but will overall remain a low financial impact to the group.	MT	Low	Low	Low
		LT	Low	Low	Low
<b>Reputation</b>	The group has a significant carbon footprint and is a large, high-profile company that faces scrutiny from a wide range of stakeholders. The financial impact of litigation linked to climate is expected to be more stringent under the net zero scenario but would overall remain a low financial impact.	MT	Low	Low	Low
		LT	Low	Low	Low

\*n/a: scenario data not available



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (*continued*)

#### Strategy (*continued*)

The detailed climate scenario analysis has identified key areas of focus and the Group will undertake the reviews, and embed the outcomes into business strategy and delivery to ensure continuing climate risk control and resilience as well as ensuring opportunities are maximised. The Group already has in place a number of climate change mitigation strategies and identified opportunities as part of its business model as presented in the section 1 to 6 below.

#### *Section 1 – Net Zero transition*

One of the key climate-related risks identified by the Group is increased carbon price exposure (**Risk 4**), which INEOS will primarily mitigate through emissions reduction. INEOS as a whole has committed to reducing operational emissions by 33% by 2030 (compared to 2019) and reaching net zero by 2050. To contribute to this transition, every business in the Quattro Group has developed site roadmaps for 2030 following INEOS' roadmap protocol that recognises five direct abatement pathways: fuel switching, feedstock switching, optimisation, CCS, and CCU. Roadmaps will be periodically reviewed and extended to deliver INEOS' mid-century net zero target.

The transition to net zero presents several challenges including investing in new technologies to transform production assets (**Risk 6**). The Group has a significant track record of delivering complex transformation projects for its assets.

The Quattro Group, as part of the whole INEOS Group, is committed to playing a key role in the net zero transition as part of its responsibility to its investors (**Risk 8**) and its broader stakeholders (customers, suppliers, local communities) (**Risk 9**). The objective of the Group is to achieve its carbon reduction goals while remaining profitable and staying ahead of evolving regulations and legislation. The carbon reduction objective set-up by the Group is both ambitious and achievable and will play a key role in ensuring the Group's products and services remain in line with the market demand and competitive in term of price and specifications.

The roadmaps of the Quattro businesses include a broad range of initiatives:

#### Continuously improving energy and process efficiency

INEOS is working hard across all its business and sites to make important reductions in energy use and associated GHG emissions. Optimisation projects vary widely, from finding new ways of improving process efficiency to innovative solutions for heat or power integration, including waste heat valorisation.

The INEOS Inovyn business has a salt plant upgrade project in Tavaux, France which utilises best-in-class mechanical vapour recompression unit technology. The project is expected to be completed in 2024 and will reduce steam consumption by 360 kilotonnes per annum which is equivalent to reducing the Tavaux site's footprint by 16%. Water consumption will also be reduced by 6%. The North Star project in Norway was commissioned in 2020 and consisted of major debottlenecking activities across both the electrochemical and VCM assets. This project has reduced steam consumption by 80 kilotonnes annually.

The Aromatics business' PTA technology allowed the latest PTA plant in Zhuhai to reduce GHG emissions by 65%, water discharge by 75%, and solid waste disposal by 95% compared to conventional technologies.

The Acetyls business is continuing to roll out its retrofit of world leading CATIVA XL acetic acid production technology to its global assets. This technology package allows Acetyls plants to produce acid with 80% less heat input and 50% less electricity than generic technology. As part of this, INEOS' innovative High Pressure Offgas Reinjection technology has now been rolled out to all applicable plants. This recycles carbon that was previously incinerated and re-injects it into the process where it is instead captured and reacted into the product, reducing GHG emissions and reducing natural gas usage.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement *(continued)*

#### Strategy *(continued)*

##### Investing in green hydrogen and blue hydrogen

The Acetyls business is planning to implement a project to fuel switch to hydrogen at its Hull, UK site. The site has a large demand for heat that can only be met by burning fuel. Currently, this is done with natural gas, resulting in over 350,000 tonnes of CO<sub>2</sub> being emitted every year. The project will enable Hull assets to switch to using INEOS' own clean hydrogen instead of natural gas. Burning hydrogen will not release any CO<sub>2</sub>. This fuel switching will reduce scope 1 emissions by about 80%, which is the equivalent of taking about 140,000 petrol cars off the road.

INEOS Inovyn is Europe's largest operator of industrial electrolysis producing more than 50kt low carbon hydrogen per year. As both a user and producer of hydrogen, it puts INEOS Inovyn in a unique position at the heart of Europe's transformation.

Hydrogen is a key component of the Group's climate transition strategy as well as a key business opportunity (**Opportunity 2**). With this objective, INEOS Inovyn has launched a new hydrogen business that will produce clean hydrogen for use as feedstock and fuel for transport, heat, and power generation.

INEOS Inovyn continues to grow its hydrogen business, which includes storage and compression projects in the UK, a hydrogen boiler in Belgium, and water electrolyser projects in Germany and Norway. As hydrogen demand increases, it must be matched by realistic production and economic ambitions. Clear legislation and support needs to be in place to nurture this market and investment during economically turbulent times.

An alkaline water electrolysis demonstration unit in Runcorn, UK was successfully developed in 2023, utilising Inovyn's vast expertise from developing and licensing electrolysis technology.

INEOS Inovyn is playing a key role in the development of underground hydrogen storage facilities as part of the UK HyNet project, which could reduce CO<sub>2</sub> emissions by 10 million tons annually by 2030.

Existing hydrogen production at INEOS Inovyn's Runcorn, UK site has the capacity to power over 1,000 buses or 2,000 trucks with low-carbon fuel. Through project HyBay, the INEOS Inovyn business 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.

INEOS Inovyn continue to progress with its project to build a new 20MW electrolyser to produce clean hydrogen through the electrolysis of water, powered by zero-carbon electricity in Norway.

##### Switching to renewable energy

Across the whole INEOS Group, power purchase agreements for about 570 MW renewable energy have already been signed to reduce the dependence on fossil-based energy sources.

Using its access to renewable energy, INEOS Inovyn has expanded its sustainable product range with the launch of NEOVYN PVC, offering a 37% reduction in CO<sub>2</sub> footprint compared to the industry average, and the launch of Ultra-low carbon Chlorine, Caustic soda and Caustic potash offering a 70% reduction in CO<sub>2</sub> footprint compared to industry average. These products help customers meet the sustainability requirements for 2030 and 2050.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (*continued*)

#### Strategy (*continued*)

##### Switching to bio-based feedstock

The Styrolution business offers the integration of renewable feedstock as a replacement for fossil feedstock in upstream existing petrochemical installations. In 2020, it launched the world's first specialty styrenics materials made using renewable feedstock within the value chain. The renewable feedstock sources are certified by the International Sustainability and Carbon Certification programme to assess that they are managed and attributed in accordance with their sustainability criteria.

The INEOS Inovyn business is developing certified bio-attributed vinyl resins (BIOVYN™) as well as bio-based epichlorohydrin (REODRIN™) used for the manufacture of epoxy resins.

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, INEOS Inovyn has expanded the BIOVYN certification to Jemeppe, Tavaux and across its Nordics sites, thereby offering an even wider range of sustainably produced suspension and emulsion PVC grades.

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.

#### *Section 2 – Circular economy*

One of the key climate-related risks faced by the Group is consumers switching to lower-carbon products (**Risk 7**). INEOS believes that its products already make a critical contribution to society by providing the most sustainable options for a wide range of societal needs. Examples include preservation of food and clean water, provision of wind turbines, solar panels and other renewable technologies, construction of lighter and more efficient vehicles and aircraft, production of medical devices and applications, manufacture of clothing and apparel, materials for insulation and other industrial and home applications. Studies suggest that if polymers and plastics were to be replaced to the maximum extent in applications where they can be substituted, overall life-cycle greenhouse gas (GHG) emissions would increase by more than 50%.

However, the Group recognises that a move towards a more circular economy, in which materials are reused and recycled to their maximum extent, is an important component of a more sustainable climate-neutral economy. Circularity is also considered an important factor in mitigating the risk of increased raw material costs (**Risk 5**) as well as see as a key business opportunity (**Opportunity 1**). The Group has therefore committed to achieving the following INEOS-wide targets by 2025:

- Offer a range of polyolefin products for packaging applications in Europe containing 50% or more recycled content.
- Incorporate at least 325 kt of recycled material into products per year.
- Ensure 100% of our polymer products can be recycled.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement *(continued)*

#### Strategy *(continued)*

In addition, a new INEOS-wide target has been set to incorporate 850 kt of recycled or bio-sourced material into INEOS products by 2030.

In line with these objectives, in 2019, the Styrolution business introduced INEOS Styrolution ECO, a new family of sustainable products. It comprises products made from post-consumer recycled material as well as renewable feedstock and complements the existing portfolio of standard styrenics products and specialties. The Styrolution business has demonstrated the advanced recycling capabilities of polystyrene with the first production of polystyrene from styrene monomer made only of depolymerised material. This technology facilitates a full recycling loop for plastics, which is expected to be applicable even to food applications. Through a partnership with Indaver, a leading European waste management company, the business will benefit from their demo-plant for advanced recycling, where polystyrene waste will be recycled to purified styrene. Based in Antwerp, this demo-installation is expected to be operational in 2024.

For ABS standard, the Styrolution business has developed mechanically recycled grades containing 50% or 70% post-consumer recycled material that is commercially available today. These products meet the performance and quality levels of virgin materials. It has also established co-operations to secure high-quality waste for polystyrene and ABS feedstock.

The Styrolution business is also leading a consortium to advance the production of ABS from recycled feedstock through a project called ABSolutely Circular. The project was accepted by the EU LIFE programme, the European Union funding instrument for the environment and resource efficiency and received funding.

INEOS Inovyn continues to have a pivotal role in the Europe-wide VinylPlus® voluntary industry initiative which is committed to recycling 900 and 1,000 kilotonnes of PVC across Europe by 2025 and 2030, respectively.

In 2023 INEOS Inovyn launched a new product range that increases recycling and circularity and reduces plastic waste that is not currently mechanically recycled. RECOVYNTM is the new product made from 100% recycled carbon feedstock and is designed for customers who want to increase their recycled content and meet high technical, quality and regulatory requirements.

INEOS Inovyn has also launched Project Circle which aims to treat PVC from various post-consumer waste streams that are difficult, if not impossible, to recycle mechanically. These technologies will enable waste polymers containing PVC-rich waste to be broken down into their constituent components and then reformed back into polymers. This will enable a much wider range of waste materials to be re-incorporated into polymer manufacturing, reduce GHG emissions, and provide an improved outlet for waste polymers. The business is also working with partners to implement new technologies to enable easier sorting of end-of-life polymers.

The Aromatics business has developed Infinia, a technology which will enable currently unrecyclable PET plastic waste – such as black food trays and coloured bottles – to be diverted from landfill or incineration and instead transformed back into new, virgin-quality feedstocks. The new feedstocks are interchangeable with those made from traditional hydrocarbon sources and can be used to make new PET packaging that can be recycled again and again.

Infinia is complementary to mechanical recycling, dealing with PET waste that is currently difficult or impossible to process using mechanical methods. A pilot plant, located in Naperville, Illinois was commissioned to prove the technology on a continuous basis using representative feedstocks. If deployed at scale in several facilities, the technology has the potential to prevent billions of PET bottles and trays from ending up in landfill or incineration every year.



INEOS QUATTRO HOLDINGS LIMITED  
STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

Non-Financial and Sustainability Information Statement (*continued*)

Strategy (*continued*)

**Section 3 – Water stewardship**

Drought was identified as one of the key physical risks faced by certain assets of the Group (**Risk 1**). Each manufacturing site closely monitors its water usage and reviews its processes to optimise its water strategy. Water consumption per site is calculated as the difference between withdrawal and discharge and this balance is monitored by each INEOS business for appropriate water planning and actions. This is a particular priority at Group sites in regions already in water stress areas or regions where water stress levels could increase due to climate change.

Reducing our water consumption is a group-wide ambition that we put into practice at each of our manufacturing sites. It is also an essential consideration in the design and retrofit of our plants. We are developing our water scarcity strategies amid a rapidly changing range of factors. Our work to assess the potential impacts of water scarcity and water stress will continue in 2024 and mitigation plan will be developed using the in-depth operational knowledge of our local team.

**Section 4 – Zero pollution**

The Group considers it a priority to prevent spills and leaks and has a company-wide management system in place to identify risks, record incidents, and take corrective action. We strive to comply with all local regulations governing emissions of pollutants.

The regulatory control of our manufacturing facilities includes assessment of the impact of events such as flood and ensuring that our operations including chemical storage and waste storage are not adversely impacted. Examples of these regulations include the SEVESO III Directive in the EU, the Control of Major Accident Hazards Regulations in the UK and the Resource Conservation & Recovery Act in the USA. We are required to maintain our compliance as these regulations change and develop.

The introduction of the Zero Pollution concept in the EU will be managed by our business as we continue to learn more about the detailed impacts on our operations, however we believe that we are compliant with the existing strong regulatory environment, and this provides mitigation against existing flood risks and the associated potential for pollution during flood events (**Risk 2**).

**Section 5 – Heat wave**

Heat wave was identified as one of the key physical risks faced by certain assets of the Group (**Risk 3**). For the few affected sites, the Group will be conducting during 2024 in-depth review of the current cooling process as well as the work pattern against the potential increase of frequency and intensity of heatwaves. A mitigation plan will be developed to minimise the impact on the operation and the employees where risks to our business are identified.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (*continued*)

#### Risk management

As described in the governance section above, each INEOS business is responsible for identifying and managing its own climate-related risks on a rolling basis as part of its general risk management. This is supported by a framework of group-wide ESG procedures and networks. In addition, INEOS conducts dedicated cross-business materiality assessments of climate-related risks and opportunities periodically, the findings of which are then integrated into the risk management process of each business. During the next financial year, the Group will enhance its analysis of the climate-related risks and opportunities and further define the frequency of review going forward.

When conducting the cross-business materiality assessment that informs this disclosure, INEOS compiled a longlist of climate-related transition risks based on internal assessment, peer review, and sector-specific standards (such as the World Business Council for Sustainable Development - Climate-related financial disclosure by chemical sector companies). The longlist of risks was then ranked by each business based on financial effect and likelihood by a cross-functional panel of employees. To identify and assess physical risks, INEOS uploaded the location of all its sites into a modelling tool developed by a world-leading insurance provider. The tool uses the latest IPCC climate models and the insurer's experience in underwriting natural catastrophes to deliver a Climate Risk Score based on changes in acute and chronic physical risks compared to historic averages in three climate scenarios (see climate scenario section).

Following this initial assessment, the climate-related risks were presented to each business board for validation and action. For the transition risks, businesses will conduct more specific analysis to inform the development of targeted mitigation strategies. This will be done in conjunction with the review and update of site roadmaps, which represent each businesses' contribution to INEOS' group-wide climate targets (see section *Target and KPIs* below). For the physical risks, the Operations Director supported by the SHE manager at each site, will develop their understanding of each climate-related risk, then compare the projected risks against the existing defence and safety process at each site to determine if any additional mitigation strategy is required.

The identification of climate-related risks is only one aspect of INEOS' ESG risk management. INEOS also performs an annual group-wide materiality assessment in accordance with GRI 3. INEOS is in the process of extending consideration of financial risks and opportunities in this assessment to align with the requirements of the European Sustainability Reporting Standards concerning double materiality.

#### Targets and KPIs

The group uses operational emissions as a key indicator of exposure to climate-related transition risks, such as carbon pricing. INEOS has a group-wide system for monitoring and reporting scope 1 and 2 emissions across all our sites. All businesses submit emissions data into a central system following the INEOS Science Base methodology that is aligned with the GHG Protocol. The system covers all Kyoto Protocol greenhouse gases, which are converted into CO<sub>2</sub>e using global warming potential factors from the IPCC's 6th Assessment Report. Emissions factors are chosen following the quality criteria in the GHG Protocol and scope 2 emissions are calculated on a location and market basis. Captured CO<sub>2</sub> transferred to third parties or embedded in intermediate products is excluded from scope 1.

INEOS is in the process of implementing group-wide monitoring and reporting of scope 3 emissions which will serve as a key indicator of exposure to climate-related transition risks in the value chain in the future. In addition, we have a group-wide internal carbon price that is used by all businesses when assessing investments to ensure that exposure to climate-related costs is duly considered.

The Group uses a number of other non-financial key performance indicators to monitor its climate-related physical risks including safety, health and environmental ("SHE") metrics such as Occupational Safety and Health Administration ("OSHA") incident and the reliability of operating assets.



## INEOS QUATTRO HOLDINGS LIMITED STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Non-Financial and Sustainability Information Statement (continued)

#### Targets and KPIs

The following greenhouse gas inventory summarises the scope 1 and 2 emissions of INEOS Quattro Holdings Limited since 2019.

kt CO <sub>2</sub> -eq	For the financial year ending 31 December			
	2022	2021	2020	2019
<b>Scope 1 emissions:</b>				
Carbon dioxide (CO <sub>2</sub> )	3,349.40	3,662.71	3,641.06	3,850.05
<b>Scope 2 emissions:</b>				
Market-based emissions	3,635.52	4,189.02	4,304.44	4,352.28
Location-based emissions	2,938.38	3,324.31	3,108.01	3,406.62

INEOS has set a group-wide target to reduce operational emissions by 33% by 2030 compared to 2019 and reach net-zero emissions by 2050. When setting and tracking performance against emissions targets, we use market-based accounting for scope 2 emissions and exclude emissions associated with exported energy from our footprint.

Every INEOS business has developed 2030 roadmaps for all its sites that contribute to the group-wide climate target. Progress with roadmaps and wider SHE KPIs is tracked at ExCo meetings and executive bonuses are partly conditional upon meeting business-specific targets.

#### Streamlined Energy and Carbon Reporting

The Group is classified as a large unquoted group due to its size and shareholding structure. Disclosures under the Streamlined Energy and Carbon Reporting requirements for the Group are contained in the Streamlined Energy and Carbon Reporting in the Strategic Report of the consolidated financial statements of INEOS Industries Limited, an intermediate parent undertaking. This reporting covers the Group's UK operations. The consolidated financial statements of INEOS Industries Limited are available to the public and may be obtained from the Company Secretary at Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom.

Approved by the Board and signed on its behalf by

**G W Leask**  
Director  
12 April 2024



## INEOS QUATTRO HOLDINGS LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

The Directors present their report and the audited consolidated financial statements of INEOS Quattro Holdings Limited (the "Company") and its subsidiary undertakings (together the "Group") for the year ended 31 December 2023.

### **Principal activities**

The principal activities of the Group are the manufacture and sale of a range of chemicals used in a variety of applications. The principal activity of the Company is to act as a holding company.

### **Dividends**

Dividends of €500.8 million were declared on 23 January 2023. This dividend distribution did not constitute any cash outflow for the Group as this was used to settle the amount owed by the Group's immediate parent in form of an inter-company loan. Further dividends for a total value of €523.9 million were declared and paid during the year (2022: €521.0 million).

### **Future developments**

Future developments are discussed in the Strategic Report.

### ***The Ukraine conflict***

The Group does not have operations in Belarus, Russia, Ukraine. During 2022 and 2023 revenue generated in these countries was not material to the Group. The Group is not currently experiencing any material disruption to its operations and does not foresee any direct impact as a result of the conflict but will continue to monitor the evolving situation closely.

Whilst there is still uncertainty due to the disruption on the energy market resulting from the conflict in Ukraine, the directors have undertaken a rigorous assessment of the potential impact on demand for the Group products and services and the impact on margins for the next 12 months and the directors do not expect a material impact on the Group's ability to operate as a going concern.

### ***Going concern***

The Group financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom ("Adopted IFRSs") effective 31 December 2023 and with the Companies Act as applicable to companies using Adopted IFRSs.

The Group is compliant with its debt covenant as at 31 December 2023 and meets its day to day working capital requirements through its intercompany loan and external financing facilities, along with cash generated by its subsidiaries' operations. The Group held cash balances of €1,935.1 million at 31 December 2023 (2022: €1,530.1 million) and interest-bearing loans and borrowings (net of debt issue costs) of €7,327.2 million at 31 December 2023 (2022: €6,299.3 million) in which €4.5 million is due to be repaid within 12 months of signing the financial statements. The Group had availability under the undrawn receivables' securitization facility of €456.2 million as at 31 December 2023. The directors have considered the Company's projected future cash flows and working capital requirements and are confident that the Company has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements. In particular, the directors have stress tested the forecasts through taking account of reasonable possible changes in trading performance on the impact on EBITDA, cash flow and debt. The stress tests show that the Group will be compliant with its debt covenants and will still have sufficient cash flow to meet all of its obligations as they fall due within the next 12 months from the date of signing the financial statements.



## INEOS QUATTRO HOLDINGS LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### *Going concern (continued)*

On the basis of this assessment together with net assets of €3,254.0 million as at 31 December 2023 (2022: €4,648.6 million) and the Group's ability to meet working capital requirements through its external financing facilities, along with access to cash generated by its subsidiaries, the directors have concluded that the Group can operate within its current facilities without the need to obtain new ones for a period of at least 12 months from the date of this report and have therefore prepared these financial statements on a going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

### **Research and development**

The Group's research and development team develops new applications for its higher margin and less cyclical specialty chemicals, provides support to the Group's customers and seeks to improve the efficiency of the Group's manufacturing processes. The research and development team also leads the Group's efforts with respect to the development and capacity expansions of the plants and maintaining and improving safety and environmental standards. The Group spent approximately €31.5 million (2022: €33.9 million) on research and development during the year, of which €28.2 million (2022: €32.7 million) was expensed to the income statement.

### **Directors' indemnities**

The Company has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this report.

### **Donations**

The Group made no political contributions (2022: €nil).

### **Financial risks**

The Group's operations expose it to a variety of financial risks that include the effects of changes in price risk, credit risk, currency fluctuation risk, liquidity risk and interest rate risk. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group where appropriate. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group. The Group generally does not enter into foreign currency exchange instruments to hedge foreign currency transaction exposure, although the Group may do so in the future. The Group benefits from natural hedging, to the extent that currencies in which net cash flows are generated from the Group's operations, are matched against long-term indebtedness.

The Group is exposed to commodity price risk as a result of its operations. However, given the size of the Group's operations, the cost of managing exposure to such risk exceeds any potential benefits. The Group manages its credit exposures with a set of policies for ongoing credit checks on potential and current customers or counterparties.

The Group's exposure to market risk for changes in interest rates relates primarily to its term loan borrowings upon which interest is paid at variable rates and its cash resources which are invested at variable rates. The policy to manage this exposure is continually reviewed and adapted depending on market condition. As an example, during the year, the Group entered into an interest rate swap agreement to exchange a portion of its variable SOFR exposure for fixed-SOFR obligations.



## INEOS QUATTRO HOLDINGS LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Directors

The directors who held office during the year, and up to the date of signing the financial statements, were as follows:

G W Leask  
J F Ginns  
D Smeeton (appointed 6 November 2023)

### Employees

The Group places considerable importance on communication with employees. This is to ensure that employees at all levels of the organisation are kept aware of key business developments, and in particular financial performance, so as to focus attention on key performance metrics. Town Hall sessions are held at various points in the year that are hosted by members of the Executive Committee, regional leadership teams and site management. Business news items are also communicated in local language to the organisation either via cascade or direct to individuals via email, Bulletin Boards and Intranet facilities. Work groups in the manufacturing areas have daily "toolbox talks" that cover Safety, Health and the Environment ("SHE"), critical operational items for the day and business developments. The Group undertakes employee surveys on a regular basis and there are action plans in place to address issues arising.

INEOS is committed to an environment where open, honest communications are the expectation, not the exception. There is encouragement to discuss issues with line managers or other managers. In addition, there is an "INEOS Speak Up!" service for those employees wishing to report more serious unethical or improper behaviour. The Group has regard to employees' interests and take employee views into account when making decisions.

The Group operates in full accordance with prevailing employment legislation including information and consultation with employees and their representatives on matters affecting their interests. Outside of any necessary formal consultation process, there are regular briefings between the Company and the Works Councils/Trade Union bodies in each region.

The Group facilitates a number of schemes designed to encourage employees to deliver key business targets. This includes a discretionary Short-Term Incentive Plan and a Long-Term Incentive Plan, both of which are designed to focus attention on key areas of performance such as SHE, adjusted EBITDA, working capital, plant reliability and fixed costs.

It is the Group's practice to give full and fair consideration to applications for employment received from disabled persons, subject to the Group's requirements and to the qualifications, ability and aptitude of the individual in each case. In the event of employees becoming disabled, every effort is made to ensure their continued employment with the Group and to provide suitable adjustments to the workplace where appropriate.

The Group continually strives to meet, and where possible, exceed all relevant legal requirements applying to safety, health and the environment. It is committed to continuous improvement in all aspects of its operations. Through its Safety, Health, Environment and Quality ("SHEQ") Policy, the Group aims to be amongst the chemical industry leaders in health, safety, environmental protection and customer satisfaction, ensuring that products meet society's increasing environmental requirements. Specifically, the Group works to two guiding principles. The first being to protect the health and safety of its employees; the communities in which it operates; and the users of its products. Secondly, the Group seeks to minimise the effects on the environment from its operations; storage; transport; use and disposal of its products. The Group manages SHE as an integral part of its activities through a formal management system that sets clear SHE standards/targets and monitors performance against them. It requires all members of staff (and others who work on its behalf) to adhere to the standard in the SHE Management System and to exercise personal responsibility to prevent harm to themselves, others and the environment. Comprehensive SHE information and training is provided to all employees, with SHE objectives set for every individual each year through the performance appraisal process. SHE targets also feature in the Group's discretionary Business Bonus Scheme. Appropriate SHE information and training is also provided to other who work for the Group, handle its products or operate its technologies. The Group also participates in industry wide responsible care and sustainable development activities.



## INEOS QUATTRO HOLDINGS LIMITED DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

### Health and safety

The Group's facilities and operations are subject to a wide range of health, safety, security and environmental ("HSSE") laws and regulations in all of the jurisdictions in which it operates. These requirements govern, among other things, the manufacture, storage, handling, treatment, transportation and disposal of hazardous substances and wastes, wastewater discharges, air emissions (including GHG emissions), noise emissions, human health and safety, process safety and risk management and the clean-up of contaminated sites. Many of the Group's operations require permits and controls to monitor or prevent pollution. The Group has incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future HSSE laws, regulations and permits or the more stringent enforcement of such requirements.

The Group's operations are currently in material compliance with all HSSE laws, regulations and permits. The Group actively addresses compliance issues in connection with its operations and properties and believe that it has systems in place to ensure that environmental costs and liabilities will not have a material adverse impact on the Group.

### Business relationships

The business relationships with suppliers and customers are of strategic importance to the Directors of the Group and their decision-making process. The business relationships of the Group are described in the Section 172(1) statement in the Strategic Report.

### Branches outside the United Kingdom

Branches of the Group have been established in Austria, Belgium, China, France, Germany, Italy, Japan, Netherlands, Norway, Portugal, Spain and Sweden.

### Subsequent events

Subsequent to the year-end, on 16 January 2024, the Group completed a €70.0 million fungible add-on to its existing Tranche B Euro Term Loans due March 2029 on the same terms as the original 2029 Tranche B Euro Term Loan facility. Proceeds were used to redeem outstanding borrowings under the 2026 Tranche B Euro Term Loan facility by €70.0 million, thereof €50.0 million were converted (on a cashless basis) from the 2026 Tranche B Euro Term Loan facility.

Subsequent to the year-end, on 16 February 2024, the Group renewed its €600.0 million trade receivables Securitization Program involving the selling entities from Styrolution as well as Aromatics and Acetyls businesses. In this context, one existing bank was replaced by a new bank with the lender's commitment amount remaining unchanged, so that the total number of lending banks stayed at five. The facility now matures on 16 February 2027. For drawn amounts, the renewed facility bears interest at an annual rate equal to the cost to the lenders of issuing Commercial Paper plus a margin of 1.00%. For undrawn amounts, the facility bears interest of 0.6% p.a..

Subsequent to the year-end, on 7 March 2024, the Group renewed its €240.0 million INOVYN Securitization Program. The total number of lenders remains at three, although one bank was replaced by a new bank. The facility matures on 7 March 2027. For drawn amounts, the facility bears interest at an annual rate equal to the cost to the lenders of issuing Commercial Paper plus a margin of 1.00%. For undrawn amounts, the facility bears interest of 0.6% p.a..

Subsequent to the year-end, the Group entered into a cash-covered €30.0 million Letter of Credit facility with BNP Paribas, London. Under this agreement, the Group can issue bank guarantees and/or letters of credit to vendors and suppliers if requested.

On 25 March 2024, the Group entered into an Incremental Facility Agreement to raise a new Dollar Term Loan B of \$475.0 million (€438.4 million equivalent) and a new Euro Term Loan B of €500.0 million, both maturing in 2029. The gross proceeds from the transaction were used to prepay outstanding borrowings under the 2026 Tranche B Dollar of \$528.6 million (€487.9 million equivalent) and Euro Term Loans of €434.0 million.



**INEOS QUATTRO HOLDINGS LIMITED  
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Subsequent events (continued)**

On 5 April 2024, the Group executed a fungible tap-on to the existing 8 ½% Euro Senior Secured Notes maturing in March 2029. The amount of €250 million of additional senior secured notes due 2029 were placed with certain investors in a private transaction and issued under the existing indenture dated 14 November 2023. The gross proceeds from this transaction were also used to repay a portion of the outstanding borrowings under the 2026 Tranche B Term Loans.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with United Kingdom adopted international accounting standards. The directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in international accounting standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.



**INEOS QUATTRO HOLDINGS LIMITED  
DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

**Statement of disclosure of information to auditors**

The directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. This confirmation is given and should be interpreted in accordance with the provision of s418 of the Companies Act 2006.

**Independent auditors**

In accordance with Section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for reappointment of Deloitte LLP as auditor of the Company.

**Registered address**

INEOS Quattro Holdings Limited  
Hawkslease  
Chapel Lane  
Lyndhurst  
Hampshire  
SO43 7FG  
United Kingdom

Approved by the Board and signed on its behalf by:

**G W Leask**  
Director  
12 April 2024



---

## Section 2 – Consolidated Financial Statements



**INEOS QUATTRO HOLDINGS LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS  
LIMITED**

**Report on the audit of the financial statements**

**Opinion**

In our opinion:

- The financial statements of INEOS Quattro Holdings Limited (the 'parent company') and its subsidiaries (the 'Group') give a true and fair view of the state of the Group's and of the parent company's affairs as at 31 December 2023 and of the group's loss for the year then ended;
- The Group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated and parent company balance sheets;
- the consolidated and parent company statements of changes in equity;
- the consolidated cash flow statement; and
- the related notes 1 to 32 and parent company related notes 1-14.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



**INEOS QUATTRO HOLDINGS LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS  
LIMITED**

**Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

**Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.



**INEOS QUATTRO HOLDINGS LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS  
LIMITED**

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

**Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Group's industry and its control environment, and reviewed the Group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Group's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation, IFRS and FRS 101, as well as laws and regulations prevailing in each country in which we identified a full-scope component and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included the Group's operating licences and environmental regulations.

We discussed among the audit engagement team including significant component audit teams and relevant internal specialists such as tax, valuations, pensions and IT specialists regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the occurrence of non-routine revenue transactions given these are more susceptible to manipulation compared to automatic routine transactions.



**INEOS QUATTRO HOLDINGS LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS  
LIMITED**

Our specific procedures performed to address the occurrence of non-routine revenue transactions included the substantive testing of manual adjustments to revenue, through agreement to supporting evidence to verify the occurrence of the revenue.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and tax authorities.

**Report on other legal and regulatory requirements**

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.



**INEOS QUATTRO HOLDINGS LIMITED  
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INEOS QUATTRO HOLDINGS  
LIMITED**

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

James Leigh (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
London, United Kingdom  
12 April 2024



## INEOS QUATTRO HOLDINGS LIMITED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
€m			
<b>Revenue</b> .....	2	<b>12,446.1</b>	<b>18,172.3</b>
Cost of sales before exceptional items .....		(11,164.1)	15,171.7
Exceptional cost of sales .....	4	(38.0)	-
Total cost of sales .....		(11,202.1)	(15,171.7)
<b>Gross profit</b> .....		<b>1,244.0</b>	<b>3,000.6</b>
Distribution costs .....		(694.6)	(901.9)
Administrative expenses before exceptional items .....		(515.8)	(474.8)
Exceptional administrative expenses.....	4	(37.0)	(5.1)
Total administrative expenses .....		(552.8)	(479.9)
<b>Operating (loss)/profit</b> .....	5	<b>(3.4)</b>	<b>1,618.8</b>
Share of profit of associates and joint ventures using the equity method .....	12	30.0	233.6
Dividends received from other investments .....		2.0	2.6
Loss on disposal of equity accounted investments.....	12	-	(26.6)
Profit on disposal of controlling stake in businesses.....	3	-	710.3
Profit on disposal of property, plant and equipment .....		0.4	5.6
<b>Profit before net finance costs</b> .....		<b>29.0</b>	<b>2,544.3</b>
Finance income before exceptional items .....	8	130.4	89.6
Exceptional finance income .....	4,8	53.9	-
Total finance income.....		184.3	89.6
Finance costs before exceptional items .....	8	(492.2)	(287.0)
Exceptional finance costs .....	4, 8	(12.4)	(4.3)
Total finance costs.....		(504.6)	(291.3)
Net finance costs .....		(320.3)	(201.7)
<b>(Loss)/profit before tax</b> .....		<b>(291.3)</b>	<b>2,342.6</b>
Tax credit/(charge).....	9	88.2	(377.7)
<b>(Loss)/profit for the year</b> .....		<b>(203.1)</b>	<b>1,964.9</b>
<b>(Loss)/profit attributable to:</b>			
- Owners of the parent .....		(208.4)	1,920.3
- Non-controlling interest .....		5.3	44.6
		<b>(203.1)</b>	<b>1,964.9</b>

All activities of the Group relate to continuing operations.

The notes on pages 43 to 119 are an integral part of these consolidated financial statements.



INEOS QUATTRO HOLDINGS LIMITED  
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31  
DECEMBER 2023

	Note	2023	2022
		€m	
(Loss)/profit for the year.....		<u>(203.1)</u>	<u>1,964.9</u>
<b>Other comprehensive (expense)/income:</b>			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of post-employment benefit obligations .....	20	(28.9)	(35.6)
Deferred taxes on remeasurement of post-employment benefit obligations.....	14	6.7	6.8
Fair value gain on investments in equity instruments designated as FVTOCI .....	25	0.2	(0.4)
Reclassification of foreign exchange translation difference on disposal of subsidiaries to profit or loss .....	3	-	9.8
<i>Items that may be subsequently reclassified to profit or loss</i>			
Foreign exchange translation differences of subsidiaries.....		<u>(144.8)</u>	<u>(51.0)</u>
<b>Total other comprehensive expense for the year, net of tax .....</b>		<u><b>(166.8)</b></u>	<u><b>(70.4)</b></u>
<b>Total comprehensive (expense)/income for the year .....</b>		<u><b>(369.9)</b></u>	<u><b>1,894.5</b></u>
<b>Total comprehensive (expense)/income attributable to:</b>			
- Owners of the parent .....		(372.2)	1,854.9
- Non-controlling interest .....		2.3	39.6
<b>Total comprehensive (expense)/income for the year .....</b>		<u><b>(369.9)</b></u>	<u><b>1,894.5</b></u>

The notes on pages 43 to 119 are an integral part of these consolidated financial statements.



INEOS QUATTRO HOLDINGS LIMITED  
CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023	2022
<b>Non-current assets</b>			€m
Property, plant and equipment .....	10	4,817.9	4,722.8
Intangible assets .....	11	2,215.9	2,187.1
Investments in equity-accounted investees .....	12	1,650.8	1,800.6
Other investments .....	12	10.4	9.8
Other financial assets .....	13	2.2	2.2
Other receivables .....	16	131.9	152.7
Employee benefits .....	20	30.9	27.7
Deferred tax assets .....	14	178.8	150.2
<b>Total non-current assets .....</b>		<b>9,038.8</b>	<b>9,053.1</b>
<b>Current assets</b>			
Inventories .....	15	1,190.9	1,473.6
Trade and other receivables .....	16	1,535.1	2,360.9
Tax receivables for current tax .....		77.1	79.2
Other financial assets .....	13	131.8	244.5
Cash and cash equivalents .....	26	1,935.1	1,530.1
<b>Total current assets .....</b>		<b>4,870.0</b>	<b>5,688.3</b>
<b>Total assets .....</b>		<b>13,908.8</b>	<b>14,741.4</b>
<b>Equity attributable to owners of the parent</b>			
Share capital .....	23	0.3	0.3
Merger reserve .....	24	(4,526.9)	(4,526.9)
Retained earnings .....		7,727.9	8,961.0
Other reserves .....		(15.7)	148.1
<b>Total shareholders' funds .....</b>		<b>3,185.6</b>	<b>4,582.5</b>
Non-controlling interest .....		68.4	66.1
<b>Total equity .....</b>		<b>3,254.0</b>	<b>4,648.6</b>
<b>Non-current liabilities</b>			
Interest-bearing loans and borrowings .....	17	7,322.7	6,294.8
Lease liabilities .....	18	234.4	224.3
Trade and other payables .....	19	216.5	184.2
Employee benefits .....	20	197.6	189.5
Provisions .....	21	178.4	154.6
Deferred tax liabilities .....	14	248.0	400.3
<b>Total non-current liabilities .....</b>		<b>8,397.6</b>	<b>7,447.7</b>
<b>Current liabilities</b>			
Interest-bearing loans and borrowings .....	17	4.5	4.5
Lease liabilities .....	18	72.2	65.0
Trade and other payables .....	19	1,985.9	2,301.0
Tax liabilities for current tax .....		144.9	194.7
Other financial liabilities .....	22	4.4	46.2
Provisions .....	21	45.3	33.7
<b>Total current liabilities .....</b>		<b>2,257.2</b>	<b>2,645.1</b>
<b>Total liabilities .....</b>		<b>10,654.8</b>	<b>10,092.8</b>
<b>Total equity and liabilities .....</b>		<b>13,908.8</b>	<b>14,741.4</b>

The notes on pages 43 to 119 are an integral part of these consolidated financial statements.

These financial statements were approved by the Board of Directors on 12 April 2024 and were signed on its behalf by:

G W Leask  
Director

INEOS Quattro Holdings Limited  
Registered number: 09922632



**INEOS QUATTRO HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

	Note	Share capital	Merger reserve	Retained earnings	Other reserves	Total shareholders' funds	Non-controlling interest	Total equity
Balance at 1 January 2022 .....		0.3	(4,526.9)	7,551.5	213.5	3,238.4	74.2	3,312.6
Profit for the year .....		-	-	1,920.3	-	1,920.3	44.6	1,964.9
<b>Other comprehensive income/(expense):</b>								
Remeasurement of post-employment benefit obligations .....	20	-	-	-	(32.6)	(32.6)	(3.0)	(35.6)
Deferred taxes on remeasurement of post-employment benefit obligations .....	14	-	-	-	6.1	6.1	0.7	6.8
Foreign exchange translation differences of subsidiaries .....		-	-	-	(48.3)	(48.3)	(2.7)	(51.0)
Reclassification to profit or loss on disposal of subsidiaries .....	3	-	-	-	9.8	9.8	-	9.8
Fair value loss on investments in equity instruments designated as FVTOCI .....	14	-	-	-	(0.4)	(0.4)	-	(0.4)
<b>Total other comprehensive expense</b>		-	-	-	(65.4)	(65.4)	(5.0)	(70.4)
<b>Transactions with owners, recorded directly in equity:</b>								
Adjustment arising from change in non-controlling interest .....		-	-	10.2	-	10.2	12.2	22.4
Adjustment arising from disposal of non-controlling interest .....		-	-	-	-	-	(32.5)	(32.5)
Dividends .....	23	-	-	(521.0)	-	(521.0)	(27.4)	(548.4)
<b>Transactions with owners, recorded directly in equity .....</b>		-	-	<b>(510.8)</b>	-	<b>(510.8)</b>	<b>(47.7)</b>	<b>(558.5)</b>
<b>Balance at 31 December 2022 .....</b>		<b>0.3</b>	<b>(4,526.9)</b>	<b>8,961.0</b>	<b>148.1</b>	<b>4,582.5</b>	<b>66.1</b>	<b>4,648.6</b>
(Loss)/profit for the year .....		-	-	(208.4)	-	(208.4)	5.3	(203.1)
<b>Other comprehensive (expense)/income:</b>								
Remeasurement of post-employment benefit obligations .....	20	-	-	-	(28.1)	(28.1)	(0.8)	(28.9)
Deferred taxes on remeasurement of post-employment benefit obligations .....	14	-	-	-	6.5	6.5	0.2	6.7
Foreign exchange translation differences of subsidiaries .....		-	-	-	(142.4)	(142.4)	(2.4)	(144.8)
Fair value gain on investments in equity instruments designated as FVTOCI .....	14	-	-	-	0.2	0.2	-	0.2
<b>Total other comprehensive expense .....</b>		-	-	-	<b>(163.8)</b>	<b>(163.8)</b>	<b>(3.0)</b>	<b>(166.8)</b>
<b>Transactions with owners, recorded directly in equity:</b>								
Dividends .....	23	-	-	(1,024.7)	-	(1,024.7)	-	(1,024.7)
<b>Transactions with owners, recorded directly in equity .....</b>		-	-	<b>(1,024.7)</b>	-	<b>(1,024.7)</b>	-	<b>(1,024.7)</b>
<b>Balance at 31 December 2023 .....</b>		<b>0.3</b>	<b>(4,526.9)</b>	<b>7,727.9</b>	<b>(15.7)</b>	<b>3,185.6</b>	<b>68.4</b>	<b>3,254.0</b>

The notes on pages 43 to 119 are an integral part of these consolidated financial statements.



**INEOS QUATTRO HOLDINGS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

*Analysis of other reserves:*

	Note	Translation reserve	Fair value reserve	Actuarial reserve	Total other reserves
€m					
<b>Balance at 1 January 2022</b> .....		183.9	-	29.6	213.5
Remeasurement of post-employment benefit obligations .....	20	-	-	(32.6)	(32.6)
Deferred taxes on remeasurement of post-employment benefit obligations .....	14	-	-	6.1	6.1
Fair value loss on investments in equity instruments designated as FVTOCI .....		-	(0.4)	-	(0.4)
Reclassification of foreign exchange translation difference on disposal of subsidiaries .....		9.8	-	-	9.8
Foreign exchange translation differences of subsidiaries .....		(48.3)	-	-	(48.3)
<b>Balance at 31 December 2022</b> .....		145.4	(0.4)	3.1	148.1
Remeasurement of post-employment benefit obligations .....	20	-	-	(28.1)	(28.1)
Deferred taxes on remeasurement of post-employment benefit obligations .....	14	-	-	6.5	6.5
Fair value gain on investments in equity instruments designated as FVTOCI .....	14	-	0.2	-	0.2
Foreign exchange translation differences of subsidiaries .....		(142.4)	-	-	(142.4)
<b>Balance at 31 December 2023</b> .....		3.0	(0.2)	(18.5)	(15.7)

The notes on pages 43 to 119 are an integral part of these consolidated financial statements:



## INEOS QUATTRO HOLDINGS LIMITED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		€m	
<b>Cash flows from operating activities</b>			
(Loss)/profit for the year		(203.1)	1,964.9
<b>Adjustments for:</b>			
Depreciation and impairment	10	670.4	582.9
Amortisation and impairment	11	135.3	129.4
Net finance costs	8	320.3	201.7
Share of profit of joint ventures and associated undertakings	12	(30.0)	(233.6)
Dividends received from other investments		(2.0)	(2.6)
Profit on disposal of property, plant and equipment		(0.4)	(5.6)
Impairment of investments	12	-	26.6
Profit on disposal of subsidiaries		-	(710.3)
Tax charge	9	(88.2)	377.7
Decrease in trade and other receivables		370.4	406.6
Decrease in inventories		254.0	73.3
Decrease in trade and other payables		(277.3)	(542.5)
Increase/(Decrease) in provisions and employee benefits		8.4	(74.6)
Tax paid		(114.3)	(321.8)
<b>Net cash from operating activities</b>		<b>1,043.5</b>	<b>1,872.1</b>
<b>Cash flows from investing activities</b>			
Interest and other finance income received		25.3	13.6
Net repayment of loans made to related parties		5.7	4.2
Dividends received from joint ventures	12	100.1	401.4
Dividends received from other investments		2.0	2.6
Disposal of businesses, net of cash disposed of and withholding tax	3	109.9	238.1
Proceeds from sales of property, plant and equipment		3.2	16.1
Acquisition of businesses, net of cash acquired	3	(381.2)	-
Acquisition of other investments		(0.8)	(0.2)
Acquisition of intangible assets		(71.4)	(75.7)
Acquisition of property, plant and equipment		(539.6)	(869.4)
<b>Net cash used in investing activities</b>		<b>(746.8)</b>	<b>(269.3)</b>
<b>Cash flows from financing activities</b>			
Proceeds from external borrowings	17	2,117.1	431.1
Repayment of external borrowings	17	(847.8)	(418.9)
Debt issue costs		(91.3)	(1.2)
Interest paid		(433.0)	(270.2)
Capital element of lease payments	18	(83.7)	(82.8)
Non-controlling interest buy-out	23	-	22.5
Repayment of loans made to the owners of the Company		-	(500.5)
Dividend paid attributable to the owners of the Company	23	(523.9)	(521.0)
Dividend paid attributable to non-controlling interest		-	(34.9)
<b>Net cash from/(used in) financing activities</b>		<b>137.4</b>	<b>(1,375.9)</b>
Net increase in cash and cash equivalents	26	434.1	226.9
Cash and cash equivalents at 1 January	26	1,530.1	1,291.3
Effect of exchange rate fluctuations on cash held		(29.1)	11.9
<b>Cash and cash equivalents at 31 December</b>	26	<b>1,935.1</b>	<b>1,530.1</b>

The notes on pages 43 to 119 are an integral part of these consolidated financial statements.



## INEOS QUATTRO HOLDINGS LIMITED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (forming part of the financial statements)

### 1 ACCOUNTING POLICIES

#### 1.1 Overview

INEOS Quattro Holdings Limited ("the Company") is a private company, limited by shares, incorporated in the United Kingdom, registered in England and Wales, and has its registered office at Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom.

#### 1.2 Basis of accounting

These financial statements consolidate those of the Company and its subsidiaries (together referred to as the "Group") and equity account the Group's interest in associated undertakings and recognise its joint arrangements as joint operations or joint ventures. The parent company financial statements present information about the Company as a separate entity and not about its Group.

The Group financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with United Kingdom adopted international accounting standards.

In preparing the financial statements, the directors have considered the impact of climate change, particularly in the context of the principal risk identified on page 14. There has been no material impact identified on the financial reporting judgements and estimates. The directors are aware of the ever-changing risks attached to climate change and will regularly assess these risks against judgements and estimates made in preparation of the group's financial statements.

The Group is compliant with its debt covenant as at 31 December 2023 and meets its day to day working capital requirements through its intercompany loan and external financing facilities, along with cash generated by its subsidiaries' operations. The Group held cash balances of €1,935.1 million at 31 December 2023 (2022: €1,530.1 million) and interest-bearing loans and borrowings (net of debt issue costs) of €7,327.2 million at 31 December 2023 (2022: €6,299.3 million) in which €4.5 million is due to be repaid within 12 months of signing the financial statements. The Group had availability under the undrawn receivables' securitization facility of €456.2 million as at 31 December 2023. The directors have considered the Company's projected future cash flows and working capital requirements and are confident that the Company has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements. In particular, the directors have stress tested the forecasts through taking account of reasonable possible changes in trading performance on the impact on EBITDA, cash flow and debt. The stress tests show that the Group will be compliant with its debt covenants and will still have sufficient cash flow to meet all of its obligations as they fall due within the next 12 months from the date of signing the financial statements.

On the basis of this assessment together with net assets of €3,254.0 million as at 31 December 2023 (2022: €4,648.6 million) and the Group's ability to meet working capital requirements through its external financing facilities, along with access to cash generated by its subsidiaries, the directors have concluded that the Group can operate within its current facilities without the need to obtain new ones for a period of at least 12 months from the date of this report and have therefore prepared these financial statements on a going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The Group financial statements have been prepared and approved by the directors in accordance with United Kingdom adopted international accounting standards and have been approved for issuance by the Board of Directors on 12 April 2024.

To provide more informative financial information, amounts due to related parties have now been separated from external interest-bearing loans and borrowings on the balance sheet. Accordingly, the comparative information for 2022 reflects the reclassification of amounts due to related parties of €41.7 million from what is now "Interest-bearing loans and borrowings" to "Trade and Other Payables".

The notes below provide a list of the significant accounting policies adopted in the preparation of the consolidated financial statements. The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

#### 1.3 Measurement convention

The financial statements are prepared on the historical cost basis except for derivative financial instruments classified at fair value through the profit or loss or at fair value through other comprehensive income.



## INEOS QUATTRO HOLDINGS LIMITED NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (forming part of the financial statements)

### 1.4 Functional and presentation currency

The presentational currency of the Group is the Euro, which is the functional currency of the majority of operations. The Group's primary products are sold in an international commodities market which is priced and invoiced primarily in euros.

### 1.5 Changes in accounting policies

The Group financial statements have been prepared using accounting policies that are consistent with those of the previous financial year. The Group has adopted the following amendments to accounting standards for the first time in 2023, with effect from 1 January 2023, although there has been no material effect on the Group's financial statements other than the amendments to IAS 1 which has resulted in only material accounting policies being disclosed:

- **Amendments to IAS 12 – Deferred Tax related to Assets and Liabilities arising from a Single Transaction**

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities.

Following the amendments to IAS 12, an entity is required to recognise the related deferred tax asset and liability, with the recognition of any deferred tax asset being subject to the recoverability criteria in IAS 12.
- **Amendments to IAS 12 Income Taxes – International Tax Reform—Pillar Two Model Rules**

The IASB has amended the scope of IAS 12 to clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes.

Following the amendments, the group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes. The Group has applied the temporary exception and it has not incurred any Pillar Two income taxes for the financial year 2023.
- **Amendments to IAS 8 – Definition of Accounting Estimates**

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. The definition of a change in accounting estimates was deleted.
- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies**

The IASB amended IAS 1 Presentation of Financial Statements to require entities to disclose their material rather than their significant accounting policies. The amendments define 'material accounting policy information' (being information that, when considered together with other information included in an entity's financial statements, can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements), and explain how to identify when accounting policy information is material. They further clarify that immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- **IFRS 17 Insurance Contracts**

IFRS 17 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. IFRS 17 replaces IFRS 4 Insurance Contracts. IFRS 17 applies to all types of insurance contracts (i.e., life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. The overall objective of IFRS 17 is to provide a comprehensive accounting model for insurance contracts that is more useful and consistent for insurers, covering all relevant accounting aspects. IFRS 17 is based on a general model, supplemented by:

  - A specific adaptation for contracts with direct participation features (the variable fee approach).
  - A simplified approach (the premium allocation approach) mainly for short-duration contracts.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## 1.6 Basis of consolidation

### *Subsidiaries*

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations, except acquisitions under common control which are outside the scope of IFRS 3. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

If the business combination of a subsidiary or joint venture is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IFRS 9 in the profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions – that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

When the Group ceases to have control any retained interest in the entity is remeasured to its fair value at the date when control is lost, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

### *Special purpose entities ("SPE")*

A SPE is consolidated if, based on an evaluation of the substance of its relationship with the Group and the SPE's risks and rewards, the Group concludes that it controls the SPE. The Group has established three SPE's, INEOS Styrolution Receivables Finance Designated Activity Company, Deutsche Bank Mexico F/1787 and INEOS Norway Finance Ireland Limited, for debt securitisation programmes. The Group does not have any direct or indirect shareholdings in these SPE's. The SPE's are controlled by the Group as they have been established under terms that impose strict limitations on the decision-making powers of the SPE's management that result in the Group receiving the majority of the benefits related to the SPE's operations and net assets, being exposed to the majority of risks arising from the SPE's activities, and retaining the majority of the residual or ownership risks related to the SPE's and their assets. INEOS Styrolution Receivables Finance Designated Activity Company, Deutsche Bank Mexico F/1787 and INEOS Norway Finance Ireland Limited are therefore regarded as SPE's and have been consolidated in these financial statements.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.6 Basis of consolidation (continued)**

*Associated undertakings*

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition. If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate.

The Group's share of post-acquisition profit or loss is recognised in the income statement, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income with a corresponding adjustment to the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognises the amount adjacent to 'share of profit/(loss) of associates' in the income statement.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised losses are eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

*Joint arrangements*

Under IFRS 11 "Joint Arrangements", investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has assessed the nature of its joint arrangements and determined them to be either joint operations or joint ventures.

The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenues and expenses. These have been incorporated in the financial statements under the appropriate headings.

Joint ventures are accounted for using the equity method. Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses on a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the group's net investment in the joint ventures), the group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

**1.7 Foreign exchange**

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the consolidated income statement except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation, or qualifying cash flow hedges, which are recognised in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign exchange are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.7 Foreign exchange (continued)**

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to the Group's presentational currency, euros, at foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated at exchange rates prevailing at the dates of the transactions. The Group applies an average rate for the year where this rate approximates to the foreign exchange rates ruling at the dates of the transactions. Exchange differences arising from this translation of foreign operations are taken directly to the translation reserve. They are recycled into the consolidated income statement upon disposal.

Exchange differences arising from a monetary item receivable from or payable to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the translation reserve. Foreign exchange differences arising on the retranslation of a borrowing designated as a hedge of a net investment in a foreign operation are recognised directly in OCI, in the translation reserve, to the extent that the hedge is effective. When the hedged part of a net investment is disposed of, the associated cumulative amount in equity is transferred to profit or loss as an adjustment to the profit or loss on disposal.

**1.8 Classification of financial instruments issued by the Group**

Financial instruments issued by the Group are treated as equity only to the extent that they meet the following two conditions:

- (a) They include no contractual obligation upon the Group to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Group; and
- (b) Where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

**Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in debt and equity securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

*Trade and other receivables*

Trade and other receivables are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade receivables satisfy the criteria for cash flow characteristics test and business model test as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss or at fair value through other comprehensive income.

*Trade and other payables*

Trade and other payables are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.8 Classification of financial instruments issued by the Group (continued)**

*Investments in debt and equity securities*

Investments in debt securities are measured at amortised cost if they meet both of the following conditions and are not designated as a fair value through profit and loss:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income only if it meets both of the following conditions and is not designated as a fair value through profit and loss:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For investment in equity securities that are not held for trading, the Group may irrevocably elect to present subsequent changes to fair value in other comprehensive income. The Group makes this election on an investment-by-investment basis.

All other financial assets, including derivatives, are classified as measured at fair value through profit and loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in the income statement. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in the income statement. Where no reliable measurement of fair value is available, investments are stated at historic acquisition cost.

*Cash and cash equivalents*

Cash and cash equivalents comprise of cash balances and call deposits.

*Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

*Debt restructuring*

The Group derecognises financial liabilities in accordance with the provisions in IFRS 9. When debt is modified, the Group analyses the modifications from both a quantitative and qualitative perspective to determine if the modifications are substantial and meet the IFRS requirements for de-recognition, in which case the debt is treated as extinguished. All fees paid in connection with a debt extinguishment are expensed immediately. When a modification is accounted for as a non-substantial modification, associated fees incurred are deferred as an adjustment to the carrying value of the liability and amortised using the original effective interest rate.

**Derivative financial instruments**

*Derivative financial instruments*

Derivative financial instruments are initially recognised at fair value. The gain or loss on subsequent remeasurement to fair value is recognised immediately in the consolidated income statement as finance income or expense.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## **1.9 Property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. Cost may include the cost of materials, labour and other costs directly attributable to bringing the assets to a working condition for their intended use. Cost may also include the cost of dismantling and removing items and restoring the site on which they are located.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation commences from the date an asset is brought into service. Land and assets in the course of construction are not depreciated. The estimated useful lives are as follows:

- Buildings 10 to 50 years
- Plant and Equipment
  - Major items of plant 3 to 30 years
  - Major plant overhauls 2 to 4 years
  - Motor vehicles 5 years
  - Computer hardware and major software 2 to 4 years
  - Fixtures and fittings 3 to 40 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, the Group makes an estimate of the recoverable amount, which is the higher of the asset's fair value less cost to sell and value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the period in which the item is derecognised.

## **1.10 Business combinations, goodwill and intangible assets**

All business combinations are accounted for by applying the Acquisition method, except acquisitions under common control which are outside the scope of IFRS 3. Goodwill represents amounts arising on acquisition of subsidiaries, associates and joint ventures.

Acquisitions under common control are accounted for at book value. The difference in the book value of the assets acquired and consideration paid is recognised in retained earnings within a distributable merger reserve. The Group has elected not to include the results of businesses acquired under common control transactions within the Group income statement for any periods prior to the date of acquiring control.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to groups of cash-generating units and is not amortised but is tested annually for impairment. The cash generating units within the Group are predominately business units. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment in the investee.

Negative goodwill arising on an acquisition is recognised immediately in the consolidated income statement.

### *Intangible assets*

Intangible assets that are acquired by the Group are stated at cost less accumulated amortisation and accumulated impairment losses. These intangible assets principally comprise intellectual property rights, customer relationships, non-compete agreements and license fees.

Intangible assets acquired separately from a business are carried initially at cost. The initial cost is the aggregate amount paid and the fair value of other consideration given to acquire the assets. An intangible asset acquired as part of a business combination is recognised separately from goodwill if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## **1.10 Business combinations, goodwill and intangible assets (continued)**

### *Amortisation*

Amortisation is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life, such as environmental certificates, and goodwill are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Customer relationships 3 – 12 years
- Intellectual property rights 10 – 15 years
- Licenses up to 15 years
- Non-compete agreements life of the agreement
- Other 3 years

These intangible assets are tested for impairment at the end of the reporting period if events or changes in circumstances indicate that the carrying value may not be recoverable. Useful lives are examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

## **1.11 Research and development**

Expenditure on research activities is recognised in the consolidated income statement as an expense as incurred.

Expenditure on development activities is capitalised if the product or process is technically and commercially feasible and the Group intends to and has the technical ability and sufficient resources to complete development, future economic benefits are probable and if the Group can measure reliably the expenditure attributable to the intangible asset during its development. Development activities involve a plan or design for the production of new or substantially improved products or processes. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Where regulatory and other uncertainties are such that the criteria are not met, the expenditure is recognised in the income statement. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and less accumulated impairment losses.

## **1.12 Impairment**

### *Impairment of financial assets*

A financial asset not classified at fair value through profit and loss is assessed at each reporting date to determine whether there is evidence that it is impaired.

### *Trade and other receivables*

The Group applies the simplified approach when providing for expected credit losses prescribed by IFRS 9 for its trade receivables and contract assets. This approach requires the Group to recognise the lifetime expected loss provision for all trade receivables taking in consideration historical as well as forward-looking information.

Where the Group has assessed the probability of default of a financial asset to be low, the loss allowance is considered immaterial.

The Group assesses on a forward looking basis the expected credit losses associated with the financial assets classified at amortised cost at each balance sheet date and adjusts the allowance accordingly.

### *Amounts due from related parties*

For amounts due from related parties an impairment loss is recognised at inception based on the 12-month expected credit loss. Subsequently the Group assesses whether there is a significant increase in credit risk to determine whether the 12-month expected credit loss model should continue to be applied or whether the lifetime expected credit loss model should be applied.

### *Investments in debt and equity securities*

Equity securities classified as FVOCI are not tested for impairment under IFRS 9.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## **1.12 Impairment (continued)**

### *Impairment of non-financial assets excluding inventories and deferred tax assets*

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are assessed at the end of the reporting period to determine whether there is any indication of impairment.

For goodwill and other intangible assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at the end of the reporting period.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

### *Calculation of recoverable amount*

The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

### *Reversals of impairment*

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

## **1.13 Inventories**

Inventories (excluding engineering stocks and maintenance spares) are stated at the lower of cost, using the first-in first-out or average cost method, and net realisable value which is defined as the estimated selling price less the estimated cost of completion and the estimated costs necessary to make the sale. Cost includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity. Provision is made for obsolete, slow-moving or defective items where appropriate.

Items owned by the Group that are held on consignment at another entity's premises are included as part of the Group's inventory.

Engineering stocks and maintenance spares are valued at moving average price. Catalysts, which are part of the chemical reaction and are consumed in the production process, are held as raw materials and consumables within inventories. These are consumed over a certain period, depending on their renewal cycles, according to normal production levels.

Cost of sales includes direct costs of raw material, distribution and handling costs.

## **1.14 Commodities**

Contracts that are entered into and continue to be held for the purpose of receipt or delivery of non-financial items in accordance with the Group's expected purchase, sale or usage requirements (own-use contracts) are not accounted for as derivative financial instruments, but rather as executory contracts.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.15 Leases**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16 *Leases*.

*Group as a lessee*

*Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised and lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

*Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease payments include fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the commencement date), amounts expected to be paid under residual value guarantees less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are expensed in the period in which the event or condition that triggers the payment occurs.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments a change in the assessment of whether the Group is reasonably certain to exercise an option to purchase the underlying asset, a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee.

When the lease liability is remeasured in this way and there has been no change in the scope of the lease, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

*Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to all leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the lease of low-value assets recognition exemption to leases of assets that are valued below €10,000. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**1.16 Government grants and similar deferred income**

Government grants and similar deferred income are shown in the balance sheet as deferred income. This income is amortised on a straight-line basis over the same period as the tangible fixed asset to which it relates or the life of the related project.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.17 Employee benefits**

The Group operates a number of defined contribution plans and funded and unfunded defined benefit pension schemes. The Group also provides unfunded early retirement benefits, long service awards and an incentive plan for certain employees.

The Group provides health care insurance to eligible retired employees and their dependants, primarily in the United States.

*Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which the Group pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an expense in the consolidated income statement as incurred.

*Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans and other post-employment benefits is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets (at bid price) are deducted. The liability discount rate is the yield at the reporting date on AA credit rated bonds, denominated in the currency of, and that have maturity dates approximating to the terms of, the Group's obligations. The calculation is performed by a qualified actuary using the projected unit credit method.

When the benefits of a plan are amended or curtailed, the portion of the increased or decreased benefit relating to past service by employees is recognised as an expense immediately in the consolidated income statement.

Where the calculation results in a benefit to the Group, the asset recognised is limited to the present value of any future refunds from the plan or reductions in future contributions to the plan.

The pension scheme surplus (to the extent that it is recoverable) or deficit is recognised in full.

The movement in the scheme surplus/deficit is split between:

- cost of sales and administrative expenses;
- net finance costs and,
- in net expense recognised directly in equity, the remeasurements of post employment benefit obligations.

Certain of the Group's pension plans include multi-employer schemes for employees of the Group and other INEOS or third-party companies. The method used to split the results between the Group and the other participating employers is as follows:

- Most members are allocated to a specific company, but where this was not possible members are allocated to the largest employer within the Group.
- Active scheme liabilities are allocated pro-rata based on the relative value of accrued pensions for active members. Deferred and pensioner members are allocated to the largest employer within the Group.
- Total assets and cash flows are allocated in proportion to accrued pensions.
- The allocation of total scheme liabilities is based on data collected at the last valuation date and this proportionate split has been applied consistently in the calculations.

*Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**1.18 Provisions**

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably and it is probable that an outflow of economic benefits will be required to settle the obligation. The timing of recognition requires the application of judgement to existing facts and circumstances, which can be subject to change. Provisions are determined by discounting the expected future cash flows at risk free pre-tax rates based on country specific government bond yields which match the maturity of the expected future cash flows. The unwinding of the discount is recognised in finance costs.

Estimated direct costs to be incurred in connection with restructuring measures are provided for when the Group has a constructive obligation, which is generally the same as the announcement date. The announcement date is the date on which the plan is announced in sufficient detail such that employees have valid expectations that the restructuring will be carried out.

The Group is exposed to environmental and remediation liabilities relating to its past operations. Provision for these costs is made when the Group has a legal or constructive obligation to carry out remediation works and costs can be estimated within a reasonable range of possible outcomes.

**1.19 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

**1.20 Revenue**

Revenue represents the invoiced value of products and services sold or services provided to third parties net of sales discounts, value added taxes and duties. Contracts for goods and services are analysed to determine the distinct performance obligations against which revenue should be recognised. The amount to be recognised is determined from the standalone selling prices for goods and services, allocated to the performance obligations. Revenue is recognised when (or as) the performance obligations are satisfied by transferring a promised good or service to a customer.

The timing of the satisfaction of a performance obligation varies depending on the individual terms of the sales agreement. Payment terms vary across the Group dependent on geographical location of each operating company. Transfer of control can occur when the product is received at the customer's warehouse, or loading the goods onto the relevant carrier, or when the product leaves the production site, depending on the international shipping terms that the product is sold under.

The pricing for products sold is determined by market prices (market contracts and arrangements) or is linked by a formula to published raw material prices plus an agreed additional amount (formula contracts). Revenue arising from the sale of goods is recognised when the goods are dispatched or delivered depending on the relevant delivery terms and point at which the control of the good or service is transferred to the customer.

The Group applies the five-step model for revenue recognition, introduced by IFRS 15 Revenue from Contracts with Customers. This model allows the Group to identify the contract with a customer; to determine the performance obligations in the contract; to establish the transaction price, which is later allocated to the performance obligations in the contract; and to recognise revenue when, or as, the entity satisfies a performance obligation, that is, that the control of the asset is transferred to the customer.

The Group has a small number of contracts that include distinct performance obligations. This results, in a limited number of cases, that revenue for certain performance obligations (being primarily separate shipping obligations) is recognised later in time. Additionally, certain customer contracts offer various forms of volume or early payment discount. These variable considerations might have as a consequence timing differences, but since the majority of contracts have terms of less than one year, the differences are solved within the period. Revenue is recognised to the extent that it is highly likely that a significant reversal in the amount of cumulative revenue recognised will not occur.

Additionally, certain customer contracts offer various forms of variable consideration in the form of early settlement discount or retrospective volume discounts. If it is highly probable that an early settlement discount will be taken and the amount is not expected to reverse when the variability is resolved, the discount is recognised as a reduction of revenue as the sales are recognised. If a volume discount applies retrospectively to all sales under the contract once a certain threshold is achieved, an estimate of the volumes to be sold and the resulting discount is calculated in determining the transaction price and this calculation is updated throughout the term of the contract.

Certain time and location swap contracts with third parties for commodities and finished goods are excluded from turnover and cost of sales.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## **1.21 Finance income and costs**

Interest income and interest expense are recognised in the consolidated income statement as it accrues, using the effective interest method. Dividend income is recognised in the consolidated income statement on the date the entity's right to receive payments is established. Foreign exchange gains and losses are reported on a net basis.

Finance costs comprise interest payable, finance charges on leases, unwinding of the discount on provisions, net fair value losses on derivatives, net interest on employee benefit liabilities and net foreign exchange losses that are recognised in the consolidated income statement (see foreign exchange accounting policy).

Finance income comprises interest receivable on funds invested and from related party loans, net fair value gains on derivatives and net foreign exchange gains.

## **1.22 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the consolidated income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination; and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the end of the reporting period. Deferred tax assets and liabilities are offset if it is possible that there is a legally enforceable right to offset current tax liabilities and assets because they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

## **1.23 Segmental analysis**

The Group determines its operating segments in a manner consistent with the internal reporting provided to the chief operating decision-makers. The chief operating decision-makers are responsible for allocating resources and assessing performance of the operating segments. The chief operating decision-makers are the members of the Executive Committees of each business who report into the shareholder.

The Group's primary format for segment reporting is based on business segments. The business segments are determined based on the Group's management and internal reporting structure and the aggregation criteria set out in IFRS 8.

Segment results that are reported to the chief operating decision-makers include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Details of the Group operating segments and the segmental analysis of revenue and adjusted EBITDA are shown in note 2.

## **1.24 Exceptional items**

In order to provide readers with a clear and consistent presentation of the underlying operating performance of the Group's ongoing business it separately identifies those profits and losses which because of their size or nature, are outside the normal course of business so are expected to be non-recurring. Exceptional costs may include the disposal of businesses, the impairment of non-current assets, the cost of restructuring acquired or existing businesses, the impact of one-off events such as legal settlements or finance costs relating to call premia and write-off of unamortised debt issue costs following substantial modification or redemption of debt as exceptional items. Exceptional income may include profit realised on redemption of debt a below their par value.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

## **1.25 Emissions Trading schemes**

The Group participates in the EU and UK Emissions Trading Schemes. The Scheme encourages companies to reduce carbon emissions by offering financial incentives if they achieve their annual reduction targets. If a company reduces emissions beyond their target then the surplus may be traded in the form of emissions permits.

The incentive money due from the EU and UK Emissions Trading Schemes are recognised in the consolidated income statement within cost of sales as a reduction of energy costs once the reduction targets have been met. The emissions permits allocated under the Scheme are at nil cost. Any additional emission permits that are purchased are recognised as intangible assets. The purchased emission permits are subject to impairment under the indefinite lived intangible asset impairment model, as the benefits of the emission permits are not consumed until they are surrendered. There is no amortisation of these permits, instead they are shown as a disposal when surrendered.

The Group accrues for emissions produced. The accrual is measured at the carrying amount of the emission rights held (nil if granted, otherwise at cost) or, in the case of a shortfall, at the current fair value of the emission rights needed.

## **1.26 Accounting standards not applied**

A number of new standards and amendments have been issued and are effective for annual periods beginning after 1 January 2024. The Group has not early adopted the new or amended standards in preparing these consolidated financial statements.

The impact of their adoption is being assessed and is not expected to have a material impact on the Group's financial statements in the period of initial application. The new standards and amendments are as follows:

- Amendments to IFRS 16: Lease liability in a sale and leaseback.
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants.
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures – Supplier Finance Arrangements.

## **2 OPERATING SEGMENTS**

Revenue and adjusted EBITDA are key measures used by the chief operating decision makers of the Group to assess the performance of the business segments.

The Group divides its operations into four segments:

- *Styrolution*, consisting of a portfolio of styrene monomer, polystyrene and acrylonitrile butadiene styrene ("ABS") and a number of other styrene derivatives under the category of "Specialties" such as ABS specialty and copolymers.
- *Inovyn*, consisting of general purpose and specialty suspension PVC, emulsion PVC, caustic soda, caustic potash, chlorine and chlorine by-products, brine and water, salt, hydrochloric acid, chlorinated paraffins, chlorinated solvents, allylics and epichlorohydrin.
- *Acetyls*, consisting of a variety of organic compounds, including acetic acid, acetic anhydride, methanol, ethyl acetate and vinyl acetate.
- *Aromatics*, consisting of a variety of aromatic chemical compounds, including paraxylene, purified terephthalic acid, benzene and metaxylene.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**2 OPERATING SEGMENTS (continued)**

The revenue and adjusted EBITDA attributable to each business segment was as follows:

	Revenue		Adjusted EBITDA	
	2023	2022	2023	2022
	€m			
Styrolution.....	4,511.7	6,634.3	200.1	748.6
Inovyn.....	3,499.5	5,136.2	589.1	1,176.0
Acetyls.....	910.2	1,369.6	107.9	363.4
Aromatics.....	3,541.9	5,115.2	12.2	284.4
Eliminations.....	(17.2)	(83.0)	-	-
	<b>12,446.1</b>	<b>18,172.3</b>	<b>909.3</b>	<b>2,572.4</b>

All revenues and adjusted EBITDA are in relation to the Group's ordinary activities.

Reconciliation of earnings before operating exceptional items, interest, taxation, impairment, depreciation and amortisation and after the share of profit/loss of associated undertakings and joint ventures using the equity accounting method ("adjusted EBITDA") to profit before tax:

	2023	2022
	€m	
Adjusted EBITDA.....	909.3	2,572.4
Depreciation, amortisation and impairment.....	(805.7)	(712.3)
Exceptional items within operating profit (note 4).....	(75.0)	(5.1)
Profit on disposal of property, plant and equipment.....	0.4	5.6
Loss on disposal of equity accounted investment (note 12).....	-	(26.6)
Profit on disposal of businesses (note 3).....	-	710.3
Net finance costs (note 8).....	(320.3)	(201.7)
<b>Profit before tax.....</b>	<b>(291.3)</b>	<b>2,342.6</b>

*Geographical analysis – revenues*

Geographical information by location of customers	2023	2022
	€m	
Europe.....	5,432.0	8,222.6
North Americas.....	2,810.3	4,368.8
Rest of World.....	4,203.8	5,580.9
<b>Total.....</b>	<b>12,446.1</b>	<b>18,172.3</b>

Geographical information by location of trading legal entity	2023	2022
	€m	
Europe.....	5,850.5	8,757.3
North Americas.....	3,039.1	4,570.8
Rest of World.....	3,556.5	4,844.2
<b>Total.....</b>	<b>12,446.1</b>	<b>18,172.3</b>

In presenting information on the basis of geographic analysis of segments, segment revenue is based on the geographical location of customers and registered address of the Group's trading legal entities.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**3 ACQUISITION AND DISPOSAL OF BUSINESSES**

*Acquisition in the year*

**Acquisition of Eastman**

On 1 December 2023, the Group acquired Eastman Texas City Chemicals Inc from Eastman Chemicals Company for a cash consideration of \$418.5 million (€381.3 million equivalent) plus deferred consideration of \$36.4 million (€32.7 million equivalent) payable in December 2024 and of \$33.9 million (€30.6 million equivalent) payable in December 2025. This acquisition forms part of the Acetyls segment.

The consolidated financial statements include a preliminary allocation of purchase price, due to the proximity of the acquisition to the year end. The provisional net assets acquired at the date of acquisition were as follows:

	<u>Book value on acquisition</u>	<u>Accounting policy alignment</u>	<u>Fair value adjustments</u>	<u>Fair value on acquisition</u>
<i>Acquiree's provisional net assets at acquisition date:</i>				
Property, plant and equipment.....	99.0	7.6	128.2	234.8
Intangible assets.....	2.6	-	4.3	6.9
Other non-current receivables.....	7.3	-	10.8	18.1
Inventories.....	6.3	(6.3)	-	-
Trade and other receivables.....	10.8	-	-	10.8
Cash and cash equivalents.....	0.1	-	-	0.1
Current and non-current lease liabilities....	(19.7)	-	15.8	(3.9)
Current and non-current trade and other payables	(9.1)	-	-	(9.1)
Current and non-current provisions.....	(1.7)	-	0.1	(1.6)
<b>Provisional net identifiable assets and liabilities acquired.....</b>	<b>95.6</b>	<b>1.3</b>	<b>159.2</b>	<b>256.1</b>
<i>Consideration paid:</i>				
Cash consideration.....				381.3
Deferred consideration.....				63.3
Unwinding of discounting of the deferred consideration.....				(0.3)
Effect of movements in foreign exchange.....				0.8
<b>Difference between consideration and provisional net assets acquired.....</b>				<b>189.0</b>

The transaction resulted in a net cash outflow of €381.2 million, being the difference between the initial cash consideration of €381.3 million less the cash balances held by the acquired business of €0.1 million.

The difference between consideration and the provisional net assets acquired has been recognised within intangible assets in note 11. Goodwill is not expected to be deductible for income tax purposes.

The Group incurred acquisition related costs of €4.6 million relating to legal and other consultancy costs. These costs have been treated as exceptional administrative expenses in the Group's consolidated income statement during the year ended 31 December 2023 (see note 4).

The fair value of acquired external trade receivables was €10.8 million, of which none was expected to be uncollectable at the date of acquisition.

Goodwill acquired reflects the expected synergies from combining operations and intangible assets that do not qualify for separate recognition.

If the acquisition had occurred on 1 January 2023, revenue of the Group for 2023 would have increased by €nil, and adjusted EBITDA of the Group for 2023 would have increased by €26 million. These figures are unaudited.

**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**3 ACQUISITION AND DISPOSAL OF BUSINESSES (continued)**

*Disposals in prior year*

**Disposal of INEOS Styrolution India Limited**

On 22 April 2022, the Group sold 13.8% of its shareholding in INEOS Styrolution India Limited for consideration of \$25.1 million (€22.5 million equivalent). The Group's shareholding reduced from 75.0% to 61.2% as a result, with control being retained.

On 1 August 2022, the Group entered into an agreement to divest its remaining shareholding of 61.19% in INEOS Styrolution India Limited with Shiva Performance Materials Private Limited. The transaction was completed on 17 November 2022.

The net assets disposed at the date of disposal were as follows:

	<b>Recognised values on disposal</b>
	<b>€m</b>
<b>Subsidiary's net assets recognised at the disposal date:</b>	
Property, plant and equipment.....	39.9
Intangible assets .....	72.2
Investments .....	0.2
Inventories.....	41.1
Current debtors and other assets.....	44.4
Cash and cash equivalents.....	14.8
Trade and other payables.....	(5.0)
Lease liability.....	(40.4)
Employees benefits .....	(0.1)
Provisions.....	(1.3)
Deferred tax liabilities.....	(11.6)
Tax liabilities for current tax.....	(4.2)
Minority interests .....	(32.5)
<b>Net assets of disposal group.....</b>	<b>117.5</b>
<b>Proceeds:</b>	
Cash consideration .....	80.7
Accrued transaction costs.....	(0.5)
<b>Net proceeds.....</b>	<b>80.2</b>
Reclassification of foreign currency translation reserve to the income statement.....	9.8
<b>Loss on disposal.....</b>	<b>(47.1)</b>

The loss on disposal of €47.1 million, being the difference between net proceeds of €80.2 million (after deduction of transaction costs), the reclassification of foreign currency translation gains from reserve to the income statement of €9.8 million and net assets disposed of was recognised in the statement of comprehensive income.

The transaction resulted in a net cash inflow of €65.9 million, being the difference between the sale price of €80.7 million less the cash balances held by the disposed business of €14.8 million.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**3 ACQUISITION AND DISPOSAL OF BUSINESSES (continued)**

*Disposals in prior year*

**Equity transfer agreement of INEOS Styrolution Advanced Materials (Ningbo) Pte Limited**

On 28 July 2022, the Group's subsidiary, INEOS Styrolution APAC Pte. Limited, entered into an agreement to transfer 50% of its shareholding in INEOS Styrolution Advanced Materials (Ningbo) Pte Limited to China Petroleum & Chemical Corporation ("Sinopec"). As a result, the Group lost control but retained joint control. Based on the terms of the joint-arrangement reviewed in accordance with IFRS 11, the Group assessed that its 50% interest represents an interest in a joint venture that is accounted for using the equity method. The transaction was completed on 28 December 2022.

The net assets disposed at the date of the loss of control were as follows:

	<b>Recognised values on disposal</b>
	<b>€m</b>
<b>Disposal of 100% of subsidiary's net assets recognised at the loss of control date:</b>	
Property, plant and equipment.....	560.9
Intangible assets .....	0.6
Deferred tax assets .....	2.0
Inventories.....	0.4
Current debtors and other assets.....	58.3
Cash and cash equivalents.....	40.7
Trade and other payables.....	(34.1)
Intercompany loans .....	(64.7)
External loans and borrowings .....	(408.9)
Debt issue costs .....	0.4
<b>Net assets of disposal group.....</b>	<b>155.6</b>
 <b>Recognition of 50% of the joint-venture equity share:</b>	
Fair value of share of joint-venture .....	<b>443.1</b>
 <b>Proceeds:</b>	
Cash consideration* .....	226.4
Deferred consideration .....	246.2
Accrued transaction costs.....	(2.7)
<b>Net proceeds.....</b>	<b>469.9</b>
 <b>Gain on disposal.....</b>	<b>757.4</b>

\*Withholding tax of €13.5 million was paid in respect of this transaction.

The profit on disposal of €757.4 million, being the difference between the net proceeds of €469.9 million (after deduction of transaction costs); the 50% of the joint-venture equity share recognised at fair value of €443.1 million and net assets disposed of was recognised in the statement of comprehensive income.

The cost of acquiring the 50% of the joint-venture equity share was measured at fair value by applying discounted cash flow method based on a long-term business plan with a detailed planning period of seven years.

The transaction resulted in a net cash inflow of €172.2 million, being the difference between the sale price settled on completion of €226.4 million less €13.5 million of withholding tax paid and the cash balances held by the disposed business of €40.7 million. Transaction costs of €2.7 million remained unsettled as at 31 December 2022.

On 31 December 2022, the Group recognised deferred considerations related to outstanding instalments to be received from Sinopec on the achievement of certain milestones. The deferred considerations were discounted to recognise the time value of money. On 29 December 2023, the Group's subsidiary, INEOS Styrolution APAC Pte. Limited received proceeds for one of the deferred considerations of €109.9 million (after deduction of a withholding tax of €12.2 million). In line with the contractual agreements and achieved milestones, the Group expects to receive the proceeds for the remaining recognised deferred consideration in 2024.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**4 EXCEPTIONAL ITEMS**

	2023	2022
	€m	
<b>Exceptional items included in cost of sales:</b>		
Plant closure costs <sup>(1)</sup> .....	6.2	-
Environmental costs <sup>(2)</sup> .....	31.8	-
	<u>38.0</u>	<u>-</u>
<b>Exceptional items included in administrative expenses:</b>		
Acquisition costs <sup>(3)</sup> .....	4.6	-
Reorganisation costs <sup>(4)</sup> .....	34.3	1.3
Other <sup>(5)</sup> .....	(1.9)	3.8
	<u>37.0</u>	<u>5.1</u>
<b>Exceptional items excluding finance costs</b> .....	<u>75.0</u>	<u>5.1</u>
<b>Exceptional finance costs:</b>		
Charge on early settlement of debt <sup>(6)</sup> .....	12.4	4.3
	<u>87.4</u>	<u>9.4</u>
<b>Exceptional finance income:</b>		
Discount on early bond repayment <sup>(7)</sup> .....	53.9	-
	<u>53.9</u>	<u>-</u>
<b>Total exceptional income</b> .....	<u>53.9</u>	<u>-</u>

**Exceptional cost of sales and administrative expenses:**

- (1) In March 2021, the Group announced the closure of the sulphur chemicals plant at Runcom, United Kingdom and its withdrawal from the UK sulphur chemicals market. As a consequence, exceptional provisions of €11.9 million were recognised to cover the cost of exiting certain commercial agreements and the safe decommissioning and demolition of the plant. Additional provisions of €6.2 million were recognised in the current year following a review of the remaining work required and the condition of the asset subsequent to the completion of the de-inventorising phase of the project.
- (2) In 2016, INOVYN's mercury cellroom at Runcom, United Kingdom ceased production. An exceptional provision of €25.8 million was recognised in 2021 to cover the demolition of the cellroom, including the safe disposal of hazardous waste and elemental mercury. Following a full review and assessment of scope and with the benefit of increased visibility and availability of up to date, reliable cost estimates an additional exceptional provision of €12.3 million was recognised in 2023.

At the Group's site at Tavaux, France, an exceptional provision of €18.5 million was incurred in 2021 in order to comply with the obligations of the EU Water Directive, specifically in relation to an industrial scale waste water treatment plant and the sealing of sedimentation basins. Following a review of the obligations and the results of a test phase leading to a modification of the proposed solution an additional provision of €9.3 million was recognised in the current financial year. The site also increased the provision held in relation to the obligation to rehabilitate the Quarry and basins by respectively €2.7 million and €0.4 million.

In addition to the above, further exceptional charges of €7.1 million were recognised in 2023 at the Group's sites at Lillo, Belgium; Jemeppe, Belgium and Tavazzano, Italy, in respect of various remediation related projects associated with managing contamination.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**4 EXCEPTIONAL ITEMS (continued)**

(3) In December 2023, INEOS US Chemicals LLC acquired the Texas City site from Eastman Chemical Texas City, Inc. Acquisition-related professional fees relating to legal and other consultancy costs were incurred in 2023.

(4) In 2023, the Aromatics businesses announced the mothballing of one of its PTA units in Geel, Belgium and one of its PX units in Texas City, the United States. Provisions for severance costs were recognised in the year for respectively of €4.1 million and €1.7 million. An additional severance provision of €1.5 million was recognised due to the relocation of the Aromatics head office.

In 2023, the Styrolution business launched a manpower reorganisation. Exceptional items of €27.0 million were recognised in relation to this efficiency program, of which €17.2 million was recognised in provision and €9.8 million was spent during the year.

In 2022, the Aromatics businesses incurred €1.3 million of exceptional charges in respect of manpower reorganisations.

(5) The exceptional credit in 2023 of €1.9 million relates to the release of provisions made in prior years for legal claims and commercial disputes. In 2022, the Aromatics businesses incurred €3.8 million of exceptional charges related to cancellation of projects started under BP ownership and no longer expected to be pursued.

**Exceptional finance costs:**

(6) In 2023, exceptional finance costs of €12.4 million were incurred in relation to the write off of unamortised debt issue costs associated with the Term Loan B Facilities due 2026, the Senior secured Notes due 2026 and the Senior Notes due 2026 which were partially repaid on 14 November 2023.

In 2022, exceptional finance costs of €4.3 million were incurred in relation to the write off of unamortised debt issue costs associated with the Term Loan A Facilities due 2023 and the Term Loan A Facilities due 2025 which were repaid in full on 31 May 2022.

**Exceptional finance income:**

(7) In 2023, exceptional finance income of €53.9 million were recognised in relation to the partial repayment of the Senior secured Notes due 2026 and the Senior Notes due 2026 at below par value.

The cash flow impact of the exceptional items recognised in the financial year amounted to €14.4 million. There is no material effect on the tax charge due to exceptional items.

**5 OPERATING PROFIT**

Included in operating profit are the following:

	2023	2022
	€m	
Research and development costs expensed as incurred.....	28.2	32.7
Amortisation of intangible assets .....	124.6	129.4
Impairment of intangible assets.....	10.7	-
Expenses relating to short-term leases.....	6.0	6.0
Expenses relating to leases of low value assets .....	0.5	0.6
Expenses relating to variable lease payments not included in the measurement of the lease liability .....	9.4	9.3
<b>Depreciation and impairment of property, plant and equipment - within cost of sales, distribution costs and administrative expenses</b>		
Owned assets - depreciation .....	543.8	495.2
Right-of-use assets - depreciation.....	90.1	87.7
	633.9	582.9
Owned assets – impairment.....	36.5	-
	<b>670.4</b>	<b>582.9</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**5 OPERATING PROFIT (continued)**

	2023	2022
	€m	
<b>Auditor's remuneration</b>		
Audit of these financial statements.....	1.5	1.0
<b>Amounts receivable by auditors and their associates in respect of:</b>		
Audit of financial statements of subsidiaries pursuant to legislation.....	5.0	4.1
Non-audit services.....	0.9	0.2
	<u>7.4</u>	<u>5.3</u>

The audit fee above includes the audit fee of €14,280 (2022: €13,600) for the parent Company.

**6 STAFF NUMBERS AND COSTS**

The monthly average number of persons including directors employed by the Group (including any divestitures up to the date of disposal and any acquisitions from the date of acquisition) during the year, analysed by category, was as follows:

	2023	2022
	Number	
Research and development.....	196	238
Administration.....	1,632	1,673
Operations.....	6,853	6,711
	<u>8,681</u>	<u>8,622</u>

The aggregate payroll costs of these persons were as follows:

	2023	2022
	€m	
Wages and salaries.....	804.8	842.3
Social security costs.....	117.5	118.6
Contributions to defined contribution plans.....	44.7	44.9
<u>Items related to defined benefit plans:</u>		
Current service cost.....	19.2	21.7
Past service credit.....	0.2	-
	<u>986.4</u>	<u>1,027.5</u>

**7 DIRECTORS' REMUNERATION**

	2023	2022
	€m	
Salaries and other short-term benefits.....	-	1.6
Company contributions to money purchase schemes.....	-	-
Other long-term benefits.....	-	-
	<u>-</u>	<u>1.6</u>

*Highest paid director*

	2023	2022
	€m	
Aggregate emoluments.....	-	1.6

None of the directors received any fees or remuneration from the Group for their qualifying services as a director of the Company during the financial year. Directors' remuneration was borne by related party entities outside the Group. No directors have benefits accrued under defined benefit schemes (2022: one). No directors have benefits accruing under defined contribution schemes (2022: nil).



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**8 FINANCE INCOME AND COSTS**

	<u>2023</u>	<u>2022</u>
	<u>€m</u>	
<b>Finance income</b>		
Interest receivable from banks and short-term deposits .....	61.0	7.2
Interest receivable from associated undertakings .....	6.8	2.1
Other interest income .....	15.8	5.3
<b>Total interest income on financial assets not at fair value through profit or loss ..</b>	<b>83.6</b>	<b>14.6</b>
Net fair value gains on derivatives .....	45.5	-
Net exchange movements .....	-	62.1
Unwind of discount on provisions .....	1.3	12.9
<b>Total finance income before exceptional items .....</b>	<b>130.4</b>	<b>89.6</b>
Exceptional finance income (note 4) .....	53.9	-
<b>Total finance income .....</b>	<b>184.3</b>	<b>89.6</b>
<b>Finance costs</b>		
Interest payable on Term Loans .....	333.3	156.0
Interest payable on bank loans and overdrafts .....	-	7.7
Interest payable on Senior Secured Notes and Senior Notes .....	75.0	68.2
Interest payable on securitisation facility .....	4.3	3.9
Interest payable to related parties .....	1.9	1.8
Amortisation of debt issue costs .....	19.5	17.6
Interest payable on right-of-use assets .....	13.5	12.1
Net fair value loss on derivatives .....	-	20.8
Interest expense on pension schemes .....	5.3	1.8
Borrowing costs capitalised in property, plant and equipment .....	-	(7.7)
Net exchange movements .....	35.6	-
Other interest expense .....	3.8	4.8
<b>Total finance costs before exceptional items .....</b>	<b>492.2</b>	<b>287.0</b>
Exceptional finance costs (note 4) .....	12.4	4.3
<b>Total finance costs .....</b>	<b>504.6</b>	<b>291.3</b>
<b>Net finance costs .....</b>	<b>320.3</b>	<b>201.7</b>

The exchange movements reflect foreign exchange gains or losses associated with short term intra group funding.

Net gains and losses on financial instruments are included in note 25.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**9 TAX (CREDIT)/CHARGE**

**Taxation recognised in the consolidated income statement**

	2023	2022
	€m	
<b>Current tax expense</b>		
Current tax expense .....	74.6	293.9
Adjustments in respect of prior years .....	4.1	27.1
Current tax expense .....	<u>78.7</u>	<u>321.0</u>
<b>Deferred tax (credit)/charge</b>		
Origination and reversal of temporary differences .....	(141.3)	64.4
Change in tax rates applied to temporary differences .....	0.2	(0.6)
Adjustments in respect of prior years .....	(25.8)	(7.1)
Deferred tax (credit)/charge (see note 14) .....	<u>(166.9)</u>	<u>56.7</u>
<b>Total tax (credit)/charge .....</b>	<b><u>(88.2)</u></b>	<b><u>377.7</u></b>

**Reconciliation of effective tax rate**

	2023	2022
	€m	
(Loss)/profit before taxation .....	<u>(291.3)</u>	<u>2,342.6</u>
Tax using the UK corporation tax rate of 23.5% (2022: 19.0%) .....	(68.5)	445.1
Effect of tax rates in foreign jurisdictions .....	7.1	65.6
Non-deductible expenses .....	(14.0)	(133.7)
Change in tax rate .....	0.2	(1.0)
Adjustments in respect of prior years .....	(21.7)	20.0
Non-taxable joint-venture income .....	(7.1)	(44.1)
Deferred tax not recognised .....	17.3	26.6
Other .....	(1.5)	(0.8)
<b>Total tax (credit)/charge .....</b>	<b><u>(88.2)</u></b>	<b><u>377.7</u></b>

**Global Minimum top-up tax**

The Organisation for Economic Co-operation and Development (OECD) / G20 Inclusive Framework on Base Erosion and Profit Shifting published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy.

On 23 May 2023 the IASB issued amendments to IAS 12 'Income Taxes'. The Amendments to IAS12 introduced a mandatory temporary exception to the requirement of IAS 12 under which a company does not recognise or disclose information about deferred tax assets or liabilities related to the proposed OECD/ G20 BEPS Pillar Two model rules. The Group applied the temporary exception as at 31 December 2023.

Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions the Group operates. The legislation will be effective for the Group's financial year beginning 1 January 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**9 TAX (CREDIT)/CHARGE (continued)**

**Global Minimum top-up tax (continued)**

The assessment of the potential exposure to Pillar Two taxes is based on the most recent tax filings, country-by-country reporting, and future estimates of income for the constituent entities in the Group. Based on the assessment, the Pillar Two effective tax rates in most of the jurisdictions in which the group operates are above 15% or will be where jurisdictions are increasing local tax rates. However, there are a limited number of jurisdictions where the transitional safe harbour relief may not apply, and the Pillar Two effective tax rate is close to 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Income taxes in the consolidated income statement are measured at 23.5% (blended average) and deferred taxes at the balance sheet date are measured at 25%.

**Taxation recognised in other comprehensive (expense)/income**

	2023			2022		
	Gross	Tax	Net	Gross	Tax	Net
			€m			
Remeasurement of post-employment benefit obligations net of taxes .....	(28.9)	6.7	(22.2)	(35.6)	6.8	(28.8)
Fair value gain/(loss) on investments in equity instruments designated as FVTOCI .....	0.2	-	0.2	(0.4)	-	(0.4)
Reclassification of foreign exchange translation difference on disposal of subsidiaries .....	-	-	-	9.8	-	9.8
Foreign exchange translation differences of subsidiaries .....	(144.8)	-	(144.8)	(51.0)	-	(51.0)
	<u>(173.5)</u>	<u>6.7</u>	<u>(166.8)</u>	<u>(77.2)</u>	<u>6.8</u>	<u>(70.4)</u>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**10 PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings	Plant and equipment, fixtures and fittings, and vehicles	Assets under construction	Right-of- use assets	Total
	€m					
<b>Cost</b>						
At 1 January 2022.....	282.5	463.9	4,325.3	1,060.8	465.2	6,597.7
Additions .....	-	30.5	616.4	226.8	40.5	914.2
Lease modifications and reassessments.....	-	-	-	-	40.1	40.1
Reclassification .....	26.0	53.4	271.4	(343.8)	3.5	10.5
Aborted capital expenditure .....	-	-	-	(16.9)	-	(16.9)
Disposals .....	(1.9)	(0.3)	(82.2)	-	(27.7)	(112.1)
Business disposal.....	(38.4)	(11.6)	(37.0)	(530.3)	(7.1)	(624.4)
Effects of movements in foreign exchange ....	10.8	(6.5)	(33.9)	20.0	6.2	(3.4)
<b>At 31 December 2022 .....</b>	<b>279.0</b>	<b>529.4</b>	<b>5,060.0</b>	<b>416.6</b>	<b>520.7</b>	<b>6,805.7</b>
Additions .....	-	3.1	183.7	338.4	58.3	583.5
Acquisition .....	42.8	43.5	141.3	3.2	4.0	234.8
Lease modifications and reassessments.....	-	-	-	-	46.6	46.6
Reclassification .....	-	13.3	162.2	(173.0)	-	2.5
Disposals .....	-	(0.8)	(77.3)	-	(37.6)	(115.7)
Effects of movements in foreign exchange ....	(7.7)	(8.4)	(108.0)	(7.1)	(8.0)	(139.2)
<b>At 31 December 2023 .....</b>	<b>314.1</b>	<b>580.1</b>	<b>5,361.9</b>	<b>578.1</b>	<b>584.0</b>	<b>7,418.2</b>
<b>Accumulated depreciation and impairment</b>						
At 1 January 2022.....	5.3	132.6	1,319.2	-	168.4	1,625.5
Depreciation charge for the year .....	2.0	24.1	469.1	-	87.7	582.9
Impairment charge for the year .....	-	-	-	-	-	-
Reclassification .....	-	6.1	2.9	-	(0.9)	8.1
Disposals .....	(1.5)	(0.2)	(89.0)	-	(27.3)	(118.0)
Business disposal.....	(0.5)	(3.9)	(16.3)	-	(2.9)	(23.6)
Effects of movements in foreign exchange ....	-	0.5	4.9	-	2.6	8.0
<b>At 31 December 2022 .....</b>	<b>5.3</b>	<b>159.2</b>	<b>1,690.8</b>	<b>-</b>	<b>227.6</b>	<b>2,082.9</b>
Depreciation charge for the year .....	1.5	25.8	516.5	-	90.1	633.9
Impairment charge for the year .....	-	-	36.5	-	-	36.5
Reclassification .....	-	0.1	0.1	-	-	0.2
Disposals .....	-	(0.7)	(74.5)	-	(36.1)	(111.3)
Effects of movements in foreign exchange ....	(0.3)	(2.9)	(34.5)	-	(4.2)	(41.9)
<b>At 31 December 2023 .....</b>	<b>6.5</b>	<b>181.5</b>	<b>2,134.9</b>	<b>-</b>	<b>277.4</b>	<b>2,600.3</b>
<b>Net book value</b>						
At 31 December 2022.....	273.7	370.2	3,369.2	416.6	293.1	4,722.8
<b>At 31 December 2023 .....</b>	<b>307.6</b>	<b>398.6</b>	<b>3,227.0</b>	<b>578.1</b>	<b>306.6</b>	<b>4,817.9</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**10 PROPERTY, PLANT AND EQUIPMENT (continued)**

*Property, plant and equipment under construction*

In the year ended 31 December 2023, the Group acquired €338.4 million of property, plant and equipment under construction.

In the Styrolution business, the most significant expenditures were in relation to a new 100 kiloton ASA plant at Bayport, Texas and the development of a new technology to recycle styrene monomer. In the INOVYN business, the most significant expenditures consisted of a new mechanical vapor recompression salt plant at Tavaux, France, a brine borehole drilling program at Northwich, UK and general SHE/sustenance expenditure. There were also planned VCM turnaround events at Martorell, Spain and Jemeppe, Belgium in the year. In the Acetyls business, the most significant expenditures were mainly on sustenance and safety compliance work. In the Aromatics business, the most significant expenditures consisted of planned turnarounds at Zhuhai in China and at Cooper River in the US.

Investments in property, plant and equipment under construction in the year ended 31 December 2022 mainly related to a new 600 kiloton ABS Kaimen facility at Ningbo, China, which was subsequently divested into a joint venture in December 2022 and a new 100 kiloton ASA plant at Bayport, Texas in the Styrolution business and a SPVC capacity expansion project at Jemeppe, Belgium and a new mechanical vapor recompression salt plant at Tavaux, France in the INOVYN business.

*Business acquisition*

The acquisition of Eastman Texas City Chemicals Inc in December 2023 resulted in the acquisition of property, plant and equipment of €234.8 million (see note 3).

*Business disposal*

In the prior year, the disposal of INEOS Styrolution India Limited in November 2022 resulted in the disposal of property, plant and equipment of €39.9 million (see note 3). The transfer of 50% of the shareholding in INEOS Styrolution Advanced Materials (Ningbo) Pte Limited to Sinopec in December 2022 resulted in the disposal of property, plant and equipment of €560.9 million, the majority of which were assets under construction in relation to a new 600 kiloton ABS facility at Ningbo, China (see note 3).

*Aborted capital expenditure*

Aborted capital expenditure in the prior year related mainly to the technology upgrade and modernization of one of the units of the Aromatics plant in Zhuhai, China, which was aborted due to poor economics of the project.

*Impairment charge*

Toward the end of 2023, the Aromatics business made the decision to close its PX2 unit in Texas City, US in response to the challenging economic environment, as a result the net book value of the PX2 unit and any related non-transferable assets were fully impaired for a total of €36.5 million.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**10 PROPERTY, PLANT AND EQUIPMENT (continued)**

**Right-of-use assets**

	<b>Land</b>	<b>Buildings</b>	<b>Plant and equipment, fixtures and fittings, and vehicles</b>	<b>Total</b>
	<b>€m</b>			
At 1 January 2022 .....	10.5	92.2	362.5	465.2
Additions .....	-	3.5	37.0	40.5
Lease modifications and remeasurements .....	5.1	0.7	34.3	40.1
Reclassification .....	-	-	3.5	3.5
Disposals .....	-	(3.3)	(24.4)	(27.7)
Business disposal .....	-	(1.0)	(6.1)	(7.1)
Effects of movement in foreign exchange .....	(0.3)	0.4	6.1	6.2
<b>At 31 December 2022 .....</b>	<b>15.3</b>	<b>92.5</b>	<b>412.9</b>	<b>520.7</b>
Additions .....	2.5	2.0	53.8	58.3
Acquisition .....	-	0.7	3.3	4.0
Lease modifications and remeasurements .....	1.4	2.3	42.9	46.6
Disposals .....	-	(2.3)	(35.3)	(37.6)
Effects of movement in foreign exchange .....	(0.2)	(1.4)	(6.4)	(8.0)
<b>At 31 December 2023 .....</b>	<b>19.0</b>	<b>93.8</b>	<b>471.2</b>	<b>584.0</b>
At 1 January 2022 .....	1.3	20.4	146.7	168.4
Depreciation charge for the year .....	0.7	8.0	79.0	87.7
Reclassification .....	-	-	(0.9)	(0.9)
Disposals .....	-	(3.0)	(24.3)	(27.3)
Business disposal .....	-	(0.6)	(2.3)	(2.9)
Effects of movement in foreign exchange .....	-	0.3	2.3	2.6
<b>At 31 December 2022 .....</b>	<b>2.0</b>	<b>25.1</b>	<b>200.5</b>	<b>227.6</b>
Depreciation charge for the year .....	1.0	7.5	81.6	90.1
Disposals .....	-	(1.5)	(34.6)	(36.1)
Effects of movement in foreign exchange .....	-	(0.5)	(3.7)	(4.2)
<b>At 31 December 2023 .....</b>	<b>3.0</b>	<b>30.6</b>	<b>243.8</b>	<b>277.4</b>
<b>Net book value</b>				
At 31 December 2022 .....	13.3	67.4	212.4	293.1
<b>At 31 December 2023 .....</b>	<b>16.0</b>	<b>63.2</b>	<b>227.4</b>	<b>306.6</b>

The Group mainly leases tanks, railcars, vessels, storage and transportation infrastructure, machinery, production buildings, administrative offices, motor vehicles and land, which are classified as right-of-use assets. Rental contracts are usually made for periods between 1 to 20 years but may also include extension options. Extension options are included only if the lease term is reasonably certain to be extended and the decision of extending is mainly up to the Group (as a lessee).

See note 18 for lease obligations related to right-of-use assets.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**11 INTANGIBLE ASSETS**

	<u>Goodwill</u>	<u>Customer relationships</u>	<u>Intellectual property rights</u>	<u>Environmental certificates</u>	<u>Licence fees</u>	<u>Other</u>	<u>Total</u>
	€m						
<b>Cost</b>							
At 1 January 2022.....	1,193.7	1,070.5	485.3	12.4	32.7	11.1	2,805.7
Business Disposal.....	(38.0)	(40.1)	(19.4)	(0.7)	-	-	(98.2)
Additions.....	-	-	2.5	71.7	0.3	1.2	75.7
Disposals.....	-	-	-	(26.8)	(0.2)	-	(27.0)
Effect of movements in foreign exchange.....	49.0	20.1	13.3	0.4	0.3	-	83.1
<b>At 31 December 2022</b>	<b>1,204.7</b>	<b>1,050.5</b>	<b>481.7</b>	<b>57.0</b>	<b>33.1</b>	<b>12.3</b>	<b>2,839.3</b>
Business acquisition.....	189.0	-	6.9	-	-	-	195.9
Additions.....	-	-	2.2	66.4	1.1	1.7	71.4
Reclassification.....	-	-	(0.8)	-	1.0	-	0.2
Disposals.....	-	-	-	(53.0)	(0.1)	-	(53.1)
Effect of movements in foreign exchange.....	(28.9)	(23.3)	(10.3)	(0.3)	(0.8)	-	(63.6)
<b>At 31 December 2023</b> .....	<b>1,364.8</b>	<b>1,027.2</b>	<b>479.7</b>	<b>70.1</b>	<b>34.3</b>	<b>14.0</b>	<b>2,990.1</b>
<b>Accumulated amortisation and impairment</b>							
At 1 January 2022.....	-	367.2	143.3	-	24.4	5.6	540.5
Amortisation for the year.....	-	83.8	42.1	0.1	2.1	1.3	129.4
Disposals.....	-	-	-	-	(0.2)	-	(0.2)
Business disposal.....	-	(17.5)	(7.7)	(0.2)	-	-	(25.4)
Effect of movements in foreign exchange.....	-	5.7	2.1	-	0.1	-	7.9
<b>At 31 December 2022</b> .....	<b>-</b>	<b>439.2</b>	<b>179.8</b>	<b>(0.1)</b>	<b>26.4</b>	<b>6.9</b>	<b>652.2</b>
Amortisation for the year.....	-	81.1	40.7	-	1.5	1.3	124.6
Impairment.....	-	-	10.7	-	-	-	10.7
Disposals.....	-	-	-	-	(0.1)	-	(0.1)
Reclassification.....	-	-	-	-	0.4	-	0.4
Effect of movements in foreign exchange.....	-	(8.9)	(4.1)	-	(0.6)	-	(13.6)
<b>At 31 December 2023</b> .....	<b>-</b>	<b>511.4</b>	<b>227.1</b>	<b>(0.1)</b>	<b>27.6</b>	<b>8.2</b>	<b>774.2</b>
<b>Net book value</b>							
At 31 December 2022.....	1,204.7	611.3	301.9	57.1	6.7	5.4	2,187.1
<b>At 31 December 2023</b> .....	<b>1,364.8</b>	<b>515.8</b>	<b>252.6</b>	<b>70.2</b>	<b>6.7</b>	<b>5.8</b>	<b>2,215.9</b>

Other intangible assets mainly relate to development costs, purchases for pipeline access rights and electricity grid capacity fees.

Separable intangible assets for customer relationships represent value attributed to customer relationships arising from contractual rights and non-contractual relationships and for intellectual property value mainly in relation to the right to use patents. Those were recognised as part of acquisitions in Styrolution as well as part of the acquisition of the Aromatics and Acetyls businesses. The remaining customer life or the acquired customer relationships range between 2 and 16 years and for the acquired intellectual property rights the remaining useful lives range between 6 and 15 years.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**11 INTANGIBLE ASSETS (continued)**

Environmental certificates are in respect of costs associated with the purchase of EU and UK Emissions Trading Scheme allowances and the nitrogen oxides emission scheme in the US. The emissions allowances are subject to impairment under the indefinite lived intangible asset impairment model.

*Business acquisition*

The acquisition of Eastman Texas City Chemicals Inc on 1 December 2023 resulted in the acquisition of environmental certificates for a total of €6.9 million. The difference between the consideration and net assets acquired has been recognised as goodwill for €189.0 million (see note 3).

*Impairment*

Following a review of the projection of cash flows for the licensing activities within the Aromatics business, an impairment of €10.7 million was recognised in the year.

*Business disposal in prior year*

The disposal of INEOS Styrolution India Limited in November 2022 resulted in the disposal of intangible assets of €72.2 million, of which €38.0 million related to goodwill (see note 3). The transfer of 50% of the shareholding in INEOS Styrolution Advanced Materials (Ningbo) Pte Limited to Sinopec in December 2022 resulted in the disposal of intangibles assets of €0.6 million (see note 3).

*Amortisation*

The amortisation charge is recognised in administrative expenses in the consolidated income statement.

**Goodwill impairment testing**

Goodwill has been allocated to cash generating units ("CGUs") or groups of cash generating units as follows:

	2023	2022
	<b>€m</b>	
Polymers EMEA.....	252.2	252.2
Polymers Asia.....	58.5	61.6
Polymers Americas.....	188.3	196.0
Styrene Monomer.....	180.6	185.9
<b>Styrolution Total.....</b>	<b>679.6</b>	<b>695.7</b>
Aromatics.....	135.9	134.4
Acetyls.....	549.3	374.6
	<b>1,364.8</b>	<b>1,204.7</b>

The Polymers EMEA, Polymers Asia, Polymers Americas and Styrene Monomer CGU's relate to the Styrolution business.

For the acquired Aromatics and Acetyls businesses, the acquisition was negotiated in total and the consideration was reviewed in the context of the whole transaction. The Aromatics and Acetyls businesses reports separately to the Group, and decisions around resource allocation and monitoring of performance consider the Acetyls and Aromatics businesses separately. Each business has its own independent management structure. The carrying amount of goodwill resulting from the acquisition has therefore been allocated between the Acetyls and Aromatics segments.

The goodwill resulting from the Eastman acquisition was assessed to be supported by the same cash-flows as the goodwill resulting from the acquisition of the US portion of the Acetyls business on 31 December 2020 and is therefore presented within the Acetyls CGU in the Group accounts.

No impairment charge has been recorded in these financial statements as a result of the annual impairment test of goodwill.

The Group determined the recoverable amount based on value in use.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**11 INTANGIBLE ASSETS (continued)**

The recoverable amount is calculated on a long-term business plan for the CGUs with a detailed planning period of five years and a terminal value which represents the mid-cycle performance on which a terminal growth rate is applied for the 35 years thereafter based on the assumption of a total asset life of 40 years. The main assumptions for the preparation of the five-year-business plan are the economic growth developments in the main customer regions and industries of each business. These assumptions are based on external market data as well as internal assessments.

A terminal growth rate is applied for each unit for the period thereafter. The growth of each of the Quattro businesses is deemed closely related to the GDP growth in the regions in which the Group is operating. A terminal growth of 1.5% was used for CGUs operating in Europe, 2.0% for CGUs operating in the US and 4.0% for CGUs operating in Asia.

None of the goodwill is expected to be deductible for income tax purposes.

Beside the key assumptions taken by management on economic growth developments, the table below summarises the other key assumptions applied per cash generating unit to determine the cash flow projection before taxes:

	Polymers EMEA	Polymers Asia	Polymers Americas	Styrene Monomer	Aromatics	Acetyls
Forecast period.....	5 years	5 years	5 years	5 years	5 years	5 years
Total asset life.....	40 years	40 years	40 years	40 years	40 years	40 years
Growth rate.....	1.5%	4.0%	2.0%	2.0%	1.5% - 4.0%	1.5% - 4.0%
Post-tax discount rate.....	11.2%	11.2%	11.2%	11.2%	11.2%- 13.5%	10.0%- 15.0%

Towards the end of 2023, the Aromatics business made the decision to mothball its PTA 2 unit within the Geel CGU, Belgium in response to the challenging economic environment. The long-term business plan used to calculate the recoverable amount of the CGU represents management assessments on when the assets will be back in production and does not indicate any impairment. The Aromatics business also made the decision to close one of the PX units in its Texas City plant. The assets related to this PX unit were fully impaired at year-end (see note 10) and no future cash flow are associated to this unit to calculate the value in use of the Texas City CGU.

Details of the sensitivity analysis performed on the key assumptions used to determine the recoverable amount can be found in note 31.

During the year, the group performed a review of its physical and transition risks associated with Climate change (see *Non-Financial and Sustainability Information Statement* within the Strategic report).

The key climate-related transition risks identified by the Group are in relation to exposure to carbon price and raw materials price increase which the Group will primarily mitigate through carbon emissions reduction. The carbon emission targets set by the Group are aligned with the legislation and its main competitors. The key assumption of the group is therefore that it will retain its competitive position in the market and will be able to pass additional costs associated with the decarbonisation transition to its customers. However, changes to this assumption could give risk to additional impairments to those identified within the sensitivity analysis above. The outcome of the transition risks identified was incorporated into the impairment modelling in the form of the inclusion of a maximum asset life of 40 years, which accounts for the uncertainty of the market conditions beyond this timeframe.

The key climate-related physical risks identified by the Group are in relation to flood, heat waves and drought. These physical risks could impact multiple sites, albeit none of them currently exceed our current insurance coverage of the Group, except for the future risk of flood of the Aromatics Chinese CGU. A specific climate sensitivity analysis was performed for this CGU by using the incremental financial exposure under a “delayed transition” scenario and did not indicate any risk of impairment.

The Group is currently evaluating the full impact and associated mitigation of the climate-related physical risks and has as such not included these within the value in use above. Increases in cash outflows to protect the CGU’s from the identified physical risks could lead to impairments not identified within the sensitivity analysis presented in note 31.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS**

**12(a) Investments in subsidiary undertakings**

As at 31 December 2023, the Group has the following investments in subsidiaries:

<u>Company</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Class of shares held</u>	<u>Ownership 2023</u>	<u>Ownership 2022</u>	<u>Registered office reference</u>
INEOS Quattro Financing Limited <sup>#</sup>	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Quattro Finance 1 plc <sup>#</sup>	UK	Financing company	Ordinary	100%	100%	(1)
INEOS Quattro Finance 2 plc	UK	Financing company	Ordinary	100%	100%	(1)
INEOS Quattro Financing 1 Limited <sup>0</sup>	UK	Financing company	Ordinary	100%	-	(1)
INEOS Quattro Financing 2 Limited <sup>0</sup>	UK	Financing company	Ordinary	100%	-	(1)
INEOS Styrolution Finance GmbH	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution Investment GmbH	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution America LLC	USA	Manufacture of styrene monomer and polymers, selling, distribution	Members interest	100%	100%	(3)
INEOS Styrolution Belgium NV	Belgium	Manufacture of styrene monomer and polymers	Ordinary	100%	100%	(4)
INEOS Styrolution Belgium Services bvba	Belgium	Sales office	Ordinary	100%	100%	(5)
INEOS Styrolution Canada Ltd	Canada	Manufacture of styrene monomer	Common	100%	100%	(6)
INEOS Styrolution (China) Investment Co. Ltd <sup>41</sup>	China	Financing company	Registered capital	-	100%	(7)
INEOS Styrolution do Brasil Polimeros Ltda.	Brazil	Sales office	Equity / Ordinary	100%	100%	(8)
INEOS Styrolution Hong Kong Company Limited.	Hong Kong	Sales office	Ordinary	100%	100%	(32)
INEOS Styrolution Europe GmbH.	Germany	Distribution company	Ordinary	100%	100%	(2)
INEOS Styrolution France SAS.	France	Manufacture of polymers	Ordinary	100%	100%	(10)
INEOS Styrolution France Services SAS.	France	Sales office	Ordinary	100%	100%	(11)
INEOS Styrolution Group GmbH.	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution Iberia S.L.	Spain	Sales office	Ordinary	100%	100%	(12)
INEOS Styrolution Switzerland SA.	Switzerland	Distribution company	Ordinary	100%	100%	(13)
INEOS Styrolution Italia S.r.L.	Italy	Sales office	Ordinary	100%	100%	(14)
INEOS Styrolution Kimyasal Ürünler Ticaret Limited Sirketi.	Turkey	Sales office	Ordinary	100%	100%	(15)
INEOS Styrolution Köln GmbH.	Germany	Manufacture of polymers	Ordinary	100%	100%	(16)
INEOS Styrolution Korca Ltd.	South Korea	Manufacture of polymers	Common	100%	100%	(17)
KR Copolymer Co. Ltd.	South Korea	Manufacture of K-Resin	Ordinary	100%	100%	(18)
INEOS Styrolution Ludwigshafen GmbH.	Germany	Manufacture of polymers	Ordinary	100%	100%	(2)
INEOS Styrolution Mexicana, S.A. de C.V.	Mexico	Manufacture of polymers	Ordinary	100%	100%	(19)
INEOS Styrolution Netherlands B.V.	Netherlands	Sales office	Ordinary	100%	100%	(20)
INEOS Styrolution OOO.	Russia	Sales office	Charter capital	100%	100%	(21)
INEOS Styrolution Poland Sp. z o.o.	Poland	Sales office	Ordinary	100%	100%	(22)
INEOS Styrolution Polymers (Foshan) Co. Ltd.	China	Manufacture of polymers	Registered capital	100%	100%	(23)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(a) Investments in subsidiary undertakings (continued)**

<u>Company</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Class of shares held</u>	<u>Ownership 2023</u>	<u>Ownership 2022</u>	<u>Registered office reference</u>
INEOS Styrolution Polymers (Ningbo) Co. Ltd.	China	Manufacture of polymers	Registered capital	100%	100%	(24)
INEOS Styrolution Polymers (Shanghai) Co. Ltd.	China	Sales office	Registered capital	100%	100%	(26)
INEOS Styrolution Schwarzeide GmbH	Germany	Manufacture of polymers	Ordinary	100%	100%	(29)
INEOS Styrolution APAC Pte Ltd.	Singapore	Sales office	Ordinary	100%	100%	(30)
INEOS Styrolution UK Limited.** <sup>(a)</sup>	UK	Sales office	Ordinary	100%	100%	(1)
INEOS Styrolution US Holding LLC.	USA	Holding company	Member interest	100%	100%	(3)
INEOS Styrolution Verwaltungsgesellschaft mbH.	Germany	Financing company	Ordinary	100%	100%	(2)
INEOS Styrolution (Thailand) Co., Ltd.	Thailand	Manufacture of polymers	Ordinary	100%	100%	(33)
INEOS Styrolution Vietnam Co., Ltd.	Vietnam	Sales office	Charter Capital	100%	100%	(34)
Deutsche Bank Mexico F/1787 Styrolution.	Mexico	Securitisation vehicle	n/a	n/a	n/a	(36)
INEOS Styrolution Receivables Finance Designated Activity Company.	Ireland	Securitisation vehicle	n/a	n/a	n/a	(75)
INEOS Quattro Holdings UK Limited	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Acetyls UK Limited	UK	Production of acetic acid and other acetyls products	Ordinary	100%	100%	(1)
INEOS Acetyls International Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS US Petrochem LLC	USA	Holding company	Ordinary	100%	100%	(3)
INEOS US Chemicals Company	USA	Production of purified terephthalic acid and paraxylene	Common	100%	100%	(3)
INEOS Acetyls Chemicals Texas City, Inc. <sup>(a)</sup>	USA	Production of acetic acid and other acetyls products	Common	100%	-	(3)
INEOS 179 Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics and Acetyls Trading (Shanghai) Company Limited	China	Sales office	Registered capital	100%	100%	(28)
INEOS Acetyls Japan KK	Japan	Sales office	Ordinary	100%	100%	(35)
INEOS Acetyls Investments Limited	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Asia Limited	Hong Kong	Sales office	Ordinary	100%	100%	(32)
INEOS Acetyls (Malaysia) Sdn Bhd.	Malaysia	Sales office	Ordinary	100%	100%	(67)
INEOS Acetyls (Korea) Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Acetyls Americas Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Holdings Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Limited	UK	Sales company	Ordinary	100%	100%	(1)
INEOS World-Wide Technical Services Limited**	UK	Licensing services	Ordinary	100%	100%	(1)
INEOS Aromatics Holding Company	USA	Holding company	Common	100%	100%	(3)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(a) Investments in subsidiary undertakings (continued)**

<u>Company</u>	<u>Country of incorporation</u>	<u>Principal activity</u>	<u>Class of shares held</u>	<u>Ownership 2023</u>	<u>Ownership 2022</u>	<u>Registered office reference</u>
INEOS Zhuhai Chemical Company Limited <sup>(b)</sup>	China	Production of purified terephthalic acid and paraxylene	Member interest	91.90%	91.90%	(65)
INEOS Aromatics Indonesia Holdings Ltd	USA	Holding company	Common	100%	100%	(63)
INEOS Aromatics Belgium NV	Belgium	Production of purified terephthalic acid and paraxylene	Ordinary	100%	100%	(71)
INEOS Aromatics Belgium Holdings LLC	USA	Holding company	Common	100%	100%	(3)
PT INEOS Aromatics Indonesia	Indonesia	Production of purified terephthalic acid and paraxylene	Ordinary	100%	100%	(74)
PT INEOS Aromatics Trading Indonesia	Indonesia	Trading company	Ordinary	100%	100%	(74)
INOVYN Limited <sup>(c)</sup>	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Holdings Limited <sup>(d)</sup>	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Finance Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Group Treasury Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Europe Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Norge AS	Norway	Manufacture of chemicals and PVC	Ordinary	100%	100%	(38)
INOVYN Sverige AB	Sweden	Manufacture of chemicals and PVC	Ordinary	100%	100%	(39)
INEOS ChlorVinyls Holdings BV	Netherlands	Holding company	Ordinary	100%	100%	(40)
INOVYN Newton Aycliffe Limited	UK	Non-trading	Ordinary	100%	100%	(37)
INEOS Newton Aycliffe Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INOVYN Services Limited	UK	Service company	Ordinary	100%	100%	(37)
INOVYN Enterprises Limited	UK	Extraction and supply of brine and water	Ordinary	100%	100%	(37)
INOVYN ChlorVinyls Holdings Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Newco 2 Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN ChlorVinyls Limited	UK	Manufacture of chemicals and PVC	Ordinary	100%	100%	(37)
INEOS Enterprises Group Limited	UK	Manufacture of salt and sulphur chemicals	Ordinary	100%	100%	(37)
Keuper Gas Storage Limited	UK	Gas storage	Ordinary	100%	100%	(37)
INEOS Chlor Atlantik GmbH	Germany	Non-trading	Ordinary	100%	100%	(41)
INOVYN Americas Inc	USA	Purchase and resale of chemicals	Ordinary	100%	100%	(42)
INEOS Chlor Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INEOS Vinyls UK Ltd <sup>(e)</sup>	UK	Non-trading	Ordinary	100%	100%	(37)
INEOS Vinyls GmbH & Co KG	Germany	Holding company	Ordinary	100%	100%	(41)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(a) Investments in subsidiary undertakings (continued)**

Company	Country of incorporation	Principal activity	Class of shares held	Ownership 2023	Ownership 2022	Registered office reference
INOVYN Schkopau GmbH	Germany	Non trading	Ordinary	100%	100%	(41)
INOVYN Sales GmbH	Germany	Non trading	Ordinary	100%	100%	(41)
EVC Pension Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INOVYN Energy Limited	UK	Holding company	Ordinary	100%	100%	(37)
Kerling Newco 1 Limited	UK	Holding company	Ordinary	100%	100%	(37)
Kerling Newco 2 Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Deutschland GmbH	Germany	Manufacture of chemicals and PVC	Ordinary	100%	100%	(41)
INOVYN Espana S.L.	Spain	Manufacture of chemicals and PVC	Ordinary	100%	100%	(43)
INOVYN Osterreich GmbH <sup>(a)</sup>	Austria	Sales office	Ordinary	100%	100%	(44)
INOVYN Belgium SA.	Belgium	Manufacture of chemicals	Ordinary	100%	100%	(45)
INOVYN Olefines France SAS.	France	Operation of ethylene cracker	Ordinary	100%	100%	(46)
INOVYN Portugal Lda	Portugal	Sales office	Ordinary	100%	100%	(47)
INOVYN Trade Services SA	Belgium	Purchase and resale of chemicals	Ordinary	100%	100%	(45)
INOVYN Manufacturing Belgium SA	Belgium	Manufacture of chemicals and PVC	Ordinary	100%	100%	(45)
INOVYN France SAS	France	Manufacture of chlorine products	Ordinary	100%	100%	(46)
INOVYN Italia S.p.A.	Italy	Commercial services	Ordinary	100%	100%	(48)
INOVYN Produzione Italia S.p.A	Italy	Manufacture of chemicals	Ordinary	100%	100%	(49)
INOVYN Quimica Espana S.L.	Spain	Waste treatment	Ordinary	100%	100%	(43)
Vinyloop Ferrara S.p.A <sup>(b)</sup>	Italy	PVC Recycling	Ordinary	100%	100%	(48)
TTE Training Limited.	UK	Training company	Limited by Guarantee	100%	100%	(51)
TTE Apprenticeship Training Agency Limited.	UK	Apprenticeship company	Limited by Guarantee	100%	100%	(51)
INEOS Norway Finance Ireland Limited	Ireland	Securitisation vehicle	n/a	n/a	n/a	(50)

- # Shares held directly by INEOS Quattro Holdings Limited. All other subsidiaries listed are held indirectly.
- (a) In the process of being liquidated.
- (b) Portion of ownership interests held by non-controlling interests is 8.1%. Loss attributable to the non-controlling interest is €(7.8) million (2022: €1.4 million). Accumulated non-controlling interests are €32.8 million (2022: €43.0 million).
- (c) Portion of ownership interests held by non-controlling interests is 5.1%. Profit attributable to the non-controlling interest is €13.1 million (2022: €37.6 million). Accumulated non-controlling interests are €35.6 million (2022: €23.1 million).
- (d) Effective from 19 October 2023, INEOS Styrolution (China) Investment Co. Ltd. has been dissolved.
- (e) The entity was acquired in December 2023 as part of the Eastman acquisition (see note 3).
- (f) New company incorporated in August 2023
- \*\* Entities claiming exemption from audit under section 479A Companies Act 2006.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(b) Investments in equity-accounted investees, joint operations and other investments**

Details of the Group's investments in equity-accounted investees, joint operations and other investments:

Investment	Country of registration or incorporation	Principal activity	Class/ percentage of shares held	Registered office reference
<b>Associated undertakings:</b>				
INEOS Runcorn (TPS) Holdings Limited	UK	Thermal Power Station operator	Ordinary/ 60% <sup>(1)</sup>	(37)
<b>Joint ventures:</b>				
INEOS PCG Acetyls Sdn. Bhd.	Malaysia	Production of acetic acid and other chemical products	Ordinary/ 70%	(66)
Yangtze River Acetyls Co. Ltd	China	Production of acetic acid and other acetyls products	Member interest/ 51%	(68)
LOTTE INEOS Chemical Co. Ltd	Korea	Production of acetic acid and other acetyls products	Ordinary/ 50.94%	(69)
Formosa INEOS Chemicals Corp	Taiwan	Production of acetic acid and other acetyls products	Common/50%	(71)
INEOS YPC Acetyls Company (Nanjing) Ltd	China	Production of acetic acid and other acetyls products	Member interest/ 50%	(72)
Atlas Methanol Company Unlimited	Trinidad	Methanol production	Ordinary/36.9%	(73)
China American Petrochemical Company Ltd	Taiwan	Production of purified terephthalic acid	Ordinary/61.36%	(64)
INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd.	China	Manufacturing of ABS	Register capital/ 50%	(25)
<b>Joint operations:</b>				
Runcorn MCP Limited	UK	Cell room operator	Ordinary/ 50%	(37)
GIE Cancel-Bresse	France	Brine solution mining services	Ordinary/ 50%	(58)
<b>Other investments:</b>				
Akra Polyester SA de CV	Mexico	Manufacture of polyester filaments and polymers	Ordinary/6.65%	(27)
Terefaltos Mexicanos SA de CV	Mexico	Production of purified terephthalic acid	Ordinary B/8.55%	(31)
IndustriEI AS	Norway	Energy consultancy	Ordinary/ 12.5%	(52)
Sociedad Española de Materiales Plásticos SEMAP S.A	Spain	Plastic waste management	Ordinary/8%	(53)
Societe Intercommunale D'Amenagement et d'Equipement Economique	Belgium	Economic development of province of Namur	Ordinary/0.17%	(54)
BKV GmbH	Germany	Plastic recycling association	Ordinary/2.0%	(55)
Industrins Räddningstjänst I Stenungsund AB	Sweden	Fire and rescue service	Ordinary/25.0%	(56)
API PVC - u. Umweltberatung GesmbH	Austria	PVC technology solutions	Ordinary/73.2%	(57)
Hållbar Kemi i Stenungsund	Sweden	Sustainable production association	Ordinary/20.0%	(59)
Energy For Growth Societa' Consortile A Responsabilita Limitata	Italy	Energy consortium	Ordinary/7.3%	(60)
Power to Methanol Antwerp B.V. <sup>(2)</sup>	Belgium	Sustainable methanol production consortium	Ordinary/14.3%	(61)
Consorzio Polo Tecnologico Magona	Italy	Decarbonisation consortium	Ordinary/6.8%	(62)

(1) The Group owns shares entitling it to 60% of the voting rights but only 25% of the economic benefits.

(2) In process of being liquidated

None of the above other investments are held directly by INEOS Quattro Holdings Limited.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(b) Investments in equity-accounted investees, joint operations and other investments**

*Investments in associated undertakings, joint ventures and other investments*

	Joint ventures	Associated undertakings	Equity- accounted investees	Other investments	Total
	€m				
At 1 January 2022 .....	1,516.6	14.3	1,530.9	18.1	1,549.0
Share of retained earnings .....	232.0	1.6	233.6	-	233.6
Additions (see Note 3).....	443.1	-	443.1	-	443.1
Reclassification .....	(33.8)	-	(33.8)	(3.2)	(37.0)
Dividends received.....	(401.4)	-	(401.4)	-	(401.4)
Loss on disposal of equity accounted investments .....	(20.0)	-	(20.0)	(6.6)	(26.6)
Effect of movements in exchange rates	47.9	0.3	48.2	1.5	49.7
<b>At 31 December 2022 .....</b>	<b>1,784.4</b>	<b>16.2</b>	<b>1,800.6</b>	<b>9.8</b>	<b>1,810.4</b>
Share of retained earnings .....	27.5	2.5	30.0	-	30.0
Additions .....	-	-	-	0.8	0.8
Reclassification .....	3.7	-	3.7	-	3.7
Dividends received.....	(100.1)	-	(100.1)	-	(100.1)
Effect of movements in exchange rates	(82.5)	(0.9)	(83.4)	(0.2)	(83.6)
<b>At 31 December 2023 .....</b>	<b>1,633.0</b>	<b>17.8</b>	<b>1,650.8</b>	<b>10.4</b>	<b>1,661.2</b>

*Addition*

In December 2022, the Group's subsidiary, INEOS Styrolution APAC Pte. Limited, entered into an agreement to transfer 50% of its shareholding in INEOS Styrolution Advances Materials (Ningbo) Pte Limited to China Petroleum & Chemical Corporation. As a result, the Group lost control but retained joint control. The retained 50% interest in the business was fair valued at the date of the transaction (see note 3).

*Reclassification*

In 2022, the Group provided an ABS technology licence to the newly acquired INEOS Styrolution Sinopec Advanced Materials (Ningbo) Limited joint-venture resulting in a royalty revenue of which 50%, or €30.8 million, was eliminated at the moment of recognition as unrealised profits. In 2023, a reclassification of €3.7 million was made to unwind the elimination of the Group's share of realised royalty revenue in the current year.

In November 2022, the Group made a non-cash exchange for its current interest in Tricoya UK Limited (30% interest) and in Tricoya Technologies Limited (9% interest) for shares in Accsys Technologies Plc. This share exchange resulted in an impairment of €26.6 million and a reclassification from joint ventures and other investments of respectively €3 million and €3.2 million to other financial assets (see note 13).

*Impairment*

The Group has identified the global inflationary environment and challenging market conditions as a potential indicator of impairment for its investments in joint-ventures. No impairment charge has been recorded in these financial statements as a result of the impairment tests performed. The Group determined the recoverable amount of its investments in joint-ventures based on value in use. Details of assumptions used to determine the value in use can be found in note 11.

In October 2023, the Acetyls business announced its decision to mothball the Atlas methanol plan within the Atlas CGU, which is owned in partnership with Methanex Corporation, in September 2024 when its legacy 20-year natural gas agreement expires. The long-term business plan used to calculate the recoverable amount of the CGU represents management assessments on when the assets will be back in production and does not indicate any impairment.

Details of the sensitivity analysis performed on the key assumptions used to determine the recoverable amount can be found in note 31.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(b) Investments in equity-accounted investees, joint operations and other investments**

*Summarised balance sheet and income statement*

Set out below is the summarised financial information of the Group's material joint ventures as at 31 December 2023 and 2022.

	2023							Total	
	Atlas Methanol Company Unlimited	LOTTE INEOS Chemical Co. Ltd	INEOS PCG Acetyls Sdn. Bhd.	Fermosa INEOS Chemicals Corp	Yangtze River Acetyls Co. Ltd	INEOS YPC Acetyls Company (Nanjing) Ltd	INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd.		
	€m								
Current assets .....	119.8	151.1	63.1	60.3	35.6	25.6	70.9	526.4	
Non-current assets .....	96.2	423.6	137.1	179.9	104.0	96.2	674.7	1,711.7	
Current liabilities .....	(73.4)	(60.5)	(12.4)	(8.7)	(6.3)	(5.3)	(47.4)	(214.0)	
Non-current liabilities .....	(5.9)	(33.9)	(23.9)	(1.9)	(0.3)	-	(325.2)	(391.1)	
<b>Net assets .....</b>	<b>136.7</b>	<b>480.3</b>	<b>163.9</b>	<b>229.6</b>	<b>133.0</b>	<b>116.5</b>	<b>373.0</b>	<b>1,633.0</b>	
Revenue .....	158.3	327.3	110.6	67.8	122.1	71.5	22.7	880.3	
Operating expenses .....	(72.7)	(299.3)	(122.5)	(82.2)	(126.3)	(75.6)	(45.3)	(823.9)	
Interest expenses .....	(2.6)	(0.7)	(0.5)	-	0.3	(0.6)	(2.4)	(6.5)	
Income tax expenses .....	(29.1)	(6.0)	2.7	2.0	0.6	1.2	6.2	(22.4)	
<b>Total profit/(loss) for the year .....</b>	<b>53.9</b>	<b>21.3</b>	<b>(9.7)</b>	<b>(12.4)</b>	<b>(3.3)</b>	<b>(3.5)</b>	<b>(18.8)</b>	<b>27.5</b>	
Dividend received .....	23.7	38.3	-	16.0	17.1	5.0	-	100.1	
	2022								
	Atlas Methanol Company Unlimited	LOTTE INEOS Chemical Co. Ltd	INEOS PCG Acetyls Sdn. Bhd.	Fermosa INEOS Chemicals Corp	Yangtze River Acetyls Co. Ltd	INEOS YPC Acetyls Company (Nanjing) Ltd	Tricoya UK Limited <sup>(a)</sup>	INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd.	Total
	€m								
Current assets .....	64.2	199.1	68.5	85.3	45.4	32.7	-	78.3	573.5
Non-current assets .....	112.8	451.0	154.8	196.3	120.7	108.6	-	646.1	1,790.3
Current liabilities .....	(15.1)	(90.1)	(13.3)	(11.5)	(4.6)	(10.5)	-	(76.5)	(221.6)
Non-current liabilities .....	(50.8)	(39.4)	(29.3)	(2.3)	(0.4)	(0.1)	-	(235.5)	(357.8)
<b>Net assets .....</b>	<b>111.1</b>	<b>520.6</b>	<b>180.7</b>	<b>267.8</b>	<b>161.1</b>	<b>130.7</b>	<b>-</b>	<b>412.4</b>	<b>1,784.4</b>
Revenue .....	185.4	1,190.6	159.6	115.9	139.4	61.2	-	-	1,852.1
Operating expenses .....	(116.3)	(995.8)	(142.2)	(101.5)	(116.8)	(59.4)	(0.2)	-	(1,532.2)
Interest expenses .....	(2.7)	1.3	(1.0)	(0.0)	0.9	(0.4)	-	-	(1.9)
Income tax expenses .....	(23.2)	(54.4)	(5.6)	(2.8)	0.6	(0.6)	-	-	(86.0)
<b>Total profit/(loss) for the year .....</b>	<b>43.2</b>	<b>141.7</b>	<b>10.8</b>	<b>11.6</b>	<b>24.1</b>	<b>0.8</b>	<b>(0.2)</b>	<b>-</b>	<b>232.0</b>
Dividend received .....	53.2	161.6	34.7	39.0	58.1	54.8	-	-	401.4

(a) Effective on November 2022, the Group exchanged its share in in Tricoya UK Limited (30% interest) and in Tricoya Technologies Limited (9% interest) for shares in Accsys Technologies Plc.. See also note 12(b) - *Reclassification*.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(c) Registered office addresses of investments**

The registered office addresses of the investments disclosed in this note are:

Reference	Registered office address
(1)	Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom
(2)	Mainzer Landstrasse 50, 60325 Frankfurt, Germany
(3)	Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, Delaware, USA
(4)	Haven 725, Scheldelaan 600, 2040 Antwerp, Belgium
(5)	2070 Zwijndrecht, Nieuwe Weg 1, 1053 Haven, Mechelen, Belgium
(6)	872 Tashmoo Avenue, Sarnia ON N7T 8A3 Ontario, Canada
(7)	Room 2502, 567 Langao Road, Putuo District, Shanghai, China
(8)	Rua Quintana 887 3º andar, conjuntos 33 e 34, Cidade Moncoes, São Paulo 04569-011
(9)	Chertsey Road, Sunbury on Thames, Middlesex, TW16 7BP, United Kingdom
(10)	Rue Albert Duplat, F-62410 Wingles, France
(11)	95 rue la Boétie, F-75008 Paris, France
(12)	Ronda General Mitre 28-30, 08017 Barcelona, Spain
(13)	Avenue des Uttns 3, CH-1180 Rolle, Switzerland
(14)	Via Caldera 21, 20153 Milano Cesano Maderno, Italy
(15)	Büyükdere Cad. Meydan sok., Spring Giz Plaza K. 13 N.11, Maslak Sariyer, Istanbul, Turkey
(16)	Alte Strasse 201, 50769 Cologne, Germany
(17)	Sanggae-ro 143 (Sanggae-dong), Nam-gu, Ulsan, South Korea
(18)	14 <sup>th</sup> Floor, 92 Tongil-ro (Sooonhwa-dong) Jung-gu, Seoul, 04517, Korea
(19)	Avenida Insurgentes Sur No. 859, Piso 11, Oficina 1102, Colonia Nápoles, 03810, Mexico City, Mexico
(20)	Strawinskylaan 411, NL-1077 XX Amsterdam, The Netherlands
(21)	Bldg. 3, 18 Pyatnitskaya St., 115035 Moscow, Russian Federation
(22)	Ul. Wołoska 9, 02-583 Warszawa, Poland
(23)	No. 61, Jinben Industry Avenue, Xinan Sub-district, Sanshui District, Foshan, Guangdong Province, China
(24)	No.2388, Minghai North Road, Ningbo Petrochemical Economy & Technology Development Zone, Ningbo, Zhejiang, China
(25)	569 Haixiang Road, Ningbo Petrochemical Zone, Zhenhai District, Ningbo, China
(26)	Central Towers, Suite 2501&2503, 567 Langao Road, 200333 Shanghai, China
(27)	Avenida Adolfo Ruiz Cortines y Priv. Roble S/N, Col. San Pedro Luzano, Monterrey, Nuevo León, 64299, Mexico
(28)	Unit 666, 6th Floor, No. 55 Xili Road, China (Shanghai) Pilot Free Trade Zone
(29)	Schipkauer Strasse 1, 01987 Schwarzheide, Germany
(30)	111 Somerset Road, #14-16 to 21 TripleOne Somersct, Singapore 238164, Singapore
(31)	Av. Ricardo Margáin Zozaya 444, Torre Equus IZA Sur, Colonia Valle del Campestre, San Pedro Garza García, Nuervo León, 66265, Mexico
(32)	5/F, Manulife Place, 348 Kwun Tong Road, Kowloon, Hong Kong
(33)	No. 4/2, I-8 Road, T. Map Ta Phut, A Muang, 2115 Rayong, Thailand
(34)	16th floor, Daeha Business Centre, 360 Kim Ma Str., Ngoc Khanh Ward, Ba Dinh Dist, Hanoi, Vietnam
(35)	1-25-1 Nishi-Shinjuku, Shinjuku-ku, (35F, Shinjuku Center Building), Tokyo 1630635, Japan
(36)	Torre Virreyes, Pedregal 24, Piso 20, Colonia Molino del Rey, 11040, Mexico City, Mexico
(37)	Bankes Lane Office, Bankes Lane, Runcom, Cheshire, WA7 4JE, United Kingdom
(38)	Rafnes Industriområde, 3966 Stathelle, Norway
(39)	444-83 Stenungsund, Sweden
(40)	Luna Arcna, Herikerbergweg 238, Amsterdam, The Netherlands, 1101 CM
(41)	Ludwigstrasse 12, 47495 Rheinberg, Germany
(42)	2036 Foulk Rd, Suite 204, Wilmington, Delaware 19801, USA
(43)	Calle Marie Curie 1-3-5, 08760 Martorell, Barcelona, Spain
(44)	Schottengasse 1, 4. Stock, 1010 Wien, Austria
(45)	Avenue des Olympiades 20, 1140 Brussels, Belgium
(46)	2 Avenue de la République, 39500 Tavaux, France
(47)	Rua do Centro Cultural nº 5 – R/C, sala 8, 1700-106 Lisboa, Portugal
(48)	Via Marconi 73, 44122 Ferrara (FE), Italy
(49)	Rosignano Marittimo (LI), Via Piave 6 CAP 57016, Italy
(50)	Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland
(51)	New Horizons House, New Bridge Road, Ellesmere Port, Cheshire, CH65 4LT, United Kingdom
(52)	Postboks 1367 – Vika, 0114 Oslo, Norway
(53)	Calle Principe de Vergara 204 – Primero C – 28002, Madrid, Spain
(54)	Rue de la Religion, 10, 1400 Nivelles, Belgium
(55)	Mainzer Landstraße 55, 60329 Frankfurt am Main, Germany



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**12 INVESTMENTS (continued)**

**12(c) Registered office addresses of investments**

Reference	Registered office address
(56)	Verkstadsvagen 11, 44431 Stenungsund, Sweden
(57)	Paniglgasse 24/1/19 <sup>o</sup> , A-1040 Wien, Austria
(58)	12 Rue Raoul Nordling CS 7001, 92270 Bois Colombes, France
(59)	Fregatten 3, 444-30 Stenungsund, Sweden
(60)	Via Giovanni Da Procida, 11, 20149, Milan, Italy
(61)	Scheldelaan 480, 2040 Antwerpen, Belgium
(62)	Via Magona, 57023 Cecina, Italy
(63)	2711 Centerville Road, Suite 400, Wilmington DE 19808, United States
(64)	6 <sup>th</sup> Floor, No. 413 Section 2 Ti-Ding Blvd., Neihu, Taipei, 11493, Taiwan
(65)	No. 960, Shihua 9 Road, Nanshui Town, Jinwan District, Zhuhai City Guangdong Province, China
(66)	12 <sup>th</sup> Floor, Menara Symphony No. 5, Jalan Prof Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor Darul Ehsan, Malaysia
(67)	Suite 21.04, Level 21, Menara IGB, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Malaysia
(68)	97 Weijiang Road (in the Petrochemical Park), Changshou District, Chongqing, China
(69)	63-15 Sanggac-ro, Chongnyang-myeon, Ulju-gun, Ulsan, 44987, Korea
(70)	Amocolaan 2 2440 Geel, Belgium
(71)	No. 1-1 Formosa Industrial Complex, Mailiao, Yunlin Hsien, Taiwan
(72)	9# Huo Ju Road, Liu He District, Nanjing, Jiangsu Province, China
(73)	Maracaibo Drive, Point Lisas Industrial Estate, Point Lisas, Trinidad and Tobago
(74)	South Quarter Building Tower C, 11 <sup>th</sup> Floor Unit, GJI. R.A. Kartini Kav. 8, Cilandak Barat, Jakarta, Indonesia
(75)	Ground Floor, Two Dockland Central, Guild Street, North Dock, Dublin 1, Ireland

**13 OTHER FINANCIAL ASSETS**

	2023	2022
	€m	
<b>Non-current</b>		
Other receivables.....	2.2	2.2
	2023	2022
	€m	
<b>Current</b>		
Financial assets designated as fair value through OCI (note 25).....	5.3	5.5
Interest rate swap designated as fair value through profit and loss (note 25)....	5.8	-
Deferred consideration (note 3).....	120.7	239.0
	<b>131.8</b>	<b>244.5</b>

Financial assets designated as fair value through OCI were related to shares acquired by the Group in November 2022 in Accsys Technologies as the Group intends to participate in the development of the Company and to retain these shares in the long-term.

In March 2023, the Group entered into an interest rate swap agreement with HSBC to hedge the fair value risk in relation to the 2030 Term Loans with the notional principal amount of \$500 million. Under this interest rate swap agreement, the Group will exchange the variable SOFR exposure for fixed-SOFR obligations. This interest rate swap is measured at fair value through profit and loss.

The deferred considerations are related to future instalments to be received from Sinopec on the achievement of certain milestones. On 29 December 2023, the Group's subsidiary, INEOS Styrolution APAC Pte. Limited received proceeds for one of the deferred considerations of €109.9 million (after deduction of a withholding tax of €12.2 million). In line with the contractual agreements and achieved milestones, the Group expects to receive the proceeds for the remaining recognised deferred consideration in the first half of 2024.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**14 DEFERRED TAX ASSETS AND LIABILITIES**

*Recognised deferred tax assets and liabilities*

Deferred tax assets and liabilities are attributable to the following:

	2023		2022	
	Assets		Liabilities	
	€m			
Property, plant and equipment.....	33.3	58.3	(228.8)	(254.8)
Investments.....	-	-	(43.0)	(42.9)
Intangible assets.....	-	-	(115.5)	(135.8)
Employee benefits.....	33.1	38.5	(2.6)	(6.1)
Tax value of loss carry-forwards.....	173.8	69.3	-	-
Other.....	119.4	105.3	(38.9)	(81.9)
Set off of tax.....	(180.8)	(121.2)	180.8	121.2
<b>Net tax assets/(liabilities).....</b>	<b>178.8</b>	<b>150.2</b>	<b>(248.0)</b>	<b>(400.3)</b>

*Movement in deferred tax during the year*

	2023				
	1 January	Recognised in income statement	Recognised in equity – translation exchange	Recognised in equity – actuarial	31 December
	€m				
Property, plant and equipment.....	(196.4)	(2.6)	3.5	-	(195.5)
Investments.....	(42.9)	(1.7)	1.6	-	(43.0)
Intangible assets.....	(135.8)	17.1	3.2	-	(115.5)
Employee benefits.....	32.5	(8.3)	(0.3)	6.7	30.6
Tax value of loss carry-forwards....	69.3	105.7	(1.2)	-	173.8
Other.....	23.2	56.7	0.5	-	80.4
	<b>(250.1)</b>	<b>166.9</b>	<b>7.3</b>	<b>6.7</b>	<b>(69.2)</b>

	2022					
	1 January	Recognised in income statement	Reclassification	Recognised in equity – translation exchange	Recognised in equity – actuarial	31 December
	€m					
Property, plant and equipment.....	(170.8)	(23.6)	4.8	(6.8)	-	(196.4)
Investments.....	(41.2)	0.8	-	(2.5)	-	(42.9)
Intangible assets.....	(157.7)	15.1	8.6	(1.8)	-	(135.8)
Employee benefits.....	42.3	(17.2)	-	0.6	6.8	32.5
Tax value of loss carry-forwards.....	83.8	(11.9)	(2.2)	(0.4)	-	69.3
Other.....	41.6	(19.9)	(1.6)	3.1	-	23.2
	<b>(202.0)</b>	<b>(56.7)</b>	<b>9.6</b>	<b>(7.8)</b>	<b>6.8</b>	<b>(250.1)</b>

In assessing the Group's ability to realise deferred tax assets, management considers whether it is probable that some portion of all of the deferred tax assets will not be realised. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax strategies in making this assessment.

Deferred tax assets are recognised to the extent that the realisation of the related tax benefit through future taxable profits is probable based on an assessment of expected future profits modelled against the gross tax losses and deductible temporary differences available. The Group has recognised a deferred tax asset of €178.8 million of which €78.2 million arises on amounts relating to loss making entities in the current or prior years. Business models showing future estimated taxable income are the basis for recognising deferred tax assets. The Group has not provided deferred tax in relation to temporary differences on its overseas subsidiaries or joint ventures as the Group can control the timing and realisation of these temporary differences, and it is probable that no material unprovided tax liability would arise.

The Group did not recognise gross deductible temporary differences of €382.0 million (2022: €376.6 million), the majority of which relates to tax losses.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**15 INVENTORIES**

	2023	2022
	€m	
Raw materials and consumables.....	538.2	601.8
Work in progress.....	148.4	165.6
Finished goods.....	504.3	706.2
	<u>1,190.9</u>	<u>1,473.6</u>

Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to €11,024.4 million (2022: €15,515.0 million). The write-down of inventories to net realisable value amounted to €9.8 million (2022: €9.9 million). The reversal of previous write-downs of inventories to net realisable value amounted to €5.6 million (2022: €2.6 million).

**16 TRADE AND OTHER RECEIVABLES**

	2023	2022
	€m	
<b>Current</b>		
Trade receivables.....	1,118.2	1,383.1
Amounts owed by related parties and associated undertakings (note 29).....	76.1	660.2
Other receivables.....	299.5	277.6
Prepayments and accrued income.....	41.3	40.0
	<u>1,535.1</u>	<u>2,360.9</u>
<b>Non-current</b>		
Amounts owed by related parties and associated undertakings (note 29).....	83.7	92.0
Other receivables.....	46.8	59.3
Prepayments and accrued income.....	1.4	1.4
	<u>131.9</u>	<u>152.7</u>

In the prior year, the current amounts owed by related parties and associated undertakings included an inter-company loan of €500.0 million with the immediate parent company of the Group. This loan was fully settled through a dividend distribution approved on 23 January 2023 (see note 23). Loans amounted to a total of €59.4 million (2022: €63.1 million) were granted by the Group to one of its joint-ventures, INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd. These loans are unsecured, attract interest at commercial rate and mature in 2032.

Other debtors included VAT receivable balances, accrued income in relation to licensing activity, indirect CO<sub>2</sub> compensation receivables, grants and interest income receivables.

*Credit quality of financial assets and impairment losses*

The ageing of trade receivables at the end of the reporting period and the expected credit loss rate (ECLR) was:

	2023			2022		
	Gross €m	Impairment €m	ECLR %	Gross €m	Impairment €m	ECLR %
Not past due.....	983.5	(0.3)	0.0%	1,171.2	(0.2)	0.0%
Past due 0 – 30 days.....	118.2	(1.0)	0.8%	205.3	(0.3)	0.1%
Past due 31 – 90 days.....	15.3	(0.3)	2.0%	2.2	-	0.0%
Past due more than 90 days	10.0	(7.2)	72.0%	13.1	(8.2)	62.6%
	<u>1,127.0</u>	<u>(8.8)</u>	<u>0.8%</u>	<u>1,391.8</u>	<u>(8.7)</u>	<u>0.6%</u>

The amounts receivable not yet due after impairment losses as of the end of the reporting period are deemed to be collectible on the basis of established credit management processes such as regular analyses of the credit worthiness of customers and external credit checks where appropriate for new customers (see note 25(c)). At 31 December 2023 and 2022 there were no significant trade, related party or other receivable balances classified as “not past due” that were subsequently impaired.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**16 TRADE AND OTHER RECEIVABLES (continued)**

There were no allowances made against amounts owed by related parties and other receivables during the year (2022: €nil).

Due to the global activities and diversified customer structure of the Group, the management considers that there is no significant concentration of credit risk (2022: nil).

During 2023 and 2022 there were no significant trade balances that were subject to material renegotiation of terms.

Trade receivable balances totalling €614.2 million (2022: €737.5 million) have been pledged as security against amounts drawn under the Securitisation Facility, totalling €nil (2022: €nil). In accordance with IFRS 9 "Financial Instruments" the trade receivable balances pledged as security do not qualify for derecognition and are included within the trade receivable balances above.

The movement in the allowance for impairment in respect of trade receivables (as per this note) during the year was as follows:

	2023	2022
	€m	
Balance at 1 January .....	(8.7)	(14.2)
Disposals .....	-	0.6
Impairment loss recognised .....	(0.9)	(0.1)
Utilised .....	0.8	5.2
Effects of movement in foreign exchange .....	-	(0.2)
<b>Balance 31 December .....</b>	<b>(8.8)</b>	<b>(8.7)</b>

The allowance account for trade receivables is used to record any impairment losses unless the Group is satisfied that no recovery of the amount owing is probable; at that point the amounts considered irrecoverable are written off against the trade receivables directly.

The Group applies the forward-looking 'expected credit loss' (ECL) model in line with IFRS 9 in assessing the recoverability of trade receivables. The ECL is calculated considering past experiences and management's estimate of future developments. Management expects no significant change in the future market situation. Consequently, the future credit losses in the ECL model are in the same range as the credit losses experienced in the past years. This is regarded as the future expectation of the inherent credit risk of the not impaired trade and other receivables outstanding. The Group reviews the assumptions of the ECL model on a yearly basis.

*Credit risk of trade receivables*

	2023	2022
	€m	
Low .....	1,098.1	1,306.4
Medium .....	19.1	72.3
High .....	9.8	13.1
Impairment allowance .....	(8.8)	(8.7)
	<b>1,118.2</b>	<b>1,383.1</b>

The credit risk grade is based on the analysis on both the quantitative and qualitative factors as detailed below:

- High: Customers under significant financial difficulty and customers for whom there is an uncertainty of payment based on knowledge of factors like insolvency, dispute. Any receivable more than 180 days past due should also be classified in this category.
- Medium: Any receivable between 90 and 180 days past due should be classified as medium risk unless qualitative factors indicate a higher credit risk.
- Low: Any receivable less than 90 days past due should be classified as low risk unless qualitative factors indicate a higher credit risk.

During the year the Group has not experienced a significant deterioration in the quality of receivable balances due to the current economic conditions. There were no allowances made against amounts due from other receivables during the year (2022: €nil). There were no allowances made against amounts due from related parties during the year (2022: €nil).



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS**

To provide more informative financial information, amounts due to related parties have now been separated from external interest-bearing loans and borrowings on the balance sheet. Accordingly, the comparative information for 2022 reflects the reclassification of amounts due to related parties of €41.7 million from what is now "Interest-bearing loans and borrowings" to "Trade and Other Payables".

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost. For more information about the Group's exposure to interest rate and foreign currency risk see note 25(e).

	2023	2022
	€m	
<b>Non-current liabilities</b>		
Senior Secured Notes due 2026 .....	513.7	1,268.7
Senior Notes due 2026 .....	372.2	500.0
Senior Secured Notes due 2027 .....	600.0	600.0
Senior Secured Notes due 2029 .....	885.2	-
Term Loan B Facilities due 2026 .....	1,732.5	3,328.1
Term Loan B Facilities due 2027 .....	623.5	632.5
Term Loan B Facilities due 2029 .....	1,860.5	-
Term Loan B Facilities due 2030 .....	819.6	-
Other loans .....	0.1	0.1
<b>Gross borrowings</b> .....	<b>7,407.3</b>	<b>6,329.4</b>
Less: unamortised finance costs .....	(84.6)	(34.6)
<b>Net borrowings</b> .....	<b>7,322.7</b>	<b>6,294.8</b>
<b>Current liabilities</b>		
Term Loan B Facilities due 2026 .....	18.0	18.7
Term Loan B Facilities due 2027 .....	1.8	1.9
Term Loan B Facilities due 2029 .....	5.0	-
Term Loan B Facilities due 2030 .....	3.4	-
External bank loan .....	-	-
<b>Gross borrowings</b> .....	<b>28.2</b>	<b>20.6</b>
Less: unamortised finance costs .....	(23.7)	(16.1)
<b>Net borrowings</b> .....	<b>4.5</b>	<b>4.5</b>

**Gross debt and issue costs**

	2023		
	Gross loans and borrowings	Issue costs	Net loans and borrowings
	€m		
Senior Secured Notes due 2026 .....	513.7	(6.6)	507.1
Senior Notes due 2026 .....	372.2	-	372.2
Senior Secured Notes due 2027 .....	600.0	(2.2)	597.8
Senior Secured Notes due 2029 .....	885.2	(8.3)	876.9
Term Loan B Facilities due 2026 .....	1,750.5	(11.2)	1,739.3
Term Loan B Facilities due 2027 .....	625.3	(2.3)	623.0
Term Loan B Facilities due 2029 .....	1,865.5	(62.9)	1,802.6
Term Loan B Facilities due 2030 .....	823.0	(14.7)	808.3
Securitisation facilities .....	-	(0.1)	(0.1)
Other loans .....	0.1	-	0.1
	<b>7,435.5</b>	<b>(108.3)</b>	<b>7,327.2</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

Gross debt and issue costs	2022		
	Gross loans and borrowings	Issue costs	Net loans and borrowings
	€m		
Senior Secured Notes due 2026.....	1,268.7	(13.2)	1,255.5
Senior Notes due 2026.....	500.0	-	500.0
Term Loan B Facilities due 2026.....	3,346.8	(31.2)	3,315.6
Term Loan B Facilities due 2027.....	634.4	(3.1)	631.3
Senior Secured Notes due 2027.....	600.0	(3.0)	597.0
Securitisation facilities.....	-	(0.2)	(0.2)
Other loans.....	0.1	-	0.1
	<b>6,350.0</b>	<b>(50.7)</b>	<b>6,299.3</b>

**Terms and debt repayment schedule as at 31 December 2023**

	Currency	Nominal interest rate	Year of maturity
Euro Senior Secured Notes due 2026.....	€	2.50%	2026
Dollar Senior Secured Notes due 2026.....	\$	3.375%	2026
Senior Notes due 2026.....	€	3.75%	2026
Dollar Term Loan B Facility due 2026.....	\$	SOFR (floor of 0.5%) + 2.75%	2026
Euro Term Loan B Facility due 2026.....	€	EURIBOR (floor of 0.0%) + 2.75%	2026
Euro Term Loan B Facility due 2027.....	€	EURIBOR (floor of 0.5%) + 2.00%	2027
Dollar Term Loan B Facility due 2027.....	\$	SOFR (floor 0.0%) + 2.00%	2027
Senior Secured Notes due 2027.....	€	2.25%	2027
Euro Senior Secured Notes due 2029.....	€	8.50%	2029
Dollar Senior Secured Notes due 2029.....	\$	9.63%	2029
Euro Term Loan B Facility due 2029.....	€	EURIBOR (floor of 0.5%) + 4.00%	2029
Dollar Term Loan B Facility due 2029.....	\$	SOFR (floor 0.0%) + 3.75.00%	2029
Euro Term Loan B Facility due 2030.....	€	EURIBOR (floor of 0.5%) + 4.50%	2030
Dollar Term Loan B Facility due 2030.....	\$	SOFR (floor 0.0%) + 4.25%	2030
Securitisation facilities.....	\$/€/£	Variable	2024

**Senior Secured Notes due 2026**

In January 2021 the Group raised €1,206.5 million of Senior Secured Notes maturing on 15 January 2026 and consisting of €800.0 million of Euro Senior Secured Notes and \$500 million of Dollar Senior Secured Notes.

On 14 November 2023, the Group undertook an amendment of its existing Term Loan Agreement and issued new Senior Secured Notes. A portion of the gross proceeds from the offering of the Senior Secured Notes due 2029 and the amounts borrowed under the New Term Loan B Facilities were used to purchase €417.9 million of the Euro Senior Secured Notes due 2026 for a purchase price of €392.9 million and an exceptional finance gain of €25.1 million; and to purchase approximately \$353.8 million (€333.2 million equivalent) of the Dollar Senior Secured Notes due 2026 for a purchase price of \$336.1 million (€316.5 million equivalent) and an exceptional finance gain of €16.7 million (see note 4).

The Senior Secured Notes outstanding at 31 December 2023 before issue costs were €513.7 million (31 December 2022: €1,268.7 million). The total amounts outstanding on the Euro denominated Secured Notes were €382.1 million (31 December 2022: €800.0 million) and the US dollar denominated Secured Notes were \$146.2 million (€131.6 million equivalent) (31 December 2022: €468.7 million).

The Senior Secured Notes are listed on the Euro MTF - Luxembourg stock exchange. The Euro Senior Secured Notes bear interest at a rate of 2¼% per annum. The Dollar Senior Secured Notes bear interest at a rate of 3¾% per annum. Interest on the Euro Senior Secured Notes and the Dollar Senior Secured Notes is payable semi-annually in arrears. The Senior Secured Notes have no repayment until maturity.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

**Senior Secured Notes due 2026 (continued)**

The Euro Senior Secured Notes and the Dollar Senior Secured Notes are jointly and severally guaranteed on a senior secured basis by certain of the Group's subsidiaries. The Euro Senior Secured Notes and the Dollar Senior Secured Notes and the related guarantees are secured by first priority liens (subject to certain exceptions) on the same assets that secure the obligations under the Credit Facility Agreements, the Senior Secured Notes due 2027 and the Senior Secured Notes due 2029, and certain hedging obligations and cash management arrangements.

The Euro Senior Secured Notes are subject to redemption at any time on or after 15 January 2023, at the option of the Issuer, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on 15 January of the year indicated below:

Year	Euro Senior Secured Notes Redemption Price
2023 .....	101.250%
2024 .....	100.625%
2025 and thereafter .....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Dollar Senior Secured Notes are subject to redemption at any time on or after 15 January 2023, at the option of the Issuer, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on 15 January of the year indicated below:

Year	Dollar Senior Secured Notes Redemption Price
2023 .....	101.6875%
2024 .....	100.84375%
2025 and thereafter .....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Euro Senior Secured Notes and the Dollar Senior Secured Notes contain a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

The Senior Secured Notes due 2026 are stated net of debt issue costs of €6.6 million (31 December 2022: €13.2 million). These costs are allocated to the profit and loss account over the term of the Senior Secured Notes due 2026.

**Senior Notes due 2026**

In January 2021 the Group raised €500.0 million of Senior Notes maturing on 15 July 2026. The Senior Notes outstanding at 31 December 2023 were €372.2 million (31 December 2022: €500.0 million).

On 14 November 2023, the Group undertook an amendment of its existing Term Loan Agreement and issued new Senior Secured Notes. A portion of the gross proceeds from the offering of the Senior Secured Notes due 2029 and the amounts borrowed under the New Term Loan B Facilities were used to purchase €127.8 million of the Senior Notes due 2026 for a purchase price of €115.6 million and an exceptional finance gain of €12.1 million (see note 4).

The Senior Notes are listed on the Euro MTF - Luxembourg stock exchange. The Senior Notes bear interest at a rate of 3¼% per annum. Interest on the Senior Notes is payable semi-annually in arrears. The Senior Notes have no repayment until maturity.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

**Senior Notes due 2026 (continued)**

The Senior Notes are jointly and severally guaranteed on a senior subordinated basis by the guarantors (other than the parent, which guarantees the Senior Notes on a senior basis). The Senior Notes and the related guarantees are secured by second-ranking security interests (subject to certain exemptions) over the shares of the capital stock of the Issuer and the loan made by INEOS Quattro Finance 2 Plc to the Issuer of the proceeds of the Senior Notes. These security interests rank behind the security interests granted over those assets in favor of the creditors of certain other indebtedness, including under the Senior Secured Notes due 2027, the Senior Secured Notes due 2026, the Senior Secured Notes due 2029 and the Credit Facility Agreements.

The Senior Notes are subject to redemption at any time on or after 15 January 2023, at the option of the Issuer, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on January 15 of the year indicated below:

<u>Year</u>	<u>Senior Notes Redemption Price</u>
2023.....	101.875%
2024.....	100.9375%
2025 and thereafter.....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Senior Notes contain a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

**Term Loan B Facilities due 2026, 2029 and 2030**

On 31 July 2020, the Group has entered into a Term Loan Agreement (as amended and restated) which consists of:

- (i) Term loans maturing in 2023 denominated in US dollar and denominated in euro, in aggregate principal amount of \$140.0 million (the "Three-Year Dollar Term Loan A Facility") and €120.0 million (the "Three-Year Euro Term Loan A Facility"), respectively, (together, the "Term Loan A Facilities due 2023");
- (ii) Term loans maturing in 2025 denominated in US dollar in an aggregate principal amount of \$210.0 million (the "Five Year Dollar Term Loan A Facility"); and
- (iii) Term loans maturing in 2026 denominated in US dollar (the "Dollar Term Loan B Facility") and in euro (the "Euro Term Loan B Facility"), in an aggregate principal amount of \$2,000.0 million and €1,500.0 million, respectively, (together, the "Term Loan B Facilities due 2026").

The Five-Year Euro Term Loan A Facility was fully repaid in January 2021. The Three-Year Euro Term Loan A Facility and the Five-Year Dollar Term Loan A Facility were fully repaid in May 2022.

On 14 March 2023, the Group successfully raised incremental debt under the existing 2026 term loans increasing the principal amount of the Euro Term Loan B borrowings by €375 million (the "Euro Term Loan B due 2030") and the Dollar Term Loan B borrowings by \$500.0 million (the Dollar Term Loan B due 2030"). The 2030 Term Loans were made in a single drawing on 14 March 2023.

On 14 November 2023, the Term Loan Agreement was amended by a joinder and amendment agreement. In addition to the Existing Term Loans due 2026 and 2030, the joinder and amendment agreement to the Term Loan Agreement provided for new term loans B of the Group maturing in 2029 denominated in dollars (the "Dollar Term Loan B Facility due 2029") and denominated in euro (the "Euro Term Loan B Facility due 2029" and, together with the Dollar Term Loan B Facility due 2029, the "New Term Loan B Facilities") in aggregate principal amounts of \$1,100.0 million (€1,035.8 million equivalent) and €875.0 million, respectively.

A portion of the gross proceeds from the offering of the Senior Secured Notes due 2029 and the amounts borrowed under the New Term Loan B Facilities were used to redeem on a cashless basis €703.6 million of the amounts outstanding under the 2026 Euro Term Loan B Facility and to redeem on a cash less basis \$890.4 million (€838.4 million equivalent) of the amounts outstanding under the 2026 Dollar Term Loan B Facility.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

***Term Loan B Facilities due 2026, 2029 and 2030 (continued)***

As at 31 December 2023, \$1,059.6 million was drawn under the Dollar Term Loan B Facility due 2026 (€954.1 million equivalent) (31 December 2022: €1,846.8 million); €796.4 million was drawn under the Euro Term Loan B Facility due 2026 (31 December 2022: €1,500.0 million). \$497.5 million was drawn under the Dollar Term Loan B Facility due 2030 (€448.0 million equivalent) (31 December 2022: €nil); and €375.0 million was drawn under the Euro Term Loan B Facility due 2030 (31 December 2022: nil). Additionally, \$1,100.0 million was drawn under the Dollar Term Loan B Facility due 2029 (€990.5 million equivalent) (31 December 2022: €nil); and €875.0 million was drawn under the Euro Term Loan B Facility due 2029 (31 December 2022: nil).

Subsequent to year-end, the Group draw new Dollar and Euro under the Term Loan B facility due 2029. The gross proceeds from these transactions were used to prepay outstanding borrowings under the Euro and USD Term Loan B due 2026. Please refer to the subsequent event note 32.

Since May 2023, the Dollar Term Loan B Facility due 2026 bears interest at a rate per annum equal to the applicable Term SOFR plus 0.11448% CSA (subject to a floor of 0.5%) plus 2.75%. The Dollar Term Loan B Facility due 2030 bears interest at a rate per annum equal to the applicable Term SOFR plus 0.10% CSA (subject to a floor of 0% per annum) plus a margin of 3.75%. The Dollar Term Loan B Facility due 2029 bears interest at a rate per annum equal to the applicable Term SOFR plus 0.10% CSA (subject to a floor of 0% per annum) plus a margin of 4.25%.

The Term Loan B Facilities denominated in euros bear interest at a rate per annum equal to EURIBOR (subject to a floor of 0% per annum) plus 2.75% for the Euro Term Loan B Facility due 2026, 4.0% for the Euro Term Loan B Facility due 2030 and 4.5% for the Euro Term Loan B Facility due 2029.

The obligations under the Term Loans are jointly and severally guaranteed on a senior basis by the certain of the Group's subsidiaries. The Term Loan Agreement contains a number of restrictions including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

The Dollar Term Loan B Facility due 2026, the Dollar Term Loan B Facility due 2023 and the Dollar Term Loan B Facility due 2029 are to be repaid in quarterly instalments beginning on 30 September 2021, on 30 September 2023, and on 30 June 2024 respectively, equal to 0.25% of the original aggregate principal amount of the Dollar Term Loan B Facility due 2026, the Dollar Term Loan B Facility due 2030 and the Dollar Term Loan B Facility due 2029. The Euro Term Loan B Facility due 2026 and the balance of the Dollar Term Loan B Facility due 2026 are payable, subject to certain exemptions, on 15 January 2026. The Euro Term Loan B Facility due 2029 and the balance of the Dollar Term Loan B Facility due 2029 are payable, subject to certain exemptions, on 31 March 2029. The Euro Term Loan B Facility due 2030 and the balance of the Dollar Term Loan B Facility due 2030 are payable, subject to certain exemptions, on 14 March 2030.

The Term Loans B facilities due 2026 are stated net of debt issue costs of €11.2 million (31 December 2022: €31.2 million). The Term Loans B facilities due 2029 are stated net of debt issue costs of €62.9 million (31 December 2022: €nil). The Term Loans B facilities due 2030 are stated net of debt issue costs of €14.7 million (31 December 2022: €nil). These costs are allocated to the profit and loss account over the term of the Term Loans.

***Term Loan B facilities due 2027***

The Group has outstanding borrowings under a credit facilities agreement dated 7 November 2014 (as amended and restated) which consist of euro and US dollar denominated Term loans (referred to as the "Term Loan B Facilities agreement").

On 31 January 2020, the Group successfully completed an amend-and-extend transaction of the existing term loans increasing the principal amount of the Euro Term Loan B borrowings to €450.0 million (the "Euro Term Loan B due 2027") and the Dollar Term Loan B borrowings remained at \$202.3 million (the Dollar Term Loan B due 2027").

As at 31 December 2023, €450.0 million under the Euro Term Loan B due 2027 (31 December 2022: €450.0 million) and \$194.7 million (€175.3 million equivalent) under the Dollar Term Loan B Facility due 2027 (31 December 2022: €184.4 million) remained outstanding.

Since May 2023, the Dollar Term Loan B Facility due 2027 bears interest at a rate per annum equal to the applicable Term SOFR plus 0.10% CSA (subject to a floor of 0% per annum) plus a margin of 2.00%.

The new Euro Term Loan B Facility due 2027 bears interest at a rate per annum equal to EURIBOR (subject to a floor of 0.50% per annum) plus 2.00%.

The obligations under the Term Loan B Facilities due 2027 is jointly and severally guaranteed on a senior basis by the certain of the Group's subsidiaries.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

***Term Loan B facilities due 2027***

The Term Loan B Facilities due 2027 contains a number of restrictions including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

The Term Loan B Facilities due 2027 do not contain any financial maintenance covenants.

The new Dollar Term Loan B Facility due 2027 is to be repaid in quarterly instalments equal to 0.25% of the original principal amount of the new Dollar Term Loan B Facility due 2027. The new Euro Term Loan Facility due 2027 and the balance of the new Dollar Term Loan B Facility due 2027 are payable on January 31, 2027.

The Term Loans B facilities due 2027 are stated net of debt issue costs of €2.3 million (31 December 2022: €3.1 million). These costs are allocated to the profit and loss account over the term of the Term Loans.

***Senior Secured Notes due 2027***

On 31 January 2020, the Group issued €600.0 million aggregate principal amount 2¼% Senior Secured Notes due 2027 (the "Senior Secured Notes due 2027"). The Senior Secured Notes due 2027 are listed on the Euro MTF - Luxembourg stock exchange and bear interest at 2¼% per annum, payable semi-annually in arrears on 15 January and 15 July of each year, beginning 15 July 2020. Unless previously redeemed as noted below, the Senior Secured Notes due 2027 will be repaid by the Group at their principal amount on 16 January 2027.

The Senior Secured Notes due 2027 outstanding at 31 December 2023 were €600 million (31 December 2022: €600.0 million).

The Senior Secured Notes due 2027 are subject to redemption at any time on or after 15 January 2023 in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on 15 January of the year indicated below:

<b>Year</b>	<b>Senior Secured Notes due 2027 Redemption Price</b>
2023 .....	100.5625%
2024 and thereafter .....	100.0000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Senior Secured Notes due 2027 are jointly and severally guaranteed on a senior secured basis by INEOS Styrolution Group GmbH and certain of its subsidiaries. They are secured by first priority liens (subject to certain exceptions) on the same assets that secured the obligations under the Term Loan B Facilities due 2027, the Term Loan Agreement and certain hedging obligations and cash management arrangements.

The Senior Secured Notes due 2027 contain a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

The Senior Secured Notes due 2027 are stated net of debt issue costs of €2.2 million (31 December 2022: €3.0 million). These costs are allocated to the profit and loss account over the term of the Notes.

***Senior Secured Notes due 2029***

On 14 November 2023, the Group issued \$400.0 million (€376.6 million equivalent) aggregate principal amount of 9 5/8% Senior Secured Notes due 2029 (the "Dollar Senior Secured Notes due 2029") and €525.0 million aggregate principal amount of 8 1/2% Senior Secured Notes due 2029 (the "Euro Senior Secured Notes due 2029" and, together with the Dollar Senior Secured Notes due 2029, the "Senior Secured Notes due 2029"). The Senior Secured Notes due 2029 are listed on the Euro MTF - Luxembourg Stock Exchange and bear interest at 9 5/8% per annum, in the case of the Dollar Senior Secured Notes due 2029, and 8 1/2% per annum, in the case of the Euro Senior Secured Notes due 2029 and are payable semi-annually in arrears on 15 May and 15 November of each year, commencing on 15 May 2024. Unless previously redeemed as noted below, the Senior Secured Notes due 2029 will be repaid by the Group at their principal amount on 15 March 2029.

As at 31 December 2023, \$400.0 million (€360.2 million equivalent) under the Dollar Senior Secured Notes due 2029 and €525.0 million under the Euro Senior Secured Notes due 2029 remained outstanding.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

**Senior Secured Notes due 2029 (continued)**

Prior to 15 November 2025, INEOS Quattro Finance 2 Plc (the "Issuer") may redeem all or a portion of each of the Euro Senior Secured Notes due 2029 and the Dollar Senior Secured Notes due 2029 at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest and additional amounts, if any, plus the applicable make-whole premium. In addition, prior to 15 November 2025, the Issuer may redeem at its option up to 40% of the aggregate principal amount of each of the Euro Senior Secured Notes due 2029 and the Dollar Senior Secured Notes due 2029 with the net proceeds of certain equity offerings at 108.50% of the principal amount of the Euro Senior Secured Notes due 2029 or at 109.625% of the principal amount of the Dollar Senior Secured Notes due 2029, as applicable, plus accrued interest, if at least 50% of the Euro Senior Secured Notes due 2029 or the Dollar Senior Secured Notes due 2029, as applicable, remain outstanding.

The Euro Senior Secured Notes due 2029 are subject to redemption at any time on or after 15 November 2025, at the option of the Issuer, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on 15 November of the year indicated below:

Year	<b>Euro Senior Secured Notes Redemption Price</b>
2025.....	104.250%
2026.....	102.125%
2027 and thereafter.....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Dollar Senior Secured Notes due 2029 are subject to redemption at any time on or after 15 November 2025, at the option of the Issuer, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the twelve-month period beginning on 15 November of the year indicated below:

Year	<b>Dollar Senior Secured Notes Redemption Price</b>
2025.....	104.813%
2026.....	102.406%
2027 and thereafter.....	100.000%

In each case, the redemption premium will be in addition to accrued and unpaid interest, if any, to the redemption date (subject to the rights of holders of record on relevant record dates to receive interest due on an interest payment date).

The Euro Senior Secured Notes due 2029 and the Dollar Senior Secured Notes due 2029 are jointly and severally guaranteed on a senior secured basis by certain of the Group's subsidiaries that guarantee the obligations under the Term Loan B Facilities agreement, the Term Loan Agreement, the Senior Secured Notes due 2027, the Senior Secured Notes due 2026 and certain hedging obligations and cash management arrangements. The Euro Senior Secured Notes due 2029 and the Dollar Senior Secured Notes due 2029 and the related guarantees are secured by first priority liens (subject to certain exceptions) on certain of the assets that secure the obligations under the Term Loan B Facilities Agreement, the Term Loan Agreement, Senior Secured Notes due 2027, the Senior Secured Notes due 2026, and certain hedging obligations and cash management arrangements. Within 90 days of 14 November 2023, the remaining guarantees and assets that guarantee and secure the obligations under the Term Loan B Facilities agreement, the Term Loan Agreement, the Senior Secured Notes due 2027, the Senior Secured Notes due 2026 and certain hedging obligations and cash management arrangements will also guarantee and secure the Euro Senior Secured Notes due 2029 and the Dollar Senior Secured Notes due 2029.

The Senior Secured Notes due 2029 are stated net of debt issue costs of €8.3 million (31 December 2022: €nil). These costs are allocated to the profit and loss account over the term of the Notes.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**17 INTEREST-BEARING LOANS AND BORROWINGS (continued)**

*Securitization facilities*

INEOS Styrolution Group GmbH and certain other Group companies are party to a €600.0 million trade receivables securitization program (the "Styrolution Securitization Program") that matures on 28 June 2024. The facility is secured by pledges over the trade receivables sold into the program. For drawn amounts, interest is charged on the facility at a rate of either EURIBOR or US LIBOR plus 0.95% or short-term commercial paper rates plus a margin of 0.95%. For undrawn amounts, the facility bears interest of 0.5%.

INOVYN Group Treasury Limited and certain other INOVYN business' companies are party to a €240.0 million trade receivables securitization program (the "INOVYN Securitization Program") that matures on 30 June 2024. The facility is secured by pledges over the trade receivables sold into the program. For drawn amounts, interest is charged on the facility at a rate of either EURIBOR, US LIBOR or SONIA plus 0.95% or short-term commercial paper rates plus a margin of 0.95%. For undrawn amounts, the facility bears interest of 0.5%.

Subsequent to year-end, both the INEOS Styrolution Group GmbH and the INOVYN Group Treasury Limited securitization programs were extended to 2027. Please refer to the subsequent event note 32.

The debt issue costs of €0.1 million (31 December 2022: €0.2 million) were incurred in relation to the Securitization facilities. These costs are allocated to the profit and loss account over the term of the facilities.

*Other facilities*

The Group has several short-term credit facilities with different local banks to fund working capital requirements up to a total aggregate amount of €211.6 million equivalent as of 31 December 2023 (31 December 2022: €224.2 million equivalent) in China, Malaysia, Singapore, South Korea, Thailand, and United Kingdom. The available amount under the working capital facilities at 31 December 2023 amounted to €192.1 million equivalent (31 December 2022: €197.8 million equivalent), with €19.5 million (31 December 2022: €26.4 million) of certain trade finance facilities being utilised in China.

The Group also has letter of credit facilities in China, Malaysia, Indonesia, Mexico, Singapore, South Korea, Thailand, and United Kingdom. As of 31 December 2023, the drawn amount under all letter of credit facilities was €13.5 million equivalent (31 December 2022: €16.0 million equivalent). The letters of credit are generally secured by current assets. The facilities also provide for a limited number of other financial services, such as bank guarantees and foreign exchange hedging lines.

**18 LEASE OBLIGATIONS**

*Analysed as:*

	2023	2022
	€m	
Current lease liabilities .....	72.2	65.0
Non-current lease liabilities .....	234.4	224.3
	<b>306.6</b>	<b>289.3</b>

*Maturity analysis – contractual undiscounted cash flows:*

	2023	2022
	€m	
Less than one year .....	88.4	83.6
Between one and five years .....	151.2	150.6
More than five years .....	138.5	156.1
<b>Total undiscounted lease liabilities at 31 December .....</b>	<b>378.1</b>	<b>390.3</b>

*Amounts recognised in the statement of cash flows:*

	2023	2022
	€m	
Lease capital payments .....	83.7	82.8
Lease interest payments .....	13.5	11.8
Short-term leases .....	6.0	6.0
Leases of low value assets .....	0.5	0.6
<b>Total cash outflow for leases .....</b>	<b>103.7</b>	<b>101.2</b>

The Group has entered into a number of significant lease arrangements relating to off-site storage capacity, rail cars, land and buildings, and air separation plants used for the generation of industrial gases.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**19 TRADE AND OTHER PAYABLES**

	<u>2023</u>	<u>2022</u>
	<u>€m</u>	
<b>Current</b>		
Trade payables.....	1,189.5	1,390.8
Amounts owed to related parties (note 29).....	217.4	239.3
Accruals .....	402.6	468.7
Deferred income.....	7.2	7.1
Acquisition creditors.....	32.7	-
Other payables.....	136.5	195.1
	<u>1,985.9</u>	<u>2,301.0</u>
<b>Non-current</b>		
Accruals .....	19.2	31.2
Amounts owed to related parties (note 29).....	43.6	41.7
Deferred income.....	110.9	104.5
Acquisition creditors.....	30.6	-
Other payables.....	12.2	6.8
	<u>216.5</u>	<u>184.2</u>

The current and non-current acquisition creditors are related to the acquisition of Eastman Texas City Chemicals Inc by the Acetyls business and are due respectively in December 2024 and December 2025 (see note 3).

To provide more informative financial information, amounts due to related parties have now been separated from external interest-bearing loans and borrowings on the balance sheet. Accordingly, the comparative information for 2022 reflects the reclassification of amounts due to related parties of €41.7 million from what is now "External interest-bearing loans and borrowings" to "Trade and Other Payables" (see note 17). The non-current amounts owed to related parties represents a €43.6 million (2022: €41.7 million) loan from INEOS Enterprises Holdings Limited bearing interest at 4.5% per annum. The loan has no fixed repayment date.

Other payable included VAT payable balances and advance payments received from customers.

The Group's exposure to currency and liquidity risk related to trade and other payables is disclosed in note 25.

**20 EMPLOYEE BENEFITS**

The Group operates a number of pension and post-retirement medical plans throughout the world, devised in accordance with local conditions and practices. The plans are generally of the defined benefit type and those that are funded are done so by payments to separately administered funds or insurance companies. The principal funded plans are in Belgium, Canada, France, Germany, South Korea, Mexico, Switzerland, USA, Norway, Austria, Spain and the United Kingdom.

The Group also operates a number of unfunded defined benefit pension schemes in Indonesia, Canada, South Korea, Thailand, USA, Germany and Italy.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

The most recent full valuations of the significant defined benefit plans were carried out as follows:

<b>Plan</b>	<b>Country</b>	<b>Valuation date</b>
All Plans	Belgium	31 December 2023
All Plans	Canada	31 December 2020
All Plans	France	31 December 2023
All Plans	Germany	31 December 2023
All Plans	South Korea	31 December 2023
All Plans	Mexico	31 December 2023
All Plans	Switzerland	31 December 2023
All Plans	Thailand	01 January 2023
All Plans	USA	01 January 2023
All Plans	Indonesia	31 December 2023
All Plans	United Kingdom	Various
All Plans	Norway	31 December 2023
All Plans	Italy	01 October 2023
All Plans	Spain	31 December 2023
All Plans	Austria	31 December 2023

Where the most recent full valuations were carried out prior to the balance sheet date, these have been updated to 31 December 2023 by independent qualified actuaries.

The Group's pension schemes have been disclosed on a geographical basis as those schemes in Europe, United Kingdom, North America and Rest of the World.

The European pension arrangements are a mix of final salary, career average, unit benefit and cash balance plans in nature, and the majority are closed to new entrants. The majority of the plans are funded via insurance policies and there are also a number of unfunded German and Italian plans.

The UK defined benefit pension plans were historically final salary in nature, with a normal retirement age of 60, and are both closed to new entrants and future accrual. The plans operate under trust law and are managed and administered by Trustees in accordance with the terms of each plan's Trust Deed and Rules and relevant legislation. The contributions paid to the UK plans are set every three years based on a funding agreement between the company and Trustee after taking actuarial advice.

The North Americas pension arrangements consists of three funded plans in the USA (all of which are closed to future accrual) and one funded plan in Canada (which is closed to new entrants and to future accrual). All pension plans, except one, are final salary defined benefit in nature, and the plans' liabilities are valued regularly in line with statutory funding requirements.

The Rest of the World pension arrangements are comprised of the Group's pension plans in South Korea, Mexico, Thailand and Indonesia.

The Group also operates a number of post-retirement healthcare plans in North Americas and the United Kingdom, which provide employees with other post-retirement benefits in respect of healthcare. The plans are unfunded and the liability is assessed by qualified independent actuaries under the projected unit method.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

**Pension plan assumptions**

The major actuarial assumptions (expressed as weighted averages or ranges) at year end were as follows:

	European		United Kingdom		North America		Rest of the World	
	2023	2022	2023	2022	2023	2022	2023	2022
	%							
Price inflation.....	1.30-2.30	1.30-2.50	3.10	3.20	0.00-2.00	0.00 – 2.00	0.00-3.50	0.00 – 3.50
Discount rate for scheme liabilities.....	3.10-4.70	2.20-3.80	4.70	5.00	4.60-5.00	2.75	3.80-10.40	2.00 – 9.50
Rate of increase in pensionable salaries .....	2.00-4.50	2.00-3.50	0.00	0.00	0.00-3.00	0.00 – 3.00	0.00-7.00	4.00 – 8.00
Rate of increase in pensions in payment.....	(0.19)-2.90	0.00-2.50	2.10-2.90	3.00-3.70	0.00-0.50	0.00-0.50	-	-
Rate of increase for deferred pensioners .....	0.48	0.00-0.53	2.70	2.80-3.20	-	-	-	-
Healthcare medical trend rate (initial) .....	2.20	2.40	5.40	5.40	0.00-5.32	5.48 – 6.00	-	-
Healthcare medical trend rate (ultimate).....	2.20	2.40	5.40	5.40	0.00-4.50	4.50 – 5.00	-	-

The assumptions relating to longevity underlying the pension liabilities at the reporting date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

	European		United Kingdom		North America		Rest of the World	
	2023	2022	2023	2022	2023	2022	2023	2022
	(Years)							
Longevity at age 65 for current pensioners.....	20.8-25.2	20.4 – 24.9	21.45	21.8 – 21.9	21.1- 22.2	21.1 – 22.2	n/a	n/a

The following table presents the sensitivity of the defined benefit obligation to each significant actuarial assumption:

	2023			
	European	United Kingdom	North America	Rest of the World
	€m			
Discount rate: 1% decrease.....	33.7	121.6	1.0	0.1
Rate of inflation: 0.5% increase <sup>(1)</sup> .....	16.6	41.6	1.0	-
Mortality: 1 year increase in longevity for a member currently aged 65.....	8.3	25.7	1.0	-

	2022			
	European	United Kingdom	North America	Rest of the World
	€m			
Discount rate: 1% decrease.....	31.7	116.6	0.9	0.1
Rate of inflation: 0.5% increase <sup>(1)</sup> .....	15.5	25.0	0.9	-
Mortality: 1 year increase in longevity for a member currently aged 65.....	7.6	24.3	0.9	-

<sup>(1)</sup> The sensitivity to the inflation assumption change includes corresponding changes to the future salary increase and future pension increase assumptions where these assumptions are set to be linked to the inflation assumption.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

***Pension assets (schemes in surplus)***

The disclosures relating to the net pension assets are disclosed below. The amounts recognised in the balance sheet are as follows:

	2023		
	European	United Kingdom	Total
	€m		
Equities .....	25.0	-	25.0
Bonds .....	15.3	200.6	215.9
Property .....	8.9	-	8.9
Other .....	0.6	130.9	131.5
<b>Fair value of plan assets .....</b>	<b>49.8</b>	<b>331.5</b>	<b>381.3</b>
Present value of funded obligations .....	(42.0)	(308.4)	(350.4)
<b>Net pension asset .....</b>	<b>7.8</b>	<b>23.1</b>	<b>30.9</b>

	2022		
	European	United Kingdom	Total
	€m		
Equities .....	24.8	0.8	25.6
Bonds .....	14.9	255.2	270.1
Property .....	6.3	-	6.3
Other .....	2.4	60.6	63.0
<b>Fair value of plan assets .....</b>	<b>48.4</b>	<b>316.6</b>	<b>365.0</b>
Present value of funded obligations .....	(39.2)	(298.1)	(337.3)
<b>Net pension asset .....</b>	<b>9.2</b>	<b>18.5</b>	<b>27.7</b>

Other investments largely consist of quoted instruments. There are no plans which hold investments in the Group's own financial instruments, or hold assets or property which are used by the Group.

The amounts recognised in the income statement are as follows:

	2023		2022		2023		2022	
	European	2022	United Kingdom	2022	Total	Total	Total	Total
	€m							
Current service cost <sup>(1)</sup> .....	(3.3)	(3.9)	(0.8)	(1.4)	(4.1)	(4.1)	(5.3)	(5.3)
Expected return on plan assets <sup>(2)</sup> .....	1.9	0.6	15.7	25.5	17.6	17.6	26.1	26.1
Interest cost on obligation <sup>(2)</sup> .....	(1.5)	(0.5)	(14.6)	(24.1)	(16.1)	(16.1)	(24.6)	(24.6)
<b>Total .....</b>	<b>(2.9)</b>	<b>(3.8)</b>	<b>0.3</b>	<b>-</b>	<b>(2.6)</b>	<b>(2.6)</b>	<b>(3.8)</b>	<b>(3.8)</b>

<sup>(1)</sup> Included within operating profit

<sup>(2)</sup> Included within finance costs.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

*Pension assets (schemes in surplus) (continued)*

Reconciliation of present value of scheme liabilities:

	European	United Kingdom	Total
		€m	
At 1 January 2022.....	(45.8)	(1,326.0)	(1,371.8)
Current service cost.....	(3.9)	(1.4)	(5.3)
Interest cost.....	(0.5)	(24.1)	(24.6)
Movements between schemes in surplus and schemes in deficit.....	-	488.7	488.7
Benefits paid.....	2.0	78.2	80.2
Actuarial (loss) - experience.....	(3.5)	(4.4)	(7.9)
Actuarial gain - assumptions.....	12.5	470.2	482.7
Exchange adjustments.....	-	20.7	20.7
<b>At 31 December 2022.....</b>	<b>(39.2)</b>	<b>(298.1)</b>	<b>(337.3)</b>
Current service cost.....	(3.3)	(0.8)	(4.1)
Interest cost.....	(1.5)	(14.6)	(16.1)
Benefits paid.....	2.7	17.8	20.5
Actuarial gain/(loss) - experience.....	0.7	(4.6)	(3.9)
Actuarial loss - assumptions.....	(1.4)	(3.1)	(4.5)
Exchange adjustments.....	-	(5.0)	(5.0)
<b>At 31 December 2023.....</b>	<b>(42.0)</b>	<b>(308.4)</b>	<b>(350.4)</b>

Reconciliation of fair value of scheme assets:

	European	United Kingdom	Total
		€m	
At 1 January 2022.....	57.9	1,382.9	1,440.8
Expected return on scheme assets.....	0.6	25.5	26.1
Employer contributions.....	3.7	28.3	32.0
Movements between schemes in surplus and schemes in deficit.....	-	(466.6)	(466.6)
Benefits paid.....	(1.9)	(78.2)	(80.1)
Actuarial loss.....	(11.9)	(552.8)	(564.7)
Exchange adjustments.....	-	(22.5)	(22.5)
<b>At 31 December 2022.....</b>	<b>48.4</b>	<b>316.6</b>	<b>365.0</b>
Expected return on scheme assets.....	1.9	15.7	17.6
Employer contributions.....	3.2	5.6	8.8
Benefits paid.....	(2.7)	(17.8)	(20.5)
Actuarial (loss)/gain.....	(1.0)	5.9	4.9
Exchange adjustments.....	-	5.5	5.5
<b>At 31 December 2023.....</b>	<b>49.8</b>	<b>331.5</b>	<b>381.3</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

*Pension liabilities (schemes in deficit)*

The disclosures relating to the net pension liabilities are disclosed below. The amounts recognised in the balance sheet are as follows:

	2023				Total
	European	United Kingdom	North America	Rest of the World	
	€m				
Equities.....	58.3	-	36.4	0.9	95.6
Bonds.....	53.3	195.2	42.8	0.9	292.2
Property.....	20.4	-	-	-	20.4
Other.....	91.2	269.3	(32.5)	2.9	330.9
<b>Fair value of plan assets.....</b>	<b>223.2</b>	<b>464.5</b>	<b>46.7</b>	<b>4.7</b>	<b>739.1</b>
Present value of funded obligations.....	(288.1)	(484.3)	(41.6)	(8.0)	(822.0)
Present value of unfunded obligations.....	(90.4)	(0.3)	(8.8)	(15.2)	(114.7)
<b>Net pension liability.....</b>	<b>(155.3)</b>	<b>(20.1)</b>	<b>(3.7)</b>	<b>(18.5)</b>	<b>(197.6)</b>

	2022				Total
	European	United Kingdom	North America	Rest of the World	
	€m				
Equities.....	47.7	-	35.9	0.7	84.3
Bonds.....	73.3	153.1	42.4	0.7	269.5
Property.....	12.5	-	-	-	12.5
Other.....	80.9	281.3	(31.6)	5.9	336.5
<b>Fair value of plan assets.....</b>	<b>214.4</b>	<b>434.4</b>	<b>46.7</b>	<b>7.3</b>	<b>702.8</b>
Present value of funded obligations.....	(273.1)	(456.3)	(40.1)	(9.6)	(779.1)
Present value of unfunded obligations.....	(88.3)	(0.3)	(8.9)	(15.7)	(113.2)
<b>Net pension liability.....</b>	<b>(147.0)</b>	<b>(22.2)</b>	<b>(2.3)</b>	<b>(18.0)</b>	<b>(189.5)</b>

The majority of the assets invested in property are unquoted. All other investments are largely in quoted instruments. Equities comprise of well-diversified holdings over a wide range of global markets.

There are no plans which hold investments in the Group's own financial instruments, or hold assets or property which are used by the Group.

The amounts recognised in the income statement are as follows:

	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
	European	United Kingdom	North America	Rest of World	Total	European	United Kingdom	North America	Rest of World	Total
	€m									
Current service cost <sup>(1)</sup> .....	(12.1)	(13.8)	(0.8)	-	(0.7)	(0.7)	(1.5)	(1.9)	(15.1)	(16.4)
Past service cost <sup>(1)</sup> .....	-	-	-	-	(0.2)	-	-	-	(0.2)	-
Expected return on plan assets <sup>(2)</sup> ..	8.3	3.1	21.0	-	2.3	1.7	0.4	0.3	32.0	5.1
Interest cost on obligation <sup>(2)</sup> .....	(13.2)	(5.5)	(21.9)	-	(2.4)	(1.8)	(1.3)	(1.1)	(38.8)	(8.4)
<b>Total.....</b>	<b>(17.0)</b>	<b>(16.2)</b>	<b>(1.7)</b>	<b>-</b>	<b>(1.0)</b>	<b>(0.8)</b>	<b>(2.4)</b>	<b>(2.7)</b>	<b>(22.1)</b>	<b>(19.7)</b>

<sup>(1)</sup> Included within operating profit

<sup>(2)</sup> Included within finance cost



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

**Pension liabilities (schemes in deficit) (continued)**

Reconciliation of present value of scheme liabilities:

	European	United Kingdom	North America	Rest of the World	Total
	€m				
At 1 January 2022.....	(452.7)	(2.9)	(65.4)	(31.6)	(552.6)
Divestiture .....	-	-	-	2.0	2.0
Current service cost .....	(13.8)	-	(0.7)	(1.9)	(16.4)
Employee contributions .....	(0.3)	-	-	-	(0.3)
Interest cost.....	(5.5)	-	(1.8)	(1.1)	(8.4)
Movements between schemes in surplus and schemes in deficit.....	-	(488.7)	-	-	(488.7)
Benefits paid.....	19.9	-	4.3	4.6	28.8
Actuarial (loss)/gain - experience .....	(6.2)	0.2	(0.4)	0.6	(5.8)
Actuarial gain - assumptions.....	95.4	1.3	17.2	2.2	116.1
Exchange adjustments.....	1.8	33.5	(2.2)	(0.1)	33.0
<b>At 31 December 2022.....</b>	<b>(361.4)</b>	<b>(456.6)</b>	<b>(49.0)</b>	<b>(25.3)</b>	<b>(892.3)</b>
Current service cost .....	(12.1)	(0.8)	(0.7)	(1.5)	(15.1)
Past service cost.....	-	-	(0.2)	-	(0.2)
Employee contributions .....	(0.3)	-	-	-	(0.3)
Interest cost.....	(13.2)	(21.9)	(2.4)	(1.3)	(38.8)
Benefits paid.....	22.6	19.3	3.5	6.2	51.6
Actuarial (loss)/gain - experience .....	(3.4)	(9.7)	0.2	(0.8)	(13.7)
Actuarial loss - assumptions .....	(12.3)	(7.1)	(2.9)	(0.7)	(23.0)
Exchange adjustments.....	1.6	(7.8)	1.1	0.2	(4.9)
<b>At 31 December 2023.....</b>	<b>(378.5)</b>	<b>(484.6)</b>	<b>(50.4)</b>	<b>(23.2)</b>	<b>(936.7)</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**20 EMPLOYEE BENEFITS (continued)**

**Pension liabilities (schemes in deficit) (continued)**

Reconciliation of fair value of scheme assets:

	European	United Kingdom	North America	Rest of the World	Total
	€m				
At 1 January 2022.....	247.7	1.9	60.5	9.2	319.3
Divestiture.....	-	-	-	(1.9)	(1.9)
Expected return on scheme assets.....	3.1	-	1.7	0.3	5.1
Employer contributions.....	25.7	0.2	0.9	4.2	31.0
Employee contributions.....	0.3	-	-	-	0.3
Movements between schemes in surplus and schemes in deficit.....	-	466.6	-	-	466.6
Benefits paid.....	(19.8)	-	(4.4)	(4.6)	(28.8)
Actuarial loss.....	(41.7)	(0.6)	(13.6)	(0.1)	(56.0)
Exchange adjustments.....	(0.9)	(33.7)	1.6	0.2	(32.8)
<b>At 31 December 2022.....</b>	<b>214.4</b>	<b>434.4</b>	<b>46.7</b>	<b>7.3</b>	<b>702.8</b>
Expected return on scheme assets.....	8.3	21.0	2.3	0.4	32.0
Employer contributions.....	22.5	11.7	1.1	3.4	38.7
Employee contributions.....	0.3	-	-	-	0.3
Benefits paid.....	(22.5)	(19.3)	(3.6)	(6.2)	(51.6)
Actuarial gain.....	1.2	9.1	1.0	-	11.3
Exchange adjustments.....	(1.0)	7.6	(0.8)	(0.2)	5.6
<b>At 31 December 2023.....</b>	<b>223.2</b>	<b>464.5</b>	<b>46.7</b>	<b>4.7</b>	<b>739.1</b>

Depending on prevailing exchange rates, the Group expects to contribute approximately €39.1 million to its defined pension plans in 2024.

**21 PROVISIONS**

	Severance and restructuring	Environmental	Plant closures	Other provisions	Total
At 1 January 2023.....	0.6	164.8	5.7	17.2	188.3
Charged to the consolidated income statement.....	24.6	38.0	-	1.6	64.2
Reclassifications.....	-	-	-	(1.8)	(1.8)
Business acquisition.....	-	1.6	-	-	1.6
Utilised in the year.....	(0.2)	(25.2)	(1.6)	(0.7)	(27.7)
Discount unwinding.....	-	(1.5)	0.2	-	(1.3)
Effects of movement in foreign exchange.....	-	0.6	(0.1)	(0.1)	0.4
<b>At 31 December 2023.....</b>	<b>25.0</b>	<b>178.3</b>	<b>4.2</b>	<b>16.2</b>	<b>223.7</b>
Non-current.....	0.1	134.4	4.2	15.9	154.6
Current.....	0.5	30.4	1.5	1.3	33.7
<b>At 31 December 2022.....</b>	<b>0.6</b>	<b>164.8</b>	<b>5.7</b>	<b>17.2</b>	<b>188.3</b>
Non-current.....	6.2	154.8	2.9	14.5	178.4
Current.....	18.8	23.5	1.3	1.7	45.3
<b>At 31 December 2023.....</b>	<b>25.0</b>	<b>178.3</b>	<b>4.2</b>	<b>16.2</b>	<b>223.7</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**21 PROVISIONS (continued)**

*Severance and restructuring*

In 2023, the Aromatics businesses announced the mothballing of one of its PTA units in Geel, Belgium and one of its PX units in Texas City, the United States. Provisions for severance costs were recognised in the year for respectively of €4.1 million and €1.7 million. An additional severance provision of €1.5 million was recognised due to the relocation of the Aromatics head office.

In 2023, the Styrolution business launched a manpower reorganisation. Exceptional items of €27.0 million were recognised in relation to this efficiency program, of which €17.2 million was recognised in provision and €9.8 million was spent during the year.

The remaining of the severance provision for a value of €0.1 million was recognised by the INOVYN business.

*Environmental*

Environmental provisions represent the expected cost of remediation works where there is a legal or constructive obligation for the works to be carried out and a reasonable estimate of the cost can be made. The majority of the provisions created in prior years relate to obligations associated with the remediation of mercury-based cell rooms at INEOS Inovyn sites in Belgium, France, Sweden, Spain, Italy and the United Kingdom, plus costs of implementing the remediation work at the Feyzin site in France to comply with local legislation.

The additional provisions recognised in current year are related to reassessment of project costs for the demolition of the mercury cell room (€12.3 million) and the decommissioning and demolition of the sulphur plant (€6.2 million) in Runcorn, United Kingdom; and compliance with the Water Framework directive in Tavaux, France (€9.3 million).

As part of the acquisition of Eastman Texas City Chemicals Inc in December 2023, an environmental provision was acquired related to the remediation and asset retirement obligations for the future closing of the site's hazardous waste lagoon (see note 3).

In total €24.3 million was spent on environmental-related provisions in the year and the remaining provisions of €178.3 million is expected to be utilised by 2038.

*Plant closures*

Plant closure provisions mainly relate to activities at Runcorn, United Kingdom in respect of the Sulphur Chemicals plant which closed in 2021 and Wilhelmshaven, Germany in respect of the mercury cell room which closed in 2013. The remaining provision of €4.2 million is expected to be fully utilised by 2028.

*Other provisions*

Other provisions mainly relate to various legal and customer claims, including a liability to the Styrolution business' previous shareholder, BASF under prior legal agreements. The provision is expected to be fully utilised by 2027. The reclassification in other provisions relates to the short-term portion of liability to BASF, which was transferred to accrual within current Trade and Other Payables. Additional provisions were recognised in relation to customer claims and obligation to refurbish in relation to right-of-use assets.

**22 OTHER FINANCIAL LIABILITIES**

	<u>2023</u>	<u>2022</u>
	€m	
<b>Current</b>		
Derivative commodity contracts designated as fair value through the profit or loss (note 25) .....	4.4	46.2



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**23 SHARE CAPITAL AND DIVIDENDS**

*Share capital*

	<u>2023</u>	<u>2022</u>
	€m	
200,100 (2022: 200,100) issued Ordinary shares (pounds sterling) of £1.00 (2022: £1.00) each .....	0.3	0.3
2 (2022: 2) issued Ordinary shares (Euro) of €1.00 (2022: €1.00) each.....	-	-
	<u>0.3</u>	<u>0.3</u>

As the reporting currency of the Company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

*Dividends*

The following dividends were recognised during the year:

	<u>2023</u>	<u>2022</u>
	€m	
Dividend used to settle intercompany balance .....	500.8	-
Dividends paid in cash.....	<u>523.9</u>	<u>521.0</u>
	<u>1,024.7</u>	<u>521.0</u>

As at 23 January 2023, the Directors have declared a dividend of €500.8 million. The dividend was used to settle an inter-company loan (principal plus interest) owed by the Group's owners and as such has not resulted in any cash outflow (see note 16). Other interim dividends of €523.9 million were declared and paid during the year (2022: €521.0 million).

The dividend declared in the current year equates to €5,120.9 per Ordinary share (2022: €2,603.7 per Ordinary share).

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

**24 MERGER RESERVE**

The balance in merger reserve of €4,526.9 million arose from the difference between the book value of the net assets acquired and the total consideration paid on prior year acquisitions.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS**

The Group has exposure to the following risks arising from financial instruments:

- credit risk
- liquidity risk
- market risk (including currency and interest rate risk)

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. They are responsible for developing and monitoring the Group's risk management policies. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

**25(a) Fair values of financial instruments**

*Trade and other receivables*

The carrying amount of trade and other receivables generally approximates to fair value due to their short maturities. Where settlement is not due in the short-term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

*Trade and other payables*

The carrying amount of trade and other payables generally approximates to fair value due to their short maturities. Where settlement is not due in the short-term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

*Cash and cash equivalents*

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the balance sheet date.

*Interest-bearing borrowings*

The fair value of the interest-bearing loans (excluding the securitisation facility, lease liabilities and related party loans) is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the balance sheet date. The fair value of the securitisation facilities is the same as the carrying value excluding debt issue costs. The fair value of lease liabilities is determined by reference to market rates for similar lease agreements. The fair value of the related party loans is the same as the carrying value.

*Derivative financial instruments*

The Group has entered into derivative financial instruments and the fair value is based on market or broker quotes.

*Equity instruments*

The Group has acquired listed equity instruments and the fair value is based on market or broker quotes.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(a) Fair values of financial instruments (continued)**

The fair values for each class of financial assets and financial liabilities together with their carrying amounts shown in the consolidated balance sheet are as follows:

	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	€m			
<b>Financial assets held at fair value through other comprehensive income:</b>				
Equity instruments.....	5.3	5.3	5.5	5.5
<b>Financial assets held at fair value through profit or loss:</b>				
Interest rate swap.....	5.8	5.8	-	-
<b>Financial assets held at amortised cost:</b>				
Trade receivables.....	1,118.2	1,118.2	1,383.1	1,383.1
Amounts due from related parties and associated undertakings	159.8	159.8	752.2	752.2
Other receivables (excluding prepayments and tax).....	346.3	346.3	336.9	336.9
Other investments.....	10.4	10.4	9.8	9.8
Deferred consideration.....	120.7	120.7	239.0	239.0
Other non-current financial assets.....	2.2	2.2	2.2	2.2
Cash and cash equivalents.....	<u>1,935.1</u>	<u>1,935.1</u>	<u>1,530.1</u>	<u>1,530.1</u>
<b>Total financial assets</b> .....	<b><u>3,703.8</u></b>	<b><u>3,703.8</u></b>	<b><u>4,258.8</u></b>	<b><u>4,258.8</u></b>

	2023		2022	
	Carrying amount	Fair value	Carrying amount	Fair value
	€m			
<b>Financial liabilities held at fair value through profit or loss:</b>				
Derivative commodity contracts.....	4.4	4.4	46.2	46.2
<b>Financial liabilities carried at amortised cost:</b>				
Senior Secured Notes due 2026.....	507.1	495.6	1,255.5	1,108.4
Senior Notes due 2026.....	372.2	357.3	500.0	410.0
Term Loan B Facilities due 2026.....	1,739.3	1,750.6	3,315.6	3,210.6
Term Loan B Facilities due 2027.....	623.0	603.8	631.3	589.8
Senior Secured Notes due 2027.....	597.8	552.0	597.0	486.0
Term Loan B Facilities due 2029.....	1,802.6	1,838.1	-	-
Senior Secured Notes due 2029.....	876.9	936.6	-	-
Term Loan B Facilities due 2030.....	808.3	803.3	-	-
Securitisation facilities.....	(0.1)	-	(0.2)	-
Other loans.....	0.1	0.1	0.1	0.2
Trade payables.....	1,189.5	1,189.5	1,390.8	1,390.8
Amounts due to related parties*.....	261.0	261.0	281.0	281.0
Accruals and other payables (excluding deferred income)...	633.8	633.8	701.8	701.8
Lease liabilities.....	<u>306.6</u>	<u>306.6</u>	<u>289.3</u>	<u>289.3</u>
<b>Total financial liabilities</b> .....	<b><u>9,722.5</u></b>	<b><u>9,732.7</u></b>	<b><u>9,008.4</u></b>	<b><u>8,514.1</u></b>

\*Restated in financial year ending 31 December 2022 to reflect change in presentation of net debt (see note 17).



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(a) Fair values of financial instruments (continued)**

The table below analyses financial instruments carried at fair value, by valuation method. The different levels, determined in accordance with IFRS 13 "Fair Value Measurement", have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The fair values of all financial assets and financial liabilities by class together with their carrying amounts shown in the balance sheet are as follows:

	<b>2023</b>			
	<b>Fair value</b>	<b>Level</b>		
	<b>1</b>	<b>2</b>	<b>3</b>	
	<b>€m</b>			
<b>Net financial assets and liabilities designated as fair value through profit or loss</b>				
Interest rate swap .....	5.8	-	5.8	-
Derivative commodity contracts .....	(4.4)	-	(4.4)	-
	<b>1.4</b>	<b>-</b>	<b>1.4</b>	<b>-</b>
<b>Net financial assets and liabilities designated as fair value through other comprehensive income</b>				
Equity instruments .....	5.3	5.3	-	-
	<b>5.3</b>	<b>5.3</b>	<b>-</b>	<b>-</b>
	<b>2022</b>			
	<b>Fair value</b>	<b>Level</b>		
	<b>1</b>	<b>2</b>	<b>3</b>	
	<b>€m</b>			
<b>Net financial assets and liabilities designated as fair value through profit or loss</b>				
Derivative commodity contracts .....	(46.2)	-	(46.2)	-
	<b>(46.2)</b>	<b>-</b>	<b>(46.2)</b>	<b>-</b>
<b>Net financial assets and liabilities designated as fair value through other comprehensive income</b>				
Equity instruments .....	5.5	5.5	-	-
	<b>5.5</b>	<b>5.5</b>	<b>-</b>	<b>-</b>

The derivative commodity contracts and the interest rate swap have been assigned to Level 2 since there are no market prices available. The fair value of derivatives is the value that the Group would receive or have to pay if the financial instrument were transferred to an external party at the reporting date. The equity instruments have been assigned to Level 1 since the shares are listed on the London Stock Exchange.

There have been no transfers from one level to another during 2023 and 2022.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(b) Net gains and losses from financial instruments**

Net gains and losses from financial instruments comprise the results of valuations, the amortisation of debt issue costs, the recognition and derecognition of impairment losses, results from the translation of foreign currencies, interest, dividends and all effects on profit or loss of financial instruments.

Net gains from financial assets measured at amortised cost relate primarily to recognition and derecognition of impairment losses, results from the translation of foreign currencies and interest income.

Net losses from financial liabilities measured at amortised cost relate primarily to amortisation of debt issue costs, results from the translation of foreign currencies, interest expense and other financing related expenses.

The items "Net fair value gain or (loss) on derivatives" and "Net fair value gain or (loss) on equity instruments" comprise valuation gains and losses, and only includes gains and losses from instruments which are not designated as hedging instruments as defined by IFRS 9.

	2023			
	Financial assets at amortised cost	Fair value recognised in profit or loss	Financial assets at fair value through OCI	Financial liabilities at amortised cost
	€m			
<b>Gains from financial instruments</b>				
Interest income .....	83.7	-	-	-
Discount on bond settlement .....	53.9	-	-	-
Net fair value gain on derivatives .....	-	45.4	-	-
Net fair value gain on equity instruments .....	-	-	0.2	-
Foreign exchange gains .....	37.9	-	-	-
<b>Net result .....</b>	<b>175.5</b>	<b>45.4</b>	<b>0.2</b>	<b>-</b>
<b>Carrying value at 31 December .....</b>	<b>3,692.7</b>	<b>1.4</b>	<b>5.3</b>	<b>-</b>
<b>Losses from financial instruments</b>				
Interest cost .....	-	-	-	(431.7)
Amortisation of debt issue costs .....	-	-	-	(31.9)
Foreign exchange losses .....	-	-	-	(73.5)
<b>Net result .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(537.1)</b>
<b>Carrying value at 31 December .....</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(9,718.1)</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(b) Net gains and losses from financial instruments (continued)**

	2022			
	Financial assets at amortised cost	Fair value recognised in profit or loss	Financial assets at fair value through OCI	Financial liabilities at amortised cost
	€m			
<b>Gains from financial instruments</b>				
Interest income .....	14.6	-	-	-
Foreign exchange gains .....	140.7	-	-	-
<b>Net result .....</b>	<b>155.3</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Carrying value at 31 December .....</b>	<b>4,251.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Losses from financial instruments</b>				
Interest cost .....	-	-	-	(247.0)
Amortisation of debt issue costs .....	-	-	-	(21.9)
Net fair value loss on derivatives .....	-	(20.8)	-	-
Net fair value loss on equity instruments .....	-	-	(0.4)	-
Foreign exchange losses .....	-	-	-	(78.6)
<b>Net result .....</b>	<b>-</b>	<b>(20.8)</b>	<b>(0.4)</b>	<b>(347.5)</b>
<b>Carrying value at 31 December .....</b>	<b>-</b>	<b>(46.2)</b>	<b>5.5</b>	<b>(8,962.2)</b>

**25(c) Credit risk**

*Financial risk management*

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, deposits with financial institutions and amount owed to Group undertakings.

The Group's treasury policy and objectives in relation to credit risk is to minimise the likelihood that the Group will experience financial loss due to counterparty failure and to ensure that in the event of a single loss, the failure of any single counterparty would not materially impact the financial wellbeing of the Group.

*Trade and other receivables*

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Management considers that there is no geographical concentration of credit risk. The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered or are adjusted accordingly. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount without requiring approval. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

*Investments, cash and cash equivalents*

Surplus cash investments are only made with banks with which the Group has a relationship. Occasionally deposits are made with banking counterparties that provide financing arrangements, reducing the credit exposure of the Group.

*Exposure to credit risk*

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date was the carrying amount of financial assets. Further details on the Group's exposure to credit risk, and the associated impairments recognised, are given in note 16.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(d) Liquidity risk**

*Financial risk management*

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group. The Group's exposure to liquidity risk is limited by the fact that it operates with significant cash resources, it maintains the most appropriate mix of short, medium and long-term borrowings from the Group's lenders and has significant headroom on the securitisation facilities (see note 17).

The Group is reliant on committed funding from a variety of sources at Group and subsidiary company level to meet the anticipated needs of the Group for the period covered by the Group's budget.

The Group forecasts on a regular basis the expected cash flows that will occur on a weekly and monthly basis. This information is used in conjunction with the weekly reporting of actual cash balances at bank in order to calculate the level of funding that will be required in the short and medium term. On a monthly basis the level of headroom on existing facilities is reported and forecast forward until the end of the financial year.

The maturity profile of the Group's undrawn committed facilities at 31 December 2023 and 2022 was as follows:

	<u>2023</u>	<u>2022</u>
	<u>Undrawn facilities</u>	<u>Undrawn facilities</u>
	€m	
In less than one year .....	840.0	-
In more than one year, but not more than two years.....	-	840.0
	<u>840.0</u>	<u>840.0</u>

The undrawn committed facilities of €840.0 million (2022: €840.0 million) are in respect of the unused securitisation facilities. The maturity date of the securitisation facilities is 30 June 2024 for the INOVYN securitisation facility and 28 June 2024 for the Styrolution securitisation facility. Subsequent to year-end, both facilities have been extended to 2027 (see note 32).

As at 31 December 2023, based on the level of qualifying trade debtors held by the Group, the available amounts on the securitisation facilities are €456.2 million, all of which remain undrawn.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(d) Liquidity risk (continued)**

*Financial risk management (continued)*

	2023					
	Carrying amount	Contractual cash flows	1 year or less	1 to 2 years	2 to 5 years	5 years and over
€m						
<b>Non-derivative financial liabilities</b>						
Senior Secured Notes due 2026.....	507.1	(792.9)	(14.0)	(14.0)	(764.9)	-
Senior Notes due 2026.....	372.2	(407.7)	(14.0)	(14.0)	(379.7)	-
Term Loan B Facilities due 2026.....	1,739.3	(2,025.1)	(151.1)	(148.5)	(1,725.5)	-
Term Loan B Facilities due 2027.....	623.0	(748.1)	(42.0)	(41.5)	(664.6)	-
Senior Secured Notes due 2027.....	597.8	(641.0)	(13.5)	(13.5)	(614.0)	-
Term Loan B Facilities due 2029.....	1,802.6	(2,754.1)	(180.0)	(180.1)	(2,394.0)	-
Term Loan B Facilities due 2030.....	808.3	(1,259.6)	(76.5)	(75.5)	(297.9)	(809.7)
Senior Secured Notes due 2029.....	876.9	(1,231.9)	(79.3)	(79.3)	(1,073.3)	-
Securitisation facilities.....	(0.1)	(2.1)	(2.1)	-	-	-
Other loans.....	0.1	(0.1)	(0.1)	-	-	-
Trade payables.....	1,189.5	(1,189.5)	(1,189.5)	-	-	-
Amounts due to related parties.....	261.0	(271.7)	(217.4)	-	-	(54.3)
Accruals and other payables (excluding deferred income).....	633.8	(633.8)	(571.8)	(57.7)	(3.1)	(1.2)
Lease obligations.....	306.6	(378.0)	(88.4)	(61.4)	(89.7)	(138.5)
<b>Derivative financial liabilities</b>						
Commodity contracts.....	4.4	(4.4)	(4.4)	-	-	-
	<b>9,722.5</b>	<b>(12,340.0)</b>	<b>(2,644.1)</b>	<b>(685.5)</b>	<b>(8,006.7)</b>	<b>(1,003.7)</b>

	2022					
	Carrying amount	Contractual cash flows	1 year or less	1 to 2 years	2 to 5 years	5 years and over
€m						
<b>Non-derivative financial liabilities</b>						
Senior Secured Notes due 2026.....	1,255.5	(1,394.1)	(35.8)	(35.8)	(1,322.5)	-
Senior Notes due 2026.....	500.0	(575.1)	(18.8)	(18.8)	(537.5)	-
Term Loan B Facilities due 2026.....	3,315.6	(3,993.0)	(228.3)	(229.8)	(3,534.9)	-
Term Loan B Facilities due 2027.....	631.3	(760.7)	(32.8)	(33.1)	(694.8)	-
Senior Secured Notes due 2027.....	597.0	(660.8)	(13.5)	(13.5)	(633.8)	-
Securitisation facilities.....	(0.2)	(9.4)	(4.3)	(3.6)	(1.5)	-
Other loans.....	0.1	(0.1)	(0.1)	-	-	-
Trade payables.....	1,390.8	(1,390.8)	(1,390.8)	-	-	-
Amounts due to related parties.....	281.0	(291.2)	(239.3)	-	-	(51.9)
Accruals and other payables (excluding deferred income).....	701.8	(701.8)	(669.9)	(25.4)	(4.8)	(1.7)
Lease obligations.....	289.3	(390.3)	(83.6)	(62.4)	(88.2)	(156.1)
<b>Derivative financial liabilities</b>						
Commodity contracts.....	46.2	(46.2)	(46.2)	-	-	-
	<b>9,008.4</b>	<b>(10,213.5)</b>	<b>(2,763.4)</b>	<b>(422.4)</b>	<b>(6,818.0)</b>	<b>(209.7)</b>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(e) Market risk**

*Financial risk management*

Market risk reflects the possibility that changes in market prices, such as foreign exchange rates, interest rates, crude oil, key feedstocks and raw materials will adversely affect the value of the Group's assets, liabilities or expected future cash flows. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

*(i) Market risk - Foreign currency risk*

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the US Dollar, Sterling, Norwegian Krone and Swedish Krona. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities.

A substantial portion of the Group's revenue is generated in, or linked to, Sterling, US dollars and the Euro. Product prices, certain feedstock costs and most other operating costs are denominated in US Dollar, Sterling, Euro, Norwegian Krone and Swedish Krona. In the US petrochemical and specialty chemicals businesses, product prices, raw materials costs and most other costs are primarily denominated in US Dollars.

The group applies hedge accounting to foreign currency differences arising on the retranslation of a financial liability designated as a hedge of a net investment in a foreign operation. When the settlement of a monetary item receivable from or payable to a foreign operations is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary items is considered to form part of a net investment in a foreign operation and changes to the fair value are recognised directly within equity.

The Group generally does not enter into foreign currency exchange instruments to hedge foreign currency transaction exposure, although the Group may do so in the future.

The Group benefits from natural hedging to the extent that currencies in which net cash flows are generated from the Group's operations, are matched against long-term indebtedness.

The foreign currency exposure where the Group's financial assets / (liabilities) are not denominated in the functional currency of the operating unit involved is shown below. Foreign exchange differences on retranslation of these assets and liabilities are taken to the income statement of the Group.

	2023	2022
	€m	
Euros.....	135.6	37.4
Pounds Sterling.....	(15.7)	27.3
US Dollars.....	28.4	186.3
Norwegian Krone.....	(9.7)	(0.3)
Others.....	57.4	(74.8)
	<b>196.0</b>	<b>175.9</b>

*Sensitivity analysis*

A 10% per cent weakening of the following currencies at 31 December 2023 and 31 December 2022 would have increased/(decreased) equity and profit or loss by the amounts shown below. This calculation assumes that the change occurred at the reporting date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for the comparative year.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(e) Market risk (continued)**

*(i) Market risk - Foreign currency risk (continued)*

	2023	2022
	Profit or loss	
	€m	
Euros.....	(33.5)	(3.4)
Pounds Sterling.....	5.4	(2.6)
Norwegian Krone.....	(2.6)	(16.9)
US Dollars.....	2.2	-
Other.....	(5.1)	6.7

A 10% per cent strengthening of the above currencies against the Euro at 31 December 2022 and 31 December 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.

*(ii) Market risk – Interest rate risk*

*Profile*

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

	2023	2022
	€m	
<b>Fixed rate instruments</b>		
Financial liabilities.....	(2,660.6)	(2,683.6)
	<b>(2,660.6)</b>	<b>(2,683.6)</b>
<b>Variable rate instruments</b>		
Financial assets.....	1,935.1	1,530.1
Financial liabilities.....	(4,973.2)	(3,946.8)
	<b>(3,038.1)</b>	<b>(2,416.7)</b>

*Sensitivity analysis*

A change of 1% in interest rates at the reporting date would have increased equity and profit or loss by the amounts shown below. This calculation assumes that the change occurred at the reporting date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates and financial instrument at fair value through profit or loss. The analysis is performed on the same basis for 2023 and 2022.

	2023	2022
	€m	
Profit or (loss)		
Increase in interest rates by 1%.....	(30.4)	(24.2)

A 1% change in the opposite direction of the above interest rates at 31 December 2022 and 31 December 2023 would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain constant.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**25 FINANCIAL INSTRUMENTS (continued)**

**25(e) Market risk (continued)**

*(iii) Market risk – Commodity price risk*

This section discusses the Group's exposure to the commodity contracts which are not covered under the own use exemption and are recognised as derivative instruments.

The Group is exposed to commodity price risk through fluctuations in raw material prices and sales of products. The raw material exposures result primarily from the price of feedstocks, electricity and base chemicals linked to the price of crude. The sales price exposures are primarily related to petrochemicals where prices are in general linked to the market price of crude oil.

The Group enters into contracts to supply or acquire physical volumes of commodities at future dates during the normal course of business that may be considered derivative contracts. Where such contracts exist and are in respect of the normal purchase or sale of products to fulfil the Group's requirements, the own use exemption from derivative accounting is applied.

The Group in some circumstances enters into swap contracts to acquire physical volumes of commodities at future dates which are not covered under the own use exemption and are recognised as derivative instruments. Derivative commodity contracts designated as fair value through profit or loss are disclosed in notes 22.

The Group operates within procedures and policies designed to ensure that risks, including those relating to the default of counterparties, are minimised.

**25(f) Capital management**

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group defines its capital employed of €8,686.0 million (2022: €9,402.4 million) as equity attributable to the owners of the Company of €3,185.6 million (2022: €4,582.5 million) and net debt (total gross loans and borrowings less cash and cash equivalents) of €5,500.4 million (2022: €4,819.9 million).

The principal sources of debt available to the Group at 31 December 2023 are described in note 17 along with the key operating and financial covenants that apply to these facilities.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt or sell assets to reduce debt. The ability of the Group to pay dividends and provide appropriate facilities to the Group is restricted by the terms of principal financing agreements to which members of the Group are party.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**26 RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	2023	2022
	€m	
Increase in cash and cash equivalents in the year .....	434.1	226.9
Cash outflow from change in debt financing .....	(1,269.3)	(12.2)
Change in net debt resulting from cash flow .....	(835.2)	214.7
Disposals of business .....	-	408.9
Change of debt resulting from debt extinguishment and reclassification .....	95.6	-
Other net non-cash transactions .....	100.8	(136.3)
<b>Movement in net debt in the year .....</b>	<b>(638.8)</b>	<b>487.3</b>

	1 January 2023	Cash flow	Debt extingui- shment (Note 4) <sup>(1)</sup>	Reclassifi- cation (Note 17) <sup>(2)</sup>	Foreign exchange and other non-cash changes	31 December 2023
Cash at bank and in hand .....	1,530.1	434.1	-	-	(29.1)	1,935.1
Debt due within one year .....	(20.6)	(6.8)	-	-	(0.8)	(28.2)
Debt due after more than one year .....	(6,371.1)	(1,262.5)	53.9	41.7	130.7	(7,407.3)
Total external borrowings .....	(6,391.7)	(1,269.3)	53.9	41.7	129.9	(7,435.5)
<b>Net debt before issue costs ..</b>	<b>(4,861.6)</b>	<b>(835.2)</b>	<b>53.9</b>	<b>41.7</b>	<b>100.8</b>	<b>(5,500.4)</b>

<sup>(1)</sup> Partial repayment of the Senior secured Notes due 2026 and the Senior Notes due 2026 at below par value

<sup>(2)</sup> Reclassification of amounts due to related parties of €41.7 million from what is now "External interest-bearing loans and borrowings" to "Trade and Other Payables"

	1 January 2022	Cash flow	Disposal (Note 3) <sup>(1)</sup>	Foreign exchange and other non-cash changes	31 December 2022
	€m				
Cash at bank and in hand .....	1,291.3	226.9	-	11.9	1,530.1
Debt due within one year .....	(150.5)	138.1	-	(8.2)	(20.6)
Debt due after more than one year .....	(6,489.7)	(150.3)	408.9	(140.0)	(6,371.1)
Total external borrowings .....	(6,640.2)	(12.2)	408.9	(148.2)	(6,391.7)
<b>Net debt before issue costs .....</b>	<b>(5,348.9)</b>	<b>214.7</b>	<b>408.9</b>	<b>(136.3)</b>	<b>(4,861.6)</b>

<sup>(1)</sup> Excluding cash

Following the application of IFRS 16 *Leases* on 1 January 2019, all lease liabilities have been excluded from the definition of net debt.

**27 CAPITAL COMMITMENTS**

Outstanding capital expenditure on property, plant and equipment authorised by the directors of Group companies and for which contracts had been placed as at 31 December 2023 by the Group amounted to approximately €187.1 million (2022: €211.7 million).



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**28 CONTINGENCIES**

The Group companies are and may from time to time be involved in proceedings or litigation arising in the ordinary course of business. Management does not believe that the ultimate resolution of these matters will materially affect the Group's financial condition or results of operations.

**29 RELATED PARTIES**

Related parties comprise:

- Parent entities and their subsidiaries not included within the INEOS Quattro Holdings Limited group;
- Entities controlled by the shareholders of INEOS Limited, the ultimate parent company of INEOS Quattro Holdings Limited;
- Key management personnel
- Jointly controlled entities and associated undertakings held by INEOS Limited (and their subsidiaries) and
- Jointly controlled entities and associated undertakings held within the INEOS Quattro Holdings Limited group.

Mr J A Ratcliffe, Mr A C Currie and Mr J Reece are shareholders in INEOS Limited.

*Parent entities and their subsidiaries not included within the INEOS Quattro Holdings group*

Material trading and non-trading transactions by the Group with the entities controlled by INEOS Limited are as follows:

	<u>Transaction value</u>		<u>Balance outstanding</u>	
	<u>Twelve-Months Period Ended</u>		<u>Period Ended</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<i>(€ in millions)</i>			
Sale of products .....	263.3	338.1	-	-
Purchase of raw materials .....	(1,098.2)	(1,488.1)	-	-
Cost recoveries .....	94.9	117.3	-	-
Services received .....	(223.0)	(223.9)	-	-
Net interest .....	(1.1)	(1.8)	-	-
Trade and other receivables .....	-	-	67.9	97.0
Loans receivable .....	-	-	-	500.8
Trade and other payables .....	-	-	(150.0)	(172.4)
Interest-bearing loans and borrowings .....	-	-	(43.6)	(41.7)

Included within services above is a management fee paid to INEOS Limited of €67.6 million (2022: €59.5 million). No amounts remained outstanding as at 31 December 2023 (2022: €nil).

In general, all outstanding trading balances with INEOS companies are priced based on contractual arrangements and are to be settled in cash within two months of the reporting date, with the exception of the interest-bearing loans and borrowings. None of the balances are secured. The transactions were made on terms equivalent to those that prevail in arm's length transactions. There were no provisions for doubtful debt related to these entities as at 31 December 2023 (2022: €nil).

In the prior year, the loan receivable was an unsecured loan owed by INEOS Industries Holdings Limited. This loan was fully settled through a dividend distribution approved on 23 January 2023 (see note 23).

The interest-bearing loan is an unsecured loan due to INEOS Enterprises Holdings Limited. The loan bears interest at a rate of 4.5%. There is no formal repayment date under the loan agreement.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**29 RELATED PARTIES (continued)**

*Entities controlled by the shareholders of INEOS Limited*

The shareholders of INEOS Limited own a controlling interest in the share capital of INEOS Limited and Screencondor Limited. During the year ended 31 December 2023, the Group made no sales or purchases with these companies (2022: €nil). As at 31 December 2023, amounts owed by Screencondor Limited were €1.6 million (2022: €1.2 million).

*Jointly controlled entities and associated undertakings held within the INEOS Limited group and jointly controlled entities and associated undertakings held within the INEOS Quattro Holdings Limited group.*

Material trading and non-trading transactions with these entities during the period were as follows:

	<u>Transaction value</u>		<u>Balance outstanding</u>	
	<u>Twelve-Months Period Ended</u>		<u>Period Ended</u>	
	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>	<u>December 31,</u> <u>2023</u>	<u>December 31,</u> <u>2022</u>
	<i>(€ in millions)</i>			
Sale of products .....	67.3	88.6	-	-
Purchase of raw materials .....	(333.2)	(553.0)	-	-
Cost recoveries.....	102.3	236.1	-	-
Services received .....	(0.2)	(0.4)	-	-
Net interest.....	5.9	-2.1	-	-
Trade and other receivables .....	-	-	24.0	77.8
Trade and other payables .....	-	-	(67.4)	(67.1)
Deferred consideration (see note 13) .....	-	-	120.7	239.0
Loans receivable .....	-	-	66.3	75.1

In general, all outstanding balances with these related parties are priced based on contractual arrangements and are to be settled in cash within two months of the reporting date with the exception of the interest-bearing loans and borrowings. None of the balances are secured. The transactions were made on terms equivalent to those that prevail in arm's length transactions. There were no provisions for doubtful debt related to these entities as at 31 December 2023 (2022: €nil).

Loans amounted to a total of €59.4 million (2022: €63.1 million) were granted by the Group to INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd. These loans are unsecured, attract interest at commercial rate and mature in 2032.

*Transactions with key management personnel*

The Group define key management as the Directors of the Company. Details of Directors' remuneration are given in note 7.

**30 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company of the Company is INEOS Industries Holdings Limited.

The ultimate parent undertaking of the Company is INEOS Limited, a company incorporated in the Isle of Man. The directors regard Mr J A Ratcliffe as the ultimate controlling party by virtue of his majority shareholding in INEOS Limited.

The largest group in which the results of the Company are consolidated is that headed by INEOS Industries Limited. Copies of the financial statements can be obtained from the Company Secretary at the registered office, INEOS Industries Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**31 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS**

The Group prepares its consolidated financial statements in accordance with IFRSs which require management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods.

**Critical judgements in applying the Group's accounting policies**

The following areas are considered to involve a significant degree of judgement:

***Fair value measurement on business combination***

The amount of goodwill recognised as a result of a business combination is dependent on the allocation of the purchase price to the fair value of the identifiable assets and liabilities acquired. The determination of the fair value of the acquired assets and liabilities is to a considerable extent based upon management's judgement, and estimates and assumptions made.

Allocation of the purchase price affects the results of the Group as intangible assets are amortised over their estimated useful lives, whereas goodwill, is not amortised. This could lead to differing amortisation charges based on the allocation to indefinite and finite lived intangible assets.

On acquisition of a business, the identifiable intangible assets may include customer contracts, customer relationships and preferential supply contracts. The fair value of these assets is determined by discounting estimated future net cash flows generated by the asset. The use of different estimates and assumptions for the expectations of future cash flows and the discount rate would change the valuation of these intangible assets.

As part of the acquisition of Eastman Texas City Chemicals business by the Acetyls business, no identifiable intangible assets were identified and a provisional goodwill of €189.0 million was recognised. The carrying amount of intangibles acquired is disclosed in Note 3 and 11.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

***Post-retirement benefits***

The Group operates a number of defined benefit post-employment schemes. Under IAS 19 Revised Employee Benefits, management is required to estimate the present value of the future defined benefit obligation of each of the defined benefit schemes. The costs and year end obligations under defined benefit schemes are determined using actuarial valuations. The actuarial valuations involve making numerous assumptions, including:

- Future rate of increase in salaries;
- Inflation rate projections;
- Discount rate for scheme liabilities;
- Expected rates of return on the scheme assets;
- Mortality levels.

Details of post-retirement benefits including the major actuarial assumptions and the sensitivity of the post-retirement benefits to the assumptions are set out in Note 20: pension plan assumptions.

***Provisions***

Provisions are recognised for the cost of remediation works where there is a legal or constructive obligation for such work to be carried out. Where the estimated obligation arises upon initial recognition of the related asset, the corresponding debit is treated as part of the cost of the related asset and depreciated over its estimated useful life.

The decommissioning of assets may not be due to occur for many years into the future between 2024 and 2038. Consequently, judgement is required in relation to the estimated cash flows, removal date, environmental legislation, inflation and discount rate used to calculate present value.

Other provisions are recognised in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events that can be reasonably estimated. The timing of recognition requires the application of judgement to existing facts and circumstances, which can be subject to change.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**31 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**

**Key sources of estimation uncertainty (continued)**

*Provisions (continued)*

Estimates of the amounts of provisions recognised are based on current legal and constructive requirements, technology and price levels. Because actual outflows can differ from estimates due to changes in laws, regulations, public expectations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take account of such changes.

The nature and amount of provisions as well as the key assumptions are included within the financial statements are detailed in note 21. The discount rate applied to reflect the time value of money in the carrying amount of provisions requires estimation. The discount rate applied is reviewed regularly and adjusted following changes in market rates. If the estimated discount rate, one of the key assumptions in determining the environmental provisions, used in the calculation had been 1% higher than management's estimate, the carrying amount of the environmental provisions would have been €4.9 million lower.

*Impairment tests for goodwill and other non-financial assets*

Goodwill impairment testing is performed annually or if there is an indication of impairment. Goodwill impairment tests are based on cash generating units and compare the recoverable amount of the unit with the respective carrying amount. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs of disposal and its value in use. The value in use is determined using a discounted cash flow method, considering earnings forecast of the unit. The management of the Group identified the operating segments as cash generating units ("CGUs") for the purposes of testing goodwill for impairment. Each unit or group of units to which goodwill is allocated shall represent the lowest level within the entity at which the goodwill is monitored for internal management purposes. The goodwill is internally monitored at the level of business units.

Intangible assets other than goodwill assets and property, plant and equipment are generally valued at cost less amortisation. Impairment losses on intangible assets and property, plant and equipment are recognised when the recoverable amount of the cash generating unit which includes the asset is lower than the respective carrying amount. In accordance with the definition of a cash generating unit under IAS 36, the individual production plants generally do not represent separate cash generating units but are part of larger asset groups that form the cash generating units.

For the impairment testing of investments in joint-ventures, each joint-venture is identified as a separate cash generating unit.

Since assessment whether goodwill or a non-financial asset (including investments in joint-venture) is impaired is based on long-term business plans for the cash generating units and the determination of an appropriate discount rate, management uses significant estimates and assumptions in making these assessments. Details on the estimates used for the impairment test of goodwill and investments in joint-ventures are disclosed in Note 11 and 12.

Sensitivity analysis on the recoverable amount was performed based on a 10% decrease to the growth rate, a 10% increase in the discount rate, and a 10% decrease in EBITDA, all of which are considered a reasonable possible change in estimate based on historic volatility of earnings.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**31 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)**

**Key sources of estimation uncertainty (continued)**

*Impairment tests for goodwill and other non-financial assets (continued)*

The table below summarises the value by which the recoverable amount would become lower than the carrying value under each scenario for each fully owned CGU. Any impairment posted would result in a reduction of the goodwill (see note 11).

	Polymers EMEA	Polymers Asia	Polymers Americas	Styrene Monomer	Aromatics	Acetyls
	€m					
Growth rate: 10% decrease .....	-	-	-	-	-	-
EBITDA: 10% decrease .....	-	-	(58.8)	-	(8.2)	(12.0)
Discount rate: 10% increase .....	-	-	(55.2)	-	-	-

The table below summarises the value by which the recoverable amount would become lower than the carrying value under each scenario for each joint-venture CGU. Any impairment posted would result in a reduction of the investments in joint-ventures (see note 12).

	Styrolution joint- ventures	Acetyls joint- ventures
	€m	
Growth rate: 10% decrease .....	-	-
EBITDA: 10% decrease .....	(29.0)	(83.8)
Discount rate: 10% increase .....	(50.2)	-

- A reduction of 10% in growth rate did not result in the recoverable amount being lower than the carrying amount for any CGUs.
- Under a scenario where EBITDA were to decrease by 10% compared to management estimate, the recoverable amount for some CGUs within Acetyls, Aromatics and Styrolution would be lower than the carrying amount. The CGUs impacted for Acetyls would be mainly Hull in the UK and three of the Asian joint-ventures: INEOS YPC Acetyls Company (Nanjing) Ltd in China, Formosa INEOS Chemical Corp in Taiwan and INEOS PCG Acetyls Sdn Bhd in Malaysia. The CGUs impacted for Styrolution would be mainly Polymers Americas and the Chinese joint-venture INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd.

In addition to above, certain other CGUs would be at risk of impairment if EBITDA assumptions were further decrease. The recoverable amount would be lower than the carrying amount in Texas City for Acetyls as well as Geel, and Texas City for Aromatics if EBITDA assumptions decreased by 13%, 19% and 18% respectively.

The EBITDA assumptions are developed by management based on external market data as well as internal assessments and require a significant amount of judgement. Management has considered the assumptions used to determine the recoverable amount and considered that those assumptions are appropriate especially around the production volumes and margins. On this basis, the sensitivity of the forecast to the change in EBITDA was not considered as an indicator that an impairment loss is required.

- Under a scenario where discount rate was to increase by 10% compared to management estimate, the recoverable amount for some CGUs within Styrolution would be lower than the carrying amount. The CGUs impacted for Styrolution would be Polymers Americas and the Chinese joint-venture INEOS Styrolution Sinopec Advanced Materials (Ningbo) Ltd.

Although a consideration of a 10% increase in discount rate is considered as a valid sensitivity scenario, the market trends for 2024 are for a general fall in interest rates and therefore the absence of headroom for two of the Styrolution CGUs was not considered as an indicator that an impairment loss is required.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023 (forming part of the financial statements)**

**32 SUBSEQUENT EVENTS**

Subsequent to the year-end, on 16 January 2024, the Group completed a €70.0 million fungible add-on to its existing Tranche B Euro Term Loans due March 2029 on the same terms as the original 2029 Tranche B Euro Term Loan facility. Proceeds were used to redeem outstanding borrowings under the 2026 Tranche B Euro Term Loan facility by €70.0 million, thereof €50.0 million were converted (on a cashless basis) from the 2026 Tranche B Euro Term Loan facility.

Subsequent to the year-end, on 16 February 2024, the Group renewed its €600.0 million trade receivables Securitization Program involving the selling entities from Styrolution as well as Aromatics and Acetyls businesses. In this context, one existing bank was replaced by a new bank with the lender's commitment amount remaining unchanged, so that the total number of lending banks stayed at five. The facility now matures on 16 February 2027. For drawn amounts, the renewed facility bears interest at an annual rate equal to the cost to the lenders of issuing Commercial Paper plus a margin of 1.00%. For undrawn amounts, the facility bears interest of 0.6% p.a..

Subsequent to the year-end, on 7 March 2024, the Group renewed its €240.0 million INOVYN Securitization Program. The total number of lenders remains at three, although one bank was replaced by a new bank. The facility matures on 7 March 2027. For drawn amounts, the facility bears interest at an annual rate equal to the cost to the lenders of issuing Commercial Paper plus a margin of 1.00%. For undrawn amounts, the facility bears interest of 0.6% p.a..

Subsequent to the year-end, the Group entered into a cash-covered €30.0 million Letter of Credit facility with BNP Paribas, London. Under this agreement, the Group can issue bank guarantees and/or letters of credit to vendors and suppliers if requested.

On 25 March 2024, the Group entered into an Incremental Facility Agreement to raise a new Dollar Term Loan B of \$475.0 million (€438.4 million equivalent) and a new Euro Term Loan B of €500.0 million, both maturing in 2029. The gross proceeds from the transaction were used to prepay outstanding borrowings under the 2026 Tranche B Dollar of \$528.6 million (€487.9 million equivalent) and Euro Term Loans of €434.0 million.

On 5 April 2024, the Group executed a fungible tap-on to the existing 8 ½% Euro Senior Secured Notes maturing in March 2029. The amount of €250 million of additional senior secured notes due 2029 were placed with certain investors in a private transaction and issued under the existing indenture dated 14 November 2023. The gross proceeds from this transaction were also used to repay a portion of the outstanding borrowings under the 2026 Tranche B Term Loans.



INEOS QUATTRO HOLDINGS LIMITED  
COMPANY PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2023

	Note	2023	2022
		€m	
Administrative expenses.....		-	(0.3)
<b>Operating loss</b> .....	2	-	<b>(0.3)</b>
Income from shares in group undertakings .....	4	1,024.7	521.2
<b>Profit before net finance costs</b> .....		<b>1,024.7</b>	<b>520.9</b>
Finance income.....	5	0.4	0.5
Finance costs .....	5	(0.4)	(0.5)
<b>Profit before tax</b> .....		<b>1,024.7</b>	<b>520.9</b>
Tax on profit.....	6	8.0	(7.8)
<b>Profit for the financial year</b> .....		<b>1,032.7</b>	<b>513.1</b>

All activities of the Company relate to continuing operations.

The Company has no recognised other comprehensive income and therefore no separate statement of other comprehensive income has been presented.



INEOS QUATTRO HOLDINGS LIMITED  
COMPANY BALANCE SHEET AS AT 31 DECEMBER 2023

	Note	2023	2022
		€m	
<b>Fixed assets</b>			
Investments.....	7	6,620.8	6,620.8
<b>Current assets</b>			
Debtors: amounts due within one year .....	8	0.2	500.5
Cash and cash equivalents .....		0.3	0.3
<b>Total current assets</b> .....		<u>0.5</u>	<u>500.8</u>
<b>Current liabilities</b>			
Interest-bearing loans and borrowings .....	9	-	(500.6)
Trade and other payables .....	10	(0.1)	(7.8)
<b>Total current liabilities</b> .....		<u>(0.1)</u>	<u>(508.4)</u>
<b>Net current assets/(liabilities)</b> .....		0.4	(7.6)
<b>Total assets less current liabilities</b> .....		<u>6,621.2</u>	<u>6,613.2</u>
<b>Net assets</b> .....		<u>6,621.2</u>	<u>6,613.2</u>
<b>Capital and reserves</b>			
Called up share capital.....	11	0.3	0.3
Share premium account .....	11	-	-
Profit and loss account.....		6,620.9	6,612.9
<b>Total shareholder's funds</b> .....		<u>6,621.2</u>	<u>6,613.2</u>

The financial statements on pages 121 to 134 were approved by the Board of Directors on 12 April 2024 and were signed on its behalf by:

G W Leask  
Director

INEOS Quattro Holdings Limited  
Registered number: 09922632



INEOS QUATTRO HOLDINGS LIMITED  
COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED  
31 DECEMBER 2023

	Note	Called up share capital	Share premium account	Profit and loss account	Total shareholder's funds
				€m	
<b>Balance at 1 January 2022</b> .....		<b>0.3</b>	-	<b>6,620.8</b>	<b>6,621.1</b>
Profit and total comprehensive income for the financial year.....		-	-	513.1	513.1
<i>Transactions with owners, recorded directly in equity:</i>					
Dividends.....	11	-	-	(521.0)	(521.0)
<b>Total contributions by and distributions to owners</b> .....		<b>-</b>	<b>-</b>	<b>(521.0)</b>	<b>(521.0)</b>
<b>Balance at 31 December 2022</b> .....		<b>0.3</b>	-	<b>6,612.9</b>	<b>6,613.2</b>
Profit and total comprehensive income for the financial year.....		-	-	1,032.7	1,032.7
<i>Transactions with owners, recorded directly in equity:</i>					
Dividends.....	11	-	-	(1,024.7)	(1,024.7)
<b>Total contributions by and distributions to owners</b> .....		<b>-</b>	<b>-</b>	<b>(1,024.7)</b>	<b>(1,024.7)</b>
<b>Balance at 31 December 2023</b> .....		<b>0.3</b>	-	<b>6,620.9</b>	<b>6,621.2</b>



## INEOS QUATTRO HOLDINGS LIMITED NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

### 1 ACCOUNTING POLICIES

INEOS Quattro Holdings Limited ("the Company") is a private company, limited by shares, incorporated in the United Kingdom, registered in England and Wales and has its registered office at Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG, United Kingdom.

These financial statements present information about the Company as an individual undertaking and not about its group.

#### 1.1 Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards, on a going concern basis and under the historical cost accounting rules.

The Company financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and the Companies Act 2006.

The Company meets its day to day working capital requirements through its intercompany loan, along with cash generated by its subsidiaries' operations. The Company held cash balances of €0.3 million at 31 December 2023 (2022: €0.3 million), current debtors of €0.2 million (2022: €500.5 million) and loans and borrowings of €nil at 31 December 2023 (2022: €500.6 million). The Directors have considered the Company's projected future cash flows and working capital requirements and are confident that the Company has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements.

On the basis of this assessment together with net assets of €6,621.2 million as at December 31, 2023 (2022: €6,613.2 million) the Directors have concluded that the Company can operate within its current facilities for a period of at least 12 months from the date of this report. Therefore, these financial statements have been prepared on a going concern basis in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The consolidated financial statements of INEOS Quattro Holdings Limited are prepared in accordance with International Financial Reporting Standards. In these financial statements, the Company is considered to be a qualifying entity (for the purposes of this FRS) and has applied the exemptions available under FRS 101 in respect of the following disclosures:

- Cash Flow Statement and related notes;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- Disclosures in relation to the impairment of assets as required by IAS 36;
- Financial instrument disclosures as required by IFRS 7;
- The effects of new but not yet effective IFRSs;
- Fair value requirements as defined by IFRS 13;
- Comparative information for fixed asset reconciliations; and
- Disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Company financial statements.

#### 1.2 Measurement convention

The financial statements are prepared on the historical cost basis. No assets or liabilities are stated at fair value.

#### 1.3 Functional and presentation currency

The Company financial statements are presented in Euros, which is also its functional currency.

#### 1.4 Investments

Investments in subsidiary undertakings are carried at the cost to the Company (being the fair value of the shares acquired) less any impairment.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**1 ACCOUNTING POLICIES (continued)**

**1.5 Impact of new standards and interpretations**

There are no amendments to accounting standards that are effective for the year ended 31 December 2023 which have had a material impact on the Company.

**1.6 Foreign currency**

Foreign currency transactions are translated into the local currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account, except when deferred in reserves as qualifying net investment hedges.

**1.7 Non-derivative financial instruments**

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

*Trade and other receivables*

Trade and other receivables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

*Cash and cash equivalents*

Cash and cash equivalents comprise cash balances, call deposits with maturities of three months or less from the acquisition date and money market funds that are subject to an insignificant risk of changes in their fair value, and are used by the Company in the management of its short-term commitments. Pledged balances on accounts used for payment transactions related to the securitisation of receivables are classified as cash. The amount of these balances is disclosed in the notes.

*Trade and other payables*

Trade and other payables are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

*Investments in debt and equity securities*

Investments in loans and receivables are stated at amortised cost less impairment.

*Interest-bearing borrowings*

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

*Share capital (ordinary shares)*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

**1.8 Impairment**

*Financial assets (including receivables)*

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**1 ACCOUNTING POLICIES (continued)**

**1.9 Finance income and cost**

Interest income and interest payable are recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the profit and loss account on the date the entity's right to receive payments is established. Foreign currency gains and losses are reported on a net basis.

**1.10 Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following timing differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the timing difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**2 OPERATING LOSS**

The audit fee for the parent company for the year ended 31 December 2023 was €14,280 (2022: €13,600) and was borne by a fellow group undertaking.

**3 STAFF NUMBERS AND COSTS**

The Company had no employees, other than the Directors, during the year ended 31 December 2023 (2022: none).

No Directors received any fees or remuneration in respect of their services as a director of the Company during the year ended 31 December 2023 (2022: €nil).

**4 INCOME FROM SHARES IN GROUP UNDERTAKINGS**

During 2023 the Company received dividends of €1,024.7 million (2022: €521.2 million) from INEOS Quattro Financing Limited.



INEOS QUATTRO HOLDINGS LIMITED  
NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2023

5 FINANCE INCOME AND COSTS

	2023	2022
	€m	
<b>Finance income</b>		
Interest receivable from associated undertakings .....	0.4	0.5
<b>Total finance income</b> .....	<u>0.4</u>	<u>0.5</u>
<b>Finance costs</b>		
Interest payable to associated undertakings .....	(0.4)	(0.5)
<b>Total finance costs</b> .....	<u>(0.4)</u>	<u>(0.5)</u>
<b>Net finance costs</b> .....	<u>-</u>	<u>-</u>

6 TAX ON PROFIT

*Recognised in the profit and loss account*

	2023	2022
	€m	
<b>UK Corporation tax:</b>		
Current tax credit .....	-	(0.1)
Adjustment in respect of prior years .....	(8.0)	7.9
<b>Total current tax charge/(credit)</b> .....	<u>(8.0)</u>	<u>7.8</u>

*Reconciliation of effective tax rate*

	2023	2022
	€m	
Total tax (charge)/credit .....	(8.0)	7.8
Profit before taxation .....	1,024.7	520.9
Tax using the UK corporation tax rate of 23.5% (2022: 19.0%) .....	240.8	99.0
Adjustment in respect of prior years .....	(7.9)	7.9
Tax exempt income .....	(240.9)	(99.1)
<b>Total tax (credit)/charge</b> .....	<u>(8.0)</u>	<u>7.8</u>

On 11 March 2021, the Finance Bill 2021 was announced in the United Kingdom, which increased the rate of corporation tax to 25% on profits over £250,000 from April 2023.

7 INVESTMENTS

	Shares in group undertakings
<b>Cost and net book value</b>	€m
<b>At 31 December 2022 and 2023</b> .....	<u>6,620.8</u>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**7 INVESTMENTS (continued)**

The Company has the following investments in subsidiaries:

Company	Country of incorporation*	Principal activity	Class of shares held	Ownership 2023	Ownership 2022	Registered office reference
INEOS Quattro Financing Limited <sup>g</sup>	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Quattro Finance 1 plc <sup>g</sup>	UK	Financing company	Ordinary	100%	100%	(1)
INEOS Quattro Finance 2 plc	UK	Financing company	Ordinary	100%	100%	(1)
INEOS Quattro Financing 1 Limited <sup>g</sup>	UK	Financing company	Ordinary	100%	-	(1)
INEOS Quattro Financing 2 Limited <sup>g</sup>	UK	Financing company	Ordinary	100%	-	(1)
INEOS Styrolution Finance GmbH	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution Investment GmbH	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution America LLC	USA	Manufacture of styrene monomer and polymers, selling, distribution	Members interest	100%	100%	(3)
INEOS Styrolution Belgium NV	Belgium	Manufacture of styrene monomer and polymers	Ordinary	100%	100%	(4)
INEOS Styrolution Belgium Services bvba	Belgium	Sales office	Ordinary	100%	100%	(5)
INEOS Styrolution Canada Ltd	Canada	Manufacture of styrene monomer	Common	100%	100%	(6)
INEOS Styrolution (China) Investment Co. Ltd <sup>g</sup>	China	Financing company	Registered capital Equity /Ordinary	-	100%	(7)
INEOS Styrolution do Brasil Polimeros Ltda.	Brazil	Sales office	Ordinary	100%	100%	(8)
INEOS Styrolution Hong Kong Company Limited.	Hong Kong	Sales office	Ordinary	100%	100%	(32)
INEOS Styrolution Europe GmbH.	Germany	Distribution company	Ordinary	100%	100%	(2)
INEOS Styrolution France SAS.....	France	Manufacture of polymers	Ordinary	100%	100%	(10)
INEOS Styrolution France Services SAS.....	France	Sales office	Ordinary	100%	100%	(11)
INEOS Styrolution Group GmbH.	Germany	Holding company	Ordinary	100%	100%	(2)
INEOS Styrolution Iberia S.L.	Spain	Sales office	Ordinary	100%	100%	(12)
INEOS Styrolution Switzerland SA.	Switzerland	Distribution company	Ordinary	100%	100%	(13)
INEOS Styrolution Italia S.r.L.	Italy	Sales office	Ordinary	100%	100%	(14)
INEOS Styrolution Kimyasal Ürünler Ticaret Limited Sirketi.	Turkey	Sales office	Ordinary	100%	100%	(15)
INEOS Styrolution Köln GmbH.	Germany	Manufacture of polymers	Ordinary	100%	100%	(16)
INEOS Styrolution Korea Ltd.	South Korea	Manufacture of polymers	Common	100%	100%	(17)
KR Copolymer Co. Ltd.	South Korea	Manufacture of K-Resin	Ordinary	100%	100%	(18)
INEOS Styrolution Ludwigshafen GmbH..	Germany	Manufacture of polymers	Ordinary	100%	100%	(2)
INEOS Styrolution Mexicana, S.A. de C.V.	Mexico	Manufacture of polymers	Ordinary	100%	100%	(19)
INEOS Styrolution Netherlands B.V.	Netherlands	Sales office	Ordinary	100%	100%	(20)
INEOS Styrolution OOO.	Russia	Sales office	Charter capital	100%	100%	(21)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**7 INVESTMENTS (continued)**

**7(a) Investments in subsidiary undertakings (continued)**

Company	Country of incorporation*	Principal activity	Class of shares held	Ownership 2023	Ownership 2022	Registered office reference
INEOS Styrolution Polymers (Ningbo) Co. Ltd.	China	Manufacture of polymers	Registered capital	100%	100%	(24)
INEOS Styrolution Polymers (Shanghai) Co. Ltd.	China	Sales office	Registered capital	100%	100%	(26)
INEOS Styrolution Schwarzheide GmbH	Germany	Manufacture of polymers	Ordinary	100%	100%	(29)
INEOS Styrolution APAC Pte Ltd.	Singapore	Sales office	Ordinary	100%	100%	(30)
INEOS Styrolution UK Limited.** <sup>(a)</sup>	UK	Sales office	Ordinary	100%	100%	(1)
INEOS Styrolution US Holding LLC.	USA	Holding company	Member interest	100%	100%	(3)
INEOS Styrolution Verwaltungsgesellschaft mbH.	Germany	Financing company	Ordinary	100%	100%	(2)
INEOS Styrolution (Thailand) Co., Ltd.	Thailand	Manufacture of polymers	Ordinary	100%	100%	(33)
INEOS Styrolution Vietnam Co., Ltd.	Vietnam	Sales office	Charter Capital	100%	100%	(34)
Deutsche Bank Mexico F/1787 Styrolution.	Mexico	Securitisation vehicle	n/a	n/a	n/a	(36)
INEOS Styrolution Receivables Designated Activity Company.	Ireland	Securitisation vehicle	n/a	n/a	n/a	(75)
INEOS Quattro Holdings UK Limited	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Acetyls UK Limited	UK	Production of acetic acid and other acetyls products	Ordinary	100%	100%	(1)
INEOS Acetyls International Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS US Petrochem LLC	USA	Holding company	Ordinary	100%	100%	(3)
INEOS US Chemicals Company	USA	Production of purified terephthalic acid and paraxylene	Common	100%	100%	(3)
INEOS Acetyls Chemicals Texas City, Inc. <sup>(c)</sup>	USA	Production of acetic acid and other acetyls products	Common	100%	-	(3)
INEOS 179 Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics and Acetyls Trading (Shanghai) Company Limited	China	Sales office	Registered capital	100%	100%	(28)
INEOS Acetyls Japan KK	Japan	Sales office	Ordinary	100%	100%	(35)
INEOS Acetyls Investments Limited	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Asia Limited	Hong Kong	Sales office	Ordinary	100%	100%	(32)
INEOS Acetyls (Malaysia) Sdn Bhd.	Malaysia	Sales office	Ordinary	100%	100%	(67)
INEOS Acetyls (Korea) Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Acetyls Americas Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Holdings Limited**	UK	Holding company	Ordinary	100%	100%	(1)
INEOS Aromatics Limited	UK	Sales company	Ordinary	100%	100%	(1)
INEOS World-Wide Technical Services Limited**	UK	Licensing services	Ordinary	100%	100%	(1)
INEOS Aromatics Holding Company	USA	Holding company	Common	100%	100%	(3)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**7 INVESTMENTS (continued)**

**7(a) Investments in subsidiary undertakings (continued)**

Company	Country of incorporation*	Principal activity	Class of shares held	Ownership 2023	Ownership 2022	Registered office reference
INEOS Zhuhai Chemical Company Limited <sup>(b)</sup>	China	Production of purified terephthalic acid and paraxylene	Member interest	91.90%	91.90%	(65)
INEOS Aromatics Indonesia Holdings Ltd	USA	Holding company	Common	100%	100%	(63)
INEOS Aromatics Belgium NV	Belgium	Production of purified terephthalic acid and paraxylene	Ordinary	100%	100%	(70)
INEOS Aromatics Belgium Holdings LLC	USA	Holding company	Common	100%	100%	(3)
PT INEOS Aromatics Indonesia	Indonesia	Production of purified terephthalic acid and paraxylene	Ordinary	100%	100%	(74)
PT INEOS Aromatics Trading Indonesia	Indonesia	Trading company	Ordinary	100%	100%	(74)
INOVYN Limited <sup>(c)</sup>	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Holdings Limited <sup>(d)</sup>	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Finance Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Group Treasury Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Europe Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Norge AS	Norway	Manufacture of chemicals and PVC	Ordinary	100%	100%	(38)
INOVYN Sverige AB	Sweden	Manufacture of chemicals and PVC	Ordinary	100%	100%	(39)
INEOS ChlorVinyls Holdings BV	Netherlands	Holding company	Ordinary	100%	100%	(40)
INOVYN Newton Aycliffe Limited	UK	Non-trading	Ordinary	100%	100%	(37)
INEOS Newton Aycliffe Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INOVYN Services Limited	UK	Service company	Ordinary	100%	100%	(37)
INOVYN Enterprises Limited	UK	Extraction and supply of brine and water	Ordinary	100%	100%	(37)
INOVYN ChlorVinyls Holdings Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Newco 2 Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN ChlorVinyls Limited	UK	Manufacture of chemicals and PVC	Ordinary	100%	100%	(37)
INEOS Enterprises Group Limited	UK	Manufacture of salt and sulphur chemicals	Ordinary	100%	100%	(37)
Keuper Gas Storage Limited	UK	Gas storage	Ordinary	100%	100%	(37)
INEOS Chlor Atlantik GmbH	Germany	Non-trading	Ordinary	100%	100%	(41)
INOVYN Americas Inc	USA	Purchase and resale of chemicals	Ordinary	100%	100%	(42)
INEOS Chlor Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INEOS Vinyls UK Ltd <sup>(e)</sup>	UK	Non-trading	Ordinary	100%	100%	(37)
INEOS Vinyls GmbH & Co KG	Germany	Holding company	Ordinary	100%	100%	(41)



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**7 INVESTMENTS (continued)**

**7(a) Investments in subsidiary undertakings (continued)**

Company	Country of incorporation <sup>n*</sup>	Principal activity	Class of shares held	Ownership 2023	Ownership 2022	Registered office reference
INOVYN Schkopau GmbH	Germany	Non trading	Ordinary	100%	100%	(41)
INOVYN Sales GmbH	Germany	Non trading	Ordinary	100%	100%	(41)
EVC Pension Trustees Limited	UK	Pension trustee	Ordinary	100%	100%	(37)
INOVYN Energy Limited	UK	Holding company	Ordinary	100%	100%	(37)
Kerling Newco 1 Limited	UK	Holding company	Ordinary	100%	100%	(37)
Kerling Newco 2 Limited	UK	Holding company	Ordinary	100%	100%	(37)
INOVYN Deutschland GmbH	Germany	Manufacture of chemicals and PVC	Ordinary	100%	100%	(41)
INOVYN Espana S.L.	Spain	Manufacture of chemicals and PVC	Ordinary	100%	100%	(43)
INOVYN Osterreich GmbH <sup>(a)</sup>	Austria	Sales office	Ordinary	100%	100%	(44)
INOVYN Belgium SA.	Belgium	Manufacture of chemicals	Ordinary	100%	100%	(45)
INOVYN Olefines France SAS.	France	Operation of ethylene cracker	Ordinary	100%	100%	(46)
INOVYN Portugal Lda	Portugal	Sales office	Ordinary	100%	100%	(47)
INOVYN Trade Services SA	Belgium	Purchase and resale of chemicals	Ordinary	100%	100%	(45)
INOVYN Manufacturing Belgium SA	Belgium	Manufacture of chemicals and PVC	Ordinary	100%	100%	(45)
INOVYN France SAS	France	Manufacture of chlorine products	Ordinary	100%	100%	(46)
INOVYN Italia S.p.A.	Italy	Commercial services	Ordinary	100%	100%	(48)
INOVYN Produzione Italia S.p.A	Italy	Manufacture of chemicals	Ordinary	100%	100%	(49)
INOVYN Quimica Espana S.L.	Spain	Waste treatment	Ordinary	100%	100%	(43)
Vinyloop Ferrara S.p.A <sup>(b)</sup>	Italy	PVC Recycling	Ordinary	100%	100%	(48)
TTE Training Limited.	UK	Training company	Limited by Guarantee	100%	100%	(51)
TTE Apprenticeship Training Agency Limited.	UK	Apprenticeship company	Limited by Guarantee	100%	100%	(52)
INEOS Norway Finance Ireland Limited	Ireland	Securitisation vehicle	n/a	n/a	n/a	(51)

- \* The country of incorporation is mainly aligned with the principal place of business.
- # Shares held directly by INEOS Quattro Holdings Limited. All other subsidiaries listed are held indirectly.
- (a) In the process of being liquidated.
- (b) Portion of ownership interests held by non-controlling interests is 8.1%.
- (c) Portion of ownership interests held by non-controlling interests is 5.1%.
- (d) Effective from 19 October 2023, INEOS Styrolution (China) Investment Co. Ltd. has been dissolved
- (e) The entity was acquired in December 2023.
- (f) New company incorporated in August 2023.
- \*\* Audit exemption. Subsidiaries claiming exemption from audit under section 479A Companies Act 2006.

The registered office addresses of the investments referenced in this table can be found in page 80 in note 12(c)  
*Registered office addresses of investments* in the consolidated financial statements of INEOS Quattro Holdings Limited.



INEOS QUATTRO HOLDINGS LIMITED  
NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2023

8 DEBTORS

	<u>2023</u>	<u>2022</u>
	€m	
<b>Amounts falling due within one year</b>		
Amounts owed by group undertakings .....	-	500.5
Group relief balance owed by group undertakings .....	0.2	-
	<u>0.2</u>	<u>500.5</u>

The amounts owed by group undertakings in the prior year are an unsecured loan owed by the Company's immediate parent undertaking measured at amortised cost. The loan attracted interest at commercial rate and had a maturity at 8 December 2023. The loan was settled in January 2023 (see note 11).

9 INTEREST-BEARING LOANS AND BORROWINGS

	<u>2023</u>	<u>2022</u>
	€m	
<b>Current</b>		
Amounts owed to group undertakings .....	-	500.6

The amounts owed to group undertakings in the prior year are an unsecured loan owed to the Company's immediate subsidiary measured at amortised cost. The loan attracted interest at commercial rate and had a maturity at 8 December 2023. The loan was fully settled in January 2023 (see note 11).

10 TRADE AND OTHER PAYABLES

	<u>2023</u>	<u>2022</u>
	€m	
Amounts owed to group undertakings .....	0.1	7.8
	<u>0.1</u>	<u>7.8</u>



**INEOS QUATTRO HOLDINGS LIMITED**  
**NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED**  
**31 DECEMBER 2023**

**11 CAPITAL AND RESERVES**

*Share capital*

	As at 31 December 2023	As at 31 December 2022
	€m	
200,100 (2022: 200,100) issued Ordinary shares (pounds sterling) of £1.00 (2022: £1.00) each .....	0.3	0.3
4 (2022: 4) issued Ordinary shares (Euro) of €1.00 (2022: €1.00) each.....	-	-
	<b>0.3</b>	<b>0.3</b>

As the reporting currency of the Company is the Euro, share capital has been converted to Euros at the effective rate of exchange ruling at the date of issuance.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

*Dividends*

The following dividends were recognised during the year:

	2023	2022
	€m	
Dividend used to settle intercompany balance .....	500.8	-
Dividends paid in cash.....	523.9	521.0
	<b>1,024.7</b>	<b>521.0</b>

As at 23 January 2023, the Directors have declared a dividend of €500.8 million. The dividend was used to settle an inter-company loan (principal plus interest) owed by the Group's owners and as such has not resulted in any cash outflow (see note 9). Other interim dividends of €523.9 million were declared and paid during the year (2022: €521.0 million).

The dividend declared equates to €5,120.9 per Ordinary share (2022: €2,603.7 per Ordinary share).

**12 ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The immediate parent company of the Company is INEOS Industries Holdings Limited.

The ultimate parent undertaking of the Company is INEOS Limited, a company incorporated in the Isle of Man. The directors regard Mr J A Ratcliffe as the ultimate controlling party by virtue of his majority shareholding in INEOS Limited.

The smallest group in which the results of the Company are consolidated is that headed by INEOS Quattro Holdings Limited. The largest group in which the results of the Company are consolidated is that headed by INEOS Industries Limited. Copies of the financial statements can be obtained from the Company Secretary at the registered office: INEOS Industries Limited, Hawkslease, Chapel Lane, Lyndhurst, Hampshire, SO43 7FG.



INEOS QUATTRO HOLDINGS LIMITED  
NOTES TO THE COMPANY FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 DECEMBER 2023

**13 ACCOUNTING ESTIMATES AND JUDGEMENTS**

The Company prepares its financial statements in accordance with FRS 101, which requires management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods.

The following areas are considered to involve a significant degree of judgement or estimation.

**Critical judgements in applying the Company's accounting policies**

The key judgment relates to the recoverability of amounts due from group undertakings. The directors have assessed the ability of group undertakings to pay amounts owed to the company as they fall due, and are confident that such amounts will be received, and that any credit loss is insignificant.

**Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

*Carrying value of investments*

Determination as to whether, and how much, an investment is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil, natural gas and refined products.

Management judgement is required to determine whether an indicator of potential impairment exists in relation to the Company's investments. The directors have identified the energy crisis resulting from the conflict in Ukraine and the global inflationary environment as indication of impairment and carried out a full impairment review by comparing the carrying amount of the investment against the recoverable amount, being the value in use.

Sensitivity analysis on the recoverable amount was performed. Based on the significant level of headroom, no reasonable possible change in estimate could result in the recoverable amount being lower than the investment carrying amount.

**14 SUBSEQUENT EVENT**

None to report.



Skatteetaten

INOVYN NORGE AS  
Postboks 300  
3966 STATHELLE

Vår dato  
23.08.2023

800 80 000  
Skatteetaten.no

Org.nr  
974761076

Din/Deres dato

Din/Deres referanse

Vår referanse  
2023/5430960

Saksbehandler  
Hanne Gran

Telefon  
95425870

Postadresse  
Postboks 9200 Grønland  
0134 OSLO

U.off. offl. § 13.1, tl. § 12-1, skttvl. § 3-1, sktbl. § 3-2

## Fritak for konsernregnskapsplikt for Inovyn Norge AS org.nr. 981701046

Vi viser til søknad av 22. august 2023 hvor det søkes om fritak fra plikten til å utarbeide konsernregnskap for Inovyn Norge AS.

Skattekontoret finner med hjemmel i regnskapsloven § 3-7 fjerde ledd å kunne gi tillatelse til at det gjøres unntak for konsernregnskapsplikten for Inovyn Norge AS. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig. Kopi av dette brev må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet mv. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Inovyn Norge AS og datterselskapet INEOS ChlorVinyls Holding BV eies av INOVYN Finance Limited, Bankes Lane, Runcorn, Cheshire WA7 4 JE, United Kingdom som er hjemmehørende i Storbritannia. Konsernregnskap utarbeides av overordnet morselskap INEOS INOVYN Limited på engelsk språk etter IFRS, hvor Inovyn Norge AS med datterselskapet INEOS ChlorVinyls Holding BV er omfattet.

Det er i søknaden opplyst at:

«Det er ved utgangen av 2022 liten operasjonell drift i datterselskapet, og prosess for avvikling av selskapet har startet. Merverdien ved å konsolidere selskapet inn i regnskapet til INOVYN Norge AS ansees som liten siden balansen i stor grad består av konsernfordring og egenkapital.»

### Skattekontorets vurdering

Det forutsettes at INEOS INOVYN Limited utarbeider konsernregnskap som omfatter den regnskapspliktige og dennes datterselskap. Det legges til grunn at dette konsernregnskapet er utarbeidet i samsvar med IFRS og at kravene i regnskapsloven § 3-7 med forskrifter for øvrig følges. Bestemmelsene i regnskapsloven kapittel 8 gjelder tilsvarende for dette konsernregnskapet.

Når det gjelder hvilket språk morselskapet skal utarbeide konsernregnskapet på, vises det til forskrift av 7. september 2006 nr. 1062 til utfylling og gjennomføring mv. av regnskapsloven. Det følger av § 3-7-1 at konsernregnskapet foruten å være på norsk, kan være på svensk, dansk eller engelsk. Det fremgår av



søknaden at konsernregnskapet utarbeides på engelsk. Skattekontoret gir etter en konkret helhetsvurdering tillatelse til at det gjøres unntak for konsernregnskapsplikten.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Camilla Vold  
underdirektør  
Innsats, storbedrift  
Skatteetaten

Hanne Gran

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*