



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

Organisasjonsnummer:	991 191 801
Organisasjonsform:	Aksjeselskap
Foretaksnavn:	INEOS SALES NORGE AS
Forretningsadresse:	Asdalstrand 291 3962 STATHELLE

### Regnskapsår

Årsregnskapets periode:	01.01.2024 - 31.12.2024
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### 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:	Sissel Groland Bjørgaas
Dato for fastsettelse av årsregnskapet:	23.05.2025

### Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

*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, 16.07.2025



## Resultatregnskap

Beløp i: NOK	Note	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Salgsinntekt		1 812 715 198	2 146 428 775
<b>Sum inntekter</b>		<b>1 812 715 198</b>	<b>2 146 428 775</b>
<b>Kostnader</b>			
Varekostnad		1 807 971 187	2 137 348 500
Annen driftskostnad		1 218 658	2 029 149
<b>Sum kostnader</b>		<b>1 809 189 845</b>	<b>2 139 377 649</b>
<b>Driftsresultat</b>		<b>3 525 353</b>	<b>7 051 126</b>
<b>Finansinntekter og finanskostnader</b>			
Renteinntekt fra foretak i samme konsern		4 514 440	5 644 438
Annen renteinntekt		48 695	405 140
Annen finansinntekt		75 744 979	86 385 906
<b>Sum finansinntekter</b>		<b>80 308 114</b>	<b>92 435 484</b>
Annen rentekostnad			39 311
Annen finanskostnad		76 582 606	90 861 584
<b>Sum finanskostnader</b>		<b>76 582 606</b>	<b>90 900 895</b>
<b>Netto finans</b>		<b>3 725 508</b>	<b>1 534 589</b>
<b>Resultat før skattekostnad</b>		<b>7 250 861</b>	<b>8 585 715</b>
Skattekostnad på resultat		1 597 655	1 890 108
<b>Årsresultat</b>		<b>5 653 206</b>	<b>6 695 607</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>5 653 206</b>	<b>6 695 607</b>
<b>Overføringer og disponeringer</b>			
Overført fra annen egenkapital		5 653 206	6 695 607
<b>Sum overføringer og disponeringer</b>		<b>5 653 206</b>	<b>6 695 607</b>



### Balanse

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Sum anleggsmidler		0	0
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Kundefordringer		252 803 598	178 094 332
Andre kortsiktige fordringer		63 161 151	71 408 600
<b>Sum fordringer</b>		<b>315 964 749</b>	<b>249 502 932</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Bankinnskudd, kontanter o.l.		525 977	372 247
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>525 977</b>	<b>372 247</b>
<b>Sum omløpsmidler</b>		<b>316 490 726</b>	<b>249 875 179</b>
<b>SUM EIENDELER</b>		<b>316 490 726</b>	<b>249 875 179</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Aksjekapital		100 000	100 000
Annen innskutt egenkapital		23 416 666	23 416 666
<b>Sum innskutt egenkapital</b>		<b>23 516 666</b>	<b>23 516 666</b>
<b>Opptjent egenkapital</b>			
Annen egenkapital		33 485 725	27 832 519
<b>Sum opptjent egenkapital</b>		<b>33 485 725</b>	<b>27 832 519</b>
<b>Sum egenkapital</b>		<b>57 002 391</b>	<b>51 349 185</b>



## Balanse

Beløp i: NOK	Note	2024	2023
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
<b>Annen langsiktig gjeld</b>			
Øvrig langsiktig gjeld		12 656 892	12 656 892
<b>Sum annen langsiktig gjeld</b>		<b>12 656 892</b>	<b>12 656 892</b>
<b>Sum langsiktig gjeld</b>		<b>12 656 892</b>	<b>12 656 892</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		236 475 002	181 721 627
Betalbar skatt		1 597 655	1 890 108
Skyldig offentlige avgifter		4 016 120	1 503 142
Annen kortsiktig gjeld		4 742 666	754 224
<b>Sum kortsiktig gjeld</b>		<b>246 831 443</b>	<b>185 869 101</b>
<b>Sum gjeld</b>		<b>259 488 335</b>	<b>198 525 993</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>316 490 726</b>	<b>249 875 178</b>



**INEOS**

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**INEOS GROUP HOLDINGS S.A.**

**2024 ANNUAL REPORT**

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## CERTAIN DEFINITIONS AND PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Unless indicated otherwise in this annual report or the context requires otherwise:

- all references to the “**2024 IGH Notes**” and to the “**Senior Notes due 2024**” are to the \$500,000,000 aggregate principal amount of 5<sup>5</sup>/<sub>8</sub>% Senior Notes due 2024 and €650,000,000 aggregate principal amount of 5<sup>3</sup>/<sub>8</sub>% Senior Notes due 2024 issued pursuant to the 2024 IGH Notes Indenture, which were redeemed in full on 9 November 2021;
- all references to the “**2024 IGH Notes Indenture**” are to the indenture dated as of 9 August 2016, between IGH, as issuer, the guarantors named therein, The Bank of New York Mellon, London Branch, as trustee, collateral agent and principal paying agent, The Bank of New York Mellon (Luxembourg) S.A., as Luxembourg paying agent, registrar and Luxembourg transfer agent, and The Bank of New York Mellon as U.S. paying agent and transfer agent, as amended and supplemented from time to time, pursuant to which the 2024 IGH Notes were issued and which has been satisfied and discharged in connection with the redemption of the 2024 IGH Notes;
- all references to the “**2024 Redemption**” are to the redemption of all of the Issuer’s outstanding €78,116,000 aggregate principal amount of March 2026 Senior Secured Notes and €45,000,000 aggregate principal amount of the Issuer’s outstanding 2025 Senior Secured Notes, which occurred on 21 December 2024;
- all references to the “**2024 Senior Secured Term Loans**” and to the “**Senior Secured Term Loans due 2024**” are to the credit facilities due 2024 made available under the Senior Secured Term Loans Agreement, which were repaid in full on 16 February 2023;
- all references to the “**2025 Senior Secured Notes**” and to the “**Senior Secured Notes due 2025**” are to the €550,000,000 aggregate principal amount of 2<sup>1</sup>/<sub>8</sub>% Senior Secured Notes due 2025 issued pursuant to the 2025 Senior Secured Notes Indenture; on 7 February 2024, an aggregate principal amount of €312,204,000 was repurchased by INEOS Finance plc in a tender offer launched on 15 January 2024;
- all references to the “**2025 Senior Secured Notes Indenture**” are to the indenture dated as of 3 November 2017, among INEOS Finance plc, as issuer, the guarantors named therein, The Bank of New York Mellon, London Branch, as trustee and principal paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar, Luxembourg paying agent and transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the 2025 Senior Secured Notes were issued;
- all references to the “**2027 Senior Secured Term Loans**” are to the credit facilities due October 2027 made available under the Senior Secured Term Loans Agreement;
- all references to the “**2027-II Senior Secured Term Loans**” are to the credit facilities due November 2027 made available under the Senior Secured Term Loans Agreement;
- all references to the “**2028 Dollar Senior Secured Notes**” are to the \$425,000,000 aggregate principal amount of 6<sup>3</sup>/<sub>4</sub>% Senior Secured Notes due 2028 issued pursuant to the 2028 Senior Secured Notes Indenture;
- all references to the “**2028 Euro Senior Secured Notes**” are to the €400,000,000 aggregate principal amount of 6<sup>3</sup>/<sub>8</sub>% Senior Secured Notes due 2028 issued pursuant to the 2028 Senior Secured Notes Indenture;
- all references to the “**2028 Senior Secured Notes**” and to the “**Senior Secured Notes due 2028**” are, collectively, to the 2028 Dollar Senior Secured Notes and the 2028 Euro Senior Secured Notes;
- all references to the “**2028 Senior Secured Notes Indenture**” are to the indenture dated as of 16 February 2023, among INEOS Finance plc, as issuer, the guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon, London Branch, as paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar and



transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the 2028 Senior Secured Notes were issued;

- all references to the “**2028 Senior Secured Notes Proceeds Loans**” are to the euro- and U.S. dollar-denominated loans under the loan agreements, dated 16 February 2023, between INEOS Finance plc, as lender, and IHL, as borrower, pursuant to which INEOS Finance plc advanced the gross proceeds of the 2028 Senior Secured Notes to IHL;
- all references to the “**2028 Senior Secured Term Loans**” are to the credit facilities due 2028 made available under the Senior Secured Term Loans Agreement;
- all references to the “**2029 Dollar Senior Secured Notes**” are to the \$725,000,000 aggregate principal amount of 7<sup>1</sup>/<sub>2</sub>% Senior Secured Notes due 2029 issued pursuant to the 2029 Senior Secured Notes Indenture;
- all references to the “**2029 Euro Senior Secured Notes**” are to the €850,000,000 aggregate principal amount of 6<sup>3</sup>/<sub>8</sub>% Senior Secured Notes due 2029 issued pursuant to the 2029 Senior Secured Notes Indenture;
- all references to the “**2029 Senior Secured Notes**” and to the “**Senior Secured Notes due 2029**” are to the 2029 Dollar Senior Secured Notes and the 2029 Euro Senior Secured Notes, collectively;
- all references to the “**2029 Senior Secured Notes Indenture**” are to the indenture dated as of 7 February 2024, among INEOS Finance plc, as issuer, the guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon, London Branch, as paying agent, The Bank of New York Mellon SA/NV, Dublin Branch, as registrar and transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the 2029 Senior Secured Notes were issued;
- all references to the “**2029 Senior Secured Notes Proceeds Loans**” are to the euro- and U.S. dollar-denominated loans under the loan agreements, dated 7 February 2024, between INEOS Finance plc, as lender, and IHL, as borrower, pursuant to which INEOS Finance plc advanced the gross proceeds of the 2029 Senior Secured Notes to IHL, as amended or partially repaid from time to time;
- all references to the “**2030 Senior Secured Notes**” and to the “**Senior Secured Notes due 2030**” are to the €400,000,000 5<sup>5</sup>/<sub>8</sub>% Senior Secured Notes due 2030 issued pursuant to the 2030 Senior Secured Notes Indenture;
- all references to the “**2030 Senior Secured Notes Indenture**” are to the indenture dated as of 10 February 2025, among INEOS Finance plc, as issuer, the guarantors named therein, BNYM Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon, London Branch, as paying agent, The Bank of New York Mellon SA/NV, Dublin Branch, as registrar and transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the 2030 Senior Secured Notes were issued;
- all references to the “**2030 Senior Secured Notes Proceeds Loan**” are to the loan under the loan agreement, dated 10 February 2025, between INEOS Finance plc, as lender, and IHL, as borrower, pursuant to which INEOS Finance plc advanced the gross proceeds of the 2030 Senior Secured Notes to IHL, as amended or partially repaid from time to time;
- all references to the “**2031-II Senior Secured Term Loans**” are to the credit facilities due June 2031 made available under the Senior Secured Term Loans Agreement;
- all references to the “**Additional Repriced 2031 Dollar Senior Secured Term Loans**” are to the dollar-denominated credit facilities due February 2031 made available under the Senior Secured Term Loans Agreement in February 2025;
- all references to the “**Additional Repriced 2031 Euro Senior Secured Term Loans**” are to the euro-denominated credit facilities due February 2031 made available under the Senior Secured Term Loans Agreement in February 2025;



- all references to the “**Additional Repriced 2031 Senior Secured Term Loans**” are to the Additional 2031 Dollar Senior Secured Term Loans and the Additional 2031 Euro Senior Secured Term Loans, collectively;
- all references to the “**Bayport Acquisition**” are to the purchase of LyondellBasell’s Ethylene Oxide and Derivatives business, including the Bayport Underwood site in Texas, United States, which was completed on 1 May 2024;
- all references to “**Borrowers**” are to INEOS Finance plc and INEOS US Finance LLC;
- all references to “**BP**” are to BP p.l.c. and its consolidated subsidiaries;
- all references to the “**Collateral**” are to the collateral provided as security for the performance of the obligations of the Parent, the Borrowers and the other Guarantors under the 2028 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2030 Senior Secured Notes Indenture and the Senior Secured Term Loans Agreement, as applicable;
- all references to the “**Entrepreneurial (Refining) Business**” are to the entrepreneurial activities related to the Refining Business, which includes the sales and distribution of refining products through an entrepreneur business model;
- all references to the “**Entrepreneurial (Refining) Business JV**” are to the joint venture that, following the Refining Divestiture, operates the Entrepreneurial (Refining) Business and is owned by PetroChina (50.1%) and INEOS Investments (49.9%);
- all references to the “**Gemini Term Loans**” are to the \$510.9 million aggregate principal amount of term loans under the credit agreement dated as of 7 August 2014 (as amended and restated as of 31 December 2020) (the “**Gemini Term Loan Agreement**”) among Gemini HDPE LLC, the lenders party thereto, Barclays Bank PLC, as administrative agent, and Citibank, N.A., as security agent, which were repaid in full and cancelled on 10 February 2025;
- all references to the “**Grangemouth Divestiture**” are to the disposals to INEOS Grangemouth Limited (formerly INEOS Grangemouth plc) (a subsidiary of INEOS Holdings AG) of the shares of INEOS Commercial Services UK Limited and INEOS Chemicals Grangemouth Limited (including the assets and liabilities relating to the petrochemical operations carried out by such entities at or in connection with the Grangemouth site) effective 1 October 2013;
- all references to the “**Guarantors**” are to the guarantors under the 2028 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2030 Secured Notes Indenture and the Senior Secured Term Loans Agreement, collectively;
- all references to “**IFRS**” are to the IFRS Accounting Standards as endorsed by the European Union;
- all references to “**IGH**” or the “**Parent**” are to INEOS Group Holdings S.A. and not to any of its subsidiaries;
- all references to the “**IGH Credit Provisions**” are to the credit provisions of the Project ONE Facilities as defined under “Description of Certain Indebtedness—Project ONE Facilities”;
- all references to “**IHL**” are to INEOS Holdings Limited, the direct parent company of the Senior Secured Notes Issuer and an indirect wholly owned subsidiary of INEOS Group Holdings S.A.;
- all references to the “**Indentures**” or the “**Senior Secured Indentures**” are to the 2030 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture and the 2028 Senior Secured Notes Indenture, collectively;
- all references to “**INEOS AG**” are to INEOS AG, a subsidiary of INEOS Limited, one of our ultimate parent undertakings;



- all references to “**INEOS Group**,” “**INEOS**,” “**Group**,” “**we**,” “**us**” or “**our**” are to INEOS Group Holdings S.A. and its consolidated subsidiaries;
- all references to “**INEOS Investments**” are to INEOS Investments (Jersey) Limited, an entity that is controlled by the principal shareholders of IGH, and is not a member of the INEOS Group and, as a result of the Refining Divestiture, owns a 50.1% interest in the Refining Business JV, a 49.9% interest in the Entrepreneurial (Refining) Business JV, a 50.0% direct interest in the Infrastructure Entity and a 25.05% indirect interest in the Infrastructure Entity by virtue of its 50.1% stake in the Refining Business JV; until December 2022, the INEOS Group held certain ordinary shares in INEOS Investments and INEOS Investments was, until such date, consolidated into our financial statements;
- all references to “**INEOS Limited**” are to INEOS Limited, one of our ultimate parent undertakings;
- all references to the “**Infrastructure Entity**” are to INEOS Infrastructure (Grangemouth) Limited, an entity that acquired certain infrastructure assets at Grangemouth, Scotland (principally a power station in Grangemouth, Scotland, and a terminal and other facilities), and which, following the Refining Divestiture, is jointly owned by INEOS Investments (50.0%) and the Refining Business JV (50.0%);
- all references to the “**Initial Integrated Permit**” are to the integrated permit issued by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism to INEOS Olefins Belgium on 7 June 2022 to construct and operate Project ONE;
- all references to “**Innovene**” and the “**Innovene business**” refer to (a) all of BP’s petrochemical operating units for olefins, polymers and other derivatives but excluding BP’s Pasadena LAO operations, the Gelsenkirchen naphtha cracking operations and the *Munchmunster olefins operation* (“**O&D**”), (b) two integrated refinery plants in Grangemouth, United Kingdom and Lavéra, France, (c) a gas fractionator located in Hobbs, New Mexico and certain related pipelines and (d) existing O&D strategic joint venture investments other than BP’s then-joint ventures with SECCO and in Malaysia, prior to giving effect to the Innovene Acquisition;
- all references to the “**Innovene Acquisition**” are to the purchase by the INEOS Group on 16 December 2005 of all of the shares and assets comprising the Innovene business pursuant to the Innovene Acquisition Agreement;
- all references to the “**Innovene Acquisition Agreement**” are to the Share Sale and Purchase Agreement dated 7 October 2005, as amended from time to time, among certain subsidiaries of BP, IHL, certain subsidiaries of IHL and INEOS Group Limited;
- all references to “**NOVYN**” are to INEOS NOVYN Limited, an affiliate of ours that is indirectly controlled by our controlling shareholders, and its consolidated subsidiaries;
- all references to the “**Intercreditor Deed**” are to the intercreditor deed dated 12 May 2010, as amended and restated by a first amendment deed dated 23 December 2010, as further amended by a second amendment deed dated 18 February 2011, as further amended by a third amendment deed dated 6 February 2012, as further amended and restated by a fourth amendment deed dated 4 May 2012, as further amended and restated by a fifth amendment deed dated 8 May 2013, as further amended and restated by a sixth amendment deed dated 8 July 2014, as further amended by a seventh amendment deed dated 5 May 2015, as further amended and restated by an eighth amendment deed dated 5 January 2017, as further amended and restated by a ninth amendment deed dated 3 November 2017, as further amended by a tenth amendment deed dated 22 March 2019, as further amended by an eleventh amendment deed dated 24 April 2019, as further amended by a twelfth amendment deed dated 29 October 2020, as further amended by a thirteenth amendment deed dated 8 November 2021, as further amended by a fourteenth amendment deed dated 8 November 2022, as further amended by a fifteenth amendment deed dated 16 February 2023, as further amended by a sixteenth amendment deed dated 7 February 2024, as further supplemented by a designation notice dated 21 June 2024, as further supplemented by a designation notice dated 19 December 2024, as further supplemented by a designation notice dated 10 February 2025 and as subsequently amended, supplemented, varied or restated from time to time, among, *inter alios*, the Senior Secured Notes Issuer, the guarantors acceded thereto, the



facility agent under the Senior Secured Term Loans Agreement, Barclays Bank PLC, as security trustee, and the trustees under each of the Indentures;

- all references to the “**Inventory Financing Facilities**” are to the inventory financing facilities described in “Description of Certain Indebtedness—Inventory Financing Facilities”;
- all references to the “**Köln CoGen Facility**” are to a €120 million loan facility and a €60 million loan facility as further described under the caption “Description of Certain Indebtedness—Köln CoGen Facility”;
- all references to the “**Lavéra Acquisition**” are to (i) the Lavéra Reorganization and (ii) the purchase of the TotalEnergies Lavéra Business, both of which were completed on 1 April 2024;
- all references to the “**Lavéra Businesses**” are to the petrochemical business at the Lavéra site in France as well as certain other businesses and assets in France and Italy that were formerly part of our European Olefins & Polymers business unit, subsequently divested to an affiliate of the Group, including the 50% interest in certain petrochemical assets previously operated as 50:50 joint ventures with TotalEnergies, and following the Lavéra Acquisition re-integrated into the Group as a wholly-owned subsidiary;
- all references to the “**Lavéra Reorganization**” are to the purchase of the Lavéra Businesses from our affiliate, which was completed on 1 April 2024;
- all references to the “**LC Facility**” are to the on-demand letter of credit facility entered into by INEOS Treasury (UK) Limited on 4 May 2012, as may be amended, supplemented, varied or restated from time to time and as further described under the caption “Description of Certain Indebtedness—Letter of Credit Facility”;
- all references to “**Lux I**” are to INEOS Luxembourg I S.A., which is a direct subsidiary of IGH;
- all references to the “**March 2026 Senior Secured Notes**” and to the “**Senior Secured Notes due March 2026**” are to the 3<sup>3</sup>/<sub>8</sub>% Senior Secured Notes due 2026 issued pursuant to the March 2026 Senior Secured Notes Indenture, which were originally issued in the aggregate principal amount of €325,000,000 and were partially repurchased pursuant to the Tender Offers and subsequently cancelled in such repurchased aggregate principal amount, and the remaining outstanding principal amount of which was redeemed and cancelled on 21 December 2024;
- all references to the “**March 2026 Senior Secured Notes Indenture**” are to the indenture dated as of 29 October 2020, among INEOS Finance plc, as issuer, the guarantors named therein, The Bank of New York Mellon, London Branch, as trustee and principal paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar, Luxembourg paying agent and transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the March 2026 Senior Secured Notes were issued;
- all references to the “**May 2026 Senior Secured Notes**” and to the “**Senior Secured Notes due May 2026**” are to the 2<sup>7</sup>/<sub>8</sub>% Senior Secured Notes due 2026 issued pursuant to the May 2026 Senior Secured Notes Indenture, which were originally issued in the aggregate principal amount of €770,000,000 and partially repurchased pursuant to the Tender Offers and subsequently cancelled in such repurchased aggregate principal amount, and the remaining outstanding principal amount of which was redeemed and cancelled on 11 February 2025;
- all references to the “**May 2026 Senior Secured Notes Indenture**” are to the indenture dated as of 24 April 2019, among INEOS Finance plc, as issuer, the guarantors named therein, The Bank of New York Mellon, London Branch, as trustee and principal paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar, Luxembourg paying agent and transfer agent and Barclays Bank PLC, as security trustee, as amended and supplemented from time to time, pursuant to which the May 2026 Senior Secured Notes were issued, which was satisfied and discharged on 10 February 2025;
- all references to “**Net Zero**,” the “**Net Zero Economy**” and “**Net Zero Emissions Economy**” are to reaching Net Zero greenhouse gas emissions on a Scope 1 and Scope 2 basis;



- all references to the “**Original 2030 Senior Secured Term Loans**” are to the credit facilities due November 2030 made available under the Senior Secured Term Loans Agreement, which were repaid in full on 21 June 2024;
- all references to the “**Original 2031 Senior Secured Term Loans**” are to the credit facilities due February 2031 made available under the Senior Secured Term Loans Agreement, which were repaid in full on 19 December 2024;
- all references to “**PetroChina**” are to PetroChina International (London) Company Limited or one or more of its affiliates, as the context may require;
- all references to “**Project ONE**” are to our major capital investment in Antwerp, Belgium, which was announced on 14 January 2019, is currently in development and consists of a new ethane steam cracker for the production of ethylene along with associated utilities, tankage and infrastructure;
- all references to the “**Project ONE Facilities**” are to the project financing agreements entered into on 22 December 2022 in connection with Project ONE to borrow loans of up to €3.5 billion to fund the majority of the capital expenditure plus associated financing costs during construction, as further described under the caption “Description of Certain Indebtedness—Project ONE Facilities”;
- all references to the “**Project ONE Interim Facility**” are to the project financing agreements entered into on 15 September 2023 in connection with interim funding of Project ONE to borrow loans of up to €400 million to fund capital expenditure plus associated financing costs during construction while drawings under the Project ONE Facilities were suspended due to annulment of the Initial Integrated Permit, which was repaid in full on 29 February 2024;
- all references to the “**Rafnes Borrower**” are to INEOS Rafnes AS (formerly known as Noretyl AS), which entered into the Rafnes Facility;
- all references to the “**Rafnes Facility**” are to the €305.0 million facility agreement entered into on 19 November 2012 (and as amended from time to time, including by an amendment and restatement agreement dated 30 October 2014, an amendment, restatement and accession agreement dated 8 November 2019 and an amendment, restatement and accession agreement dated 9 November 2022), as further described under the caption “Description of Certain Indebtedness—Rafnes Facility”;
- all references to the “**Rain Facilities**” are to the RMB 1,045 million and \$785.0 million facility agreement entered into on 7 December 2022 and amended and upsized on 26 April 2023, in connection with the acquisition, through an Unrestricted Subsidiary, of a 50% interest in the SECCO joint venture, as further described under the caption “Description of Certain Indebtedness—Rain Facilities”;
- all references to the “**Refining and Entrepreneurial JVs**” are to the Refining Business JV and the Entrepreneurial (Refining) Business JV, collectively;
- all references to the “**Refining Business**” are to the refining business, consisting principally of the crude oil refining operations carried out at the refineries located at Grangemouth, Scotland, and Lavéra, France, as reported on the historical financial statements of IGH under the Refining segment;
- all references to the “**Refining Business JV**” are to the joint venture that, following the Refining Divestiture, operates the Refining Business and is owned by PetroChina (49.9%) and INEOS Investments (50.1%);
- all references to the “**Refining Divestiture**” are to the disposal on 1 July 2011, by subsidiaries of Lux I of (i) the Refining Business and the Entrepreneurial (Refining) Business to joint ventures formed between PetroChina and INEOS Investments and (ii) the Infrastructure Entity to a joint venture formed by INEOS Investments (50.0%) and the Refining Business JV (50.0%);



- all references to the “**Repriced 2030 Senior Secured Term Loans**” are to the credit facilities due February 2030 made available under the Senior Secured Term Loans Agreement;
- all references to the “**Repriced 2031 Senior Secured Term Loans**” are to the credit facilities due February 2031 made available under the Senior Secured Term Loans Agreement;
- all references to the “**Schuldschein Loan**” are to the floating rate loan which was made available under the Schuldschein loan agreement on 26 March 2019, and was repaid in full in December 2022;
- all references to “**SECCO**” are to the Shanghai SECCO Petrochemical Company Limited facility in Shanghai, China, a 50% interest in which was acquired by the Group through an Unrestricted Subsidiary in December 2022 and is operated by Sinopec in a 50:50 joint venture with Sinopec;
- all references to the “**Securitization Program**” are to the securitization program as further described under the caption “Description of Certain Indebtedness—Securitization Program”;
- all references to the “**Security Trustee**” are to Barclays Bank PLC as security trustee under the Senior Secured Term Loans Agreement and the Senior Secured Notes Indentures and senior security agent under the Intercreditor Deed;
- all references to the “**Senior Secured Note Documents**” have the meaning ascribed to the term in the Intercreditor Deed, including but not limited to the Senior Secured Notes Indentures;
- all references to the “**Senior Secured Notes**” are to the 2030 Senior Secured Notes, the 2029 Senior Secured Notes and the 2028 Senior Secured Notes, collectively;
- all references to the “**Senior Secured Notes Proceeds Loans**” are to the 2030 Senior Secured Notes Proceeds Loan, the 2029 Senior Secured Notes Proceeds Loans and the the 2028 Senior Secured Notes Proceeds Loans, together;
- all references to the “**Senior Secured Term Loans**” and to the “**Term Loans**” are to the credit facilities which have been made available under the Senior Secured Term Loans Agreement at the date of this annual report, as further described under the caption “Description of Certain Indebtedness—Senior Secured Term Loans”;
- all references to the “**Senior Secured Term Loans Agreement**” are to the credit agreement dated as of 27 April 2012, among, *inter alios*, the Borrowers, as borrowers, certain subsidiaries of IGH, Barclays Bank PLC and certain lenders, as subsequently amended, supplemented, varied, novated, extended or replaced from time to time under one or more credit facilities, as further described under the caption “Description of Certain Indebtedness—Senior Secured Term Loans”;
- all references to the “**Senior Secured Term Loans Eurobond**” are to the eurobond entered into by IHL, as issuer, and INEOS US Finance LLC, as subscriber, pursuant to which INEOS US Finance LLC subscribed for bonds to the value of the gross proceeds of its borrowings in dollars under the Senior Secured Term Loans Agreement;
- all references to the “**Senior Secured Term Loans Euro Proceeds Loans**” are to the loans under the loan agreements entered into by INEOS Finance plc, as lender, and IHL, as borrower, pursuant to which INEOS Finance plc advanced the gross proceeds of its borrowings in euro under the Senior Secured Term Loans Agreement;
- all references to the “**Senior Secured Term Loans Proceeds Loans**” are to the Senior Secured Term Loans Euro Proceeds Loans and to the Senior Secured Term Loans Eurobond;
- all references to “**Subsidiaries**” are to all, whether operating or non-operating, the direct and indirect subsidiaries of IGH in the Group;
- all references to “**Tender Offers**” are to the offers to purchase a portion of the March 2026 Senior Secured Notes, the May 2026 Senior Secured Notes and the 2025 Senior Secured Notes, which were launched on 22 January 2024 and expired on 30 January 2024, following which INEOS



Finance plc purchased and cancelled (i) €246,884,000 aggregate principal amount of March 2026 Senior Secured Notes, (ii) €488,848,000 aggregate principal amount of May 2026 Senior Secured Notes and (iii) €312,204,000 aggregate principal amount of 2025 Senior Secured Notes;

- all references to the “**TLB Repricing Transaction**” are to the drawing of the Repriced 2031 Senior Secured Term Loans on 19 December 2024, which included an increase of the size of the Original 2031 Senior Secured Term Loans, a cashless roll and the repayment of the Original 2031 Senior Secured Term Loans in full;
- all references to the “**TotalEnergies Lavéra Business**” are to the former TotalEnergies assets being a 50% share of certain petrochemical assets at Lavéra previously operated as 50:50 joint ventures between TotalEnergies and certain of the Lavéra Businesses, as well as certain other infrastructure assets, including part of TotalEnergies’ ethylene pipeline network in France, which affiliates of the Group acquired on 1 April 2024 and which were acquired by the Group as part of the Lavéra Acquisition; and
- all references to the “**Trustee**” are to (i) BNY Mellon Corporate Trustee Services Limited in its capacity as trustee under the 2029 Senior Secured Notes Indenture and the 2028 Senior Secured Notes Indenture, as applicable or (ii) BNYM Corporate Trustee Services Limited in its capacity as trustee under the 2030 Senior Secured Notes Indenture.

Unless otherwise stated, references to capacities of INEOS’s facilities refer to the “nameplate capacities,” or theoretical maximum production capacity of such facilities; the effective capacity of such facilities may, however, in fact be more or less than the nameplate capacity due to the current operating conditions and asset configuration of each facility.

All references to “**kta**” are to kilo tonnes per annum.

All references to “**tonnes**” are to metric tonnes.

We have provided definitions for some of the industry terms used in this annual report in the “Glossary of Selected Terms” beginning on page G-1 of this annual report.



## FORWARD-LOOKING STATEMENTS

This annual report includes “forward-looking statements,” within the meaning of the U.S. securities laws and the laws of certain other jurisdictions, based on our current expectations and projections about future events, including:

- the cyclical and highly competitive nature of our businesses;
- raw material costs and supply arrangements;
- currency fluctuations;
- outbreaks of pandemics or epidemics;
- our ability to conduct operations in several different countries;
- risks related to our increased manufacturing footprint in China;
- wars and other armed conflicts, including the Russian invasion of Ukraine and the conflict in the Middle East;
- our ability to retain existing customers, obtain new customers and maintain our competitive position;
- our ability to deleverage through strategic disposals of certain assets and non-core businesses;
- our technological and manufacturing assets and our ability to utilize them to further increase sales and the profitability of our businesses;
- our sales growth across our principal businesses and our strategy for controlling costs, growing margins, increasing manufacturing capacity and production levels, and making capital expenditures;
- impacts of climate change, including current or future regulatory requirements to reduce greenhouse gas emissions, the costs to purchase emissions allowances and the physical risks to our facilities of severe weather conditions;
- current or future health, safety and environmental requirements, including in relation to our products and raw materials, and the related costs of maintaining compliance with, and addressing liabilities under, those requirements;
- operational hazards, including the risk of accidents or other incidents that result in injury to persons or environmental contamination;
- our ability to comply with anti-corruption laws, economic and trade sanctions or other similar regulations;
- potential business interruptions due to the actions of third parties;
- our ability to develop new products and technologies successfully, including risks related to the safety and quality or health concerns regarding our products;
- changes in tax laws or the application or interpretation thereof;
- risks related to litigation, including product liability and loss resulting from non-payment or non-performance by our customers;
- our ability to attract and retain members of management and key employees;
- our relationship with our workforce and service providers;
- our ability to protect our patents, trademarks and confidential information and the integrity of our IT infrastructure;



- our ability to adequately protect our computer systems against information theft, data corruption, operational disruption and any other cybersecurity risks;
- our ability to maintain an effective system of internal controls over financial reporting;
- our ability to consummate any future acquisitions or developments and to successfully integrate acquired businesses with our historical business and realize anticipated synergies and cost savings, including with respect to businesses acquired;
- credit and capital markets conditions as well as general economic, social or political conditions, including risks associated with economic recessions and tariffs, and our customers' access to credit;
- changes in pension fund investment performance or assumptions relating to pension costs;
- impact of the market perceptions concerning the instability of the euro;
- impact of the withdrawal of the United Kingdom from the European Union;
- risks associated with our capital structure and indebtedness;
- our relationship with our shareholders, affiliates and joint ventures; and
- our significant debt service obligations, as well as our ability to generate sufficient cash flow to service our debt.

All statements other than statements of historical facts included in this annual report including, without limitation, statements regarding our future financial position, risks and uncertainties related to our business, strategy, capital expenditures, projected costs and our plans and objectives for future operations, may be deemed to be forward-looking statements. These forward-looking statements are subject to a number of risks and uncertainties, including those identified under the "Risk Factors" section in this annual report. Words such as "believe," "expect," "anticipate," "may," "assume," "plan," "intend," "will," "should," "estimate," "risk" and similar expressions or the negatives of these expressions are intended to identify forward-looking statements. In addition, from time to time we or our representatives, acting in respect of information provided by us, have made or may make forward-looking statements orally or in writing and these forward-looking statements may be included in but are not limited to press releases (including on our website), reports to our security holders and other communications. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to be correct. Any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this annual report, including those set forth under the section entitled "Risk Factors."

The risks described in the "Risk Factors" section in this annual report are not exhaustive. Other sections of this annual report describe additional factors that could adversely affect our business, financial condition or results of operations. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, you should not place undue reliance on forward-looking statements as a prediction of actual results.

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## HISTORICAL AND CURRENT MARKET AND INDUSTRY DATA

Historical and current market data used throughout this annual report were obtained from internal company analyses, consultants' reports and industry publications. In particular, information has been provided by NexantECA Limited ("NexantECA"), an industry consultant. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy and completeness of information contained therein is not guaranteed. While we accept responsibility for the accurate extraction and reproduction of this market data, we have not independently verified such data and cannot guarantee its accuracy or completeness. In addition, certain statements in this annual report regarding



the petrochemical industry, our position in that industry and our market share are based on internal company estimates, our experience and investigations of market conditions and our review of industry positions. We cannot assure you that any of the assumptions underlying those statements are accurate or correctly reflect our position in the industries. Similarly, internal company analyses, while believed by us to be reliable, have not been verified by any independent sources, and neither we nor any of the initial purchasers make any representation as to the accuracy of such information. While we are not aware of any misstatements regarding any industry or similar data presented herein, such data involve risks and uncertainties and are subject to change based on various factors, including those discussed under the “Risk Factors” section in this annual report.

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## **FINANCIAL INFORMATION INCLUDED IN THIS ANNUAL REPORT**

We have included in this annual report the INEOS Group Holdings S.A. audited financial statements for the year ended 31 December 2024, prepared in accordance with IFRS Accounting Standards as adopted by the European Union in response to the IAS regulation (EC 1606/2002).



## Risks Relating to Our Businesses and Industries

***Cyclicality of the petrochemical industry—Changing market demands and prices may negatively affect our operating margins and impair our cash flows, which, in turn, could affect our ability to make payments on our debt or to make further investments in our businesses.***

Cyclicality and volatility in supply and demand in the petrochemical industry may affect our prices and may negatively impact our operating margins and cash flows and cause us to incur losses. For example, the decline in industry margins in 2023 adversely affected our business, results of operations and cashflows. A decline to fourth quarter of 2008 or second quarter of 2020 margin levels, or further, or prolonged periods of low margins, may have a material adverse effect on our business, results of operations and cash flow. Any cyclical downturn may affect our prices and may negatively impact our operating margins and cash flows and cause us to incur losses. Furthermore, increased volatility in industry margins could have a significant impact on our short-term results. In such cases, we would have to absorb any losses or borrow additional funds. If we experience significant margin volatility or if we incur losses over a prolonged period and are unable to obtain additional funds, our liquidity could be materially adversely affected and our ability to make debt payments could be impaired.

The relationship between supply and demand in the petrochemical industry in general, and in our various petrochemical segments historically, has been highly cyclical. This is primarily because product supply is driven by alternating periods of substantial capacity additions and periods in which no or limited capacity is added. Historically, the markets for some of our products have tended to follow trends in economic growth and have experienced alternating periods of constrained supply, causing prices and margins to increase, followed by periods of capacity additions, resulting in oversupply and declining prices and margins. In response, companies typically reduce capacity or limit further capacity additions, eventually causing the market to be relatively undersupplied. Any slowdown in growth for any reason could have a disproportionately negative effect on industry margins for our petrochemical products. For a discussion of the current market environment, see “Operating and Financial Review and Prospects—Overview—Key Factors Affecting Our Results of Operations.”

Historically, margins in the petrochemical industry have been volatile due to a number of factors, most of which are beyond our control. These factors include:

- short-term utilization rate fluctuations due to planned and unplanned plant outages;
- political and economic conditions, which drive rapid changes in prices for our key feedstocks, including the price of crude oil, gas and naphtha;
- customers’ inventory management policies; and
- exchange rate fluctuations.

In addition, we and other petrochemical companies with large asset bases in Europe face pressures due to the fact that many of our key customers in Europe are subject to competition with low-cost producers in Asia. If our European customers are unable to successfully compete with Asian manufacturers, they could reduce their volume of purchases, including from us, or cease making such purchases altogether. To a lesser extent we are also exposed to the risk of our customers in North America being unable to compete in the global marketplace. Each of these risks could materially adversely affect our business, results of operations and financial condition.

***Raw materials and suppliers—If we are unable to pass on increases in raw material prices, or to retain or replace our key suppliers, our results of operations may be negatively affected.***

Our margins are largely a function of the relationship between the prices that we are able to charge for our products and the cost of the feedstocks and energy we require to make these products. The prices for a large portion of our raw materials are cyclical and are correlated closely to the prices of crude oil. Prices of oil rose during 2016 and continued to rise during 2017 and most of 2018, before falling again towards the end of 2018. Prices again rose in 2019, but fell significantly in early 2020 on the back of global uncertainties when the Organization of Petroleum Exporting Countries and other major oil producing nations (“OPEC+”) were initially unable to reach an agreement on production levels for crude oil, at which point Saudi Arabia and Russia initiated efforts to aggressively increase production. The convergence of these events with the COVID-19 pandemic created the unprecedented dual impact of a dramatic decline in the demand for oil as a result of the significant slowdown in the global economy coupled with the risk of a substantial increase in supply. The result



was a steep decline in oil prices during the first half of 2020, which negatively impacted our margins due to inventory holding losses, however, price increases in the second half of 2020 mitigated full year losses. Prices increased further in 2021 and have become more volatile as a result of sanctions against Russia imposed in early March 2022. After having reached a peak mid-2022, prices have declined since and at the date of this annual report, remain similar to prices at the end of 2021.

While we attempt to match raw material and energy price increases with corresponding product price increases, our ability to pass on increases in the cost of raw materials and energy to our customers is, to a large extent, dependent upon our contractual arrangements and market conditions. There may be periods of time during which we are not able to recover increases in the cost of raw materials and energy due to our contractual arrangements or to weakness in demand for, or oversupply of, our products. Specifically, timing differences in pricing between raw material prices, which may change daily, and product prices, which in many cases are negotiated only monthly or less often, sometimes with an additional lag in effective dates for increases, have had and may continue to have a negative effect on profitability. Even in periods during which raw material and energy prices decline, we may suffer decreasing profits if raw material and energy price reductions occur at a slower rate than decreases in the selling prices of our products.

Significant volatility in raw material and energy costs tends to place pressure on product margins and working capital needs as sales price increases could lag behind raw material cost increases. Conversely, when raw material and energy costs decrease, customers may seek relief in the form of lower sales prices. Even where we are able to pass on raw material and energy price increases to our customers, timing differences between when we purchase raw materials and energy and when we sell our products have had and may continue to have a negative effect on our results of operations. In addition, some of our customers take advantage of fluctuating prices by building inventories when they expect product prices to increase and reducing inventories when they expect product prices to decrease. Further, volatility in costs and pricing can result in commercial disputes with customers and suppliers with respect to interpretations of complex contractual arrangements. Significant adverse resolution of any such disputes could also reduce our profitability.

Recently, we have seen increasing pressure on our supply chain due to several factors, including labor availability, global logistics and increasing energy prices, that were in part due to the impact of the COVID-19 pandemic and the Russian invasion of Ukraine on the global economy. See “—Outbreaks of disease—The outbreak of contagious diseases may have a material adverse effect on our business, results of operations, financial condition and cash flows.” and “—Invasion of Ukraine—The ongoing military action between Russia and Ukraine could adversely affect our business, financial condition and results of operations.” If our suppliers are negatively affected by events beyond our control, including unforeseen public health crises, terrorist attacks, wars and other armed conflicts, including Hamas’s attack against Israel and the ensuing war, and political instabilities, they could become unable to provide products and services as agreed, leading to follow-on consequences for our relationships with our customers, subcontractors and other third parties. See “—Wars and other armed conflicts—The ongoing military actions between Russia and Ukraine and in the Middle East could adversely affect our business, financial condition and results of operations”. In addition, sanctions imposed on Russia in connection with its conflict with Ukraine, Nordstream pipeline explosions and limitations on LNG imports can put severe pressure on gas supply, which we rely on for our production. Russia provides a significant proportion of European countries’ gas supply and is one of the largest global producers, putting pressure on regional and global markets. While this has been mitigated so far by the warm 2022/2023 and 2023/2024 winters, an increase of European LNG import capacity, high storage levels and increased usage of coal, we cannot rule out future disruptions as demand increases.

Climate change, and regulatory requirements related to addressing climate change, may also result in higher raw material and energy costs, higher operating costs or supply chain disruptions due to extreme weather events, extreme temperatures, or increased demand for limited resources or renewable fuel mandates, which may also impact our operations and sales, including profitability and customer retention. For example, disruptions due to low water levels on major transport waterways and flooding or freezing of waterways located near our or our suppliers’ facilities, which may occur with increased severity or frequency as a result of climate change, have in the past adversely affected, and may in the future adversely affect, certain of our operations that rely on supplies delivered by barge or ship. For instance, in 2024, low water levels in the Panama Canal mainly influenced by the El Niño phenomenon caused shipment delays and required us to reroute some of our shipments, increasing our transportation costs. See also “—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.”

We obtain a significant portion of our raw materials from selected key suppliers. If any of these suppliers is subject to a major production disruption or decides to terminate any credit line that it has granted to



us or is unable or unwilling to meet its obligations under present supply agreements or becomes insolvent, or is otherwise unable to meet our quality, quantity and cost requirements, we may face supply interruptions or be forced to pay higher prices to obtain the necessary raw materials and we may not be able to increase the prices of our finished products. Moreover, our efforts to secure alternative sources for raw materials and other products could fail and we could incur significant costs and our results of operations could be adversely affected as a result. Therefore, volatility in raw material prices or interruptions of credit or supply, or our inability to negotiate supplier contract extensions on favorable terms could increase pressure on our margins and reduce our cash flows, which could adversely affect our business, financial condition and results of operations.

If we fail to maintain our relationships with our current suppliers, our suppliers offer pricing and other terms that are not satisfactory to us or a supplier fails to supply raw materials that meet our quality, quantity and cost requirements, we may be unable to fill our customers' orders on a timely and cost-effective basis or in the required quantities, which could result in order cancellations, decreased revenues or loss of market share and damage to our reputation.

We have not entered into formal written contractual or volume arrangements with certain suppliers. Accordingly, we have no contractual remedy if we suffer economic loss as a result of a cessation of supply or change in the terms of supply by such parties. These business relationships could therefore terminate at any time. In addition, some of our supplier contracts will be expiring in the next year. If one of the suppliers with whom we source a large percentage of our materials decides not to continue to engage in business with us or to increase the fees that they charge, we may suffer material disruptions to continuity of supply and our ability to meet demand.

***Global economy—Our industry is affected by global economic factors, including risks associated with economic recessions and tariffs and our customers' access to credit.***

We face risks attendant to changes in consumer demand for goods that incorporate our products, economic environments, increasing energy prices, rising inflation and changes in interest rates, and instability in securities markets around the world, among other factors. In particular, a worsening economic climate can result in decreased industrial output and decreased consumer demand for products including automobiles, consumer goods and building materials, all of which incorporate our products. Adverse economic conditions can affect consumer and business spending generally, which would result in decreased demand for goods that incorporate our products and have an adverse effect on our results of operations.

Our financial results are substantially dependent upon the overall economic conditions in the United States, Europe and Asia. An extended recession in any of these locations or globally—or public perceptions that result in declining economic conditions—could substantially decrease the demand for our products and adversely affect our business. During 2020, as a result of the COVID-19 pandemic, margins and volumes were adversely impacted across all regions, as numerous countries experienced lockdowns resulting in lower market demand. While central banks, including the Federal Reserve Bank, the Bank of England and the European Central Bank, began to lower the relevant interest base rates in 2024, there can be no assurance that they will continue to do so and we continue to be in an era of high interest rates, affected by inflationary pressures, geopolitical uncertainty and climate chaos is undermining economic confidence around the globe.

Our financial results are further impacted by tariffs imposed on exports of our products to various countries. From time to time, governments will take actions with respect to imposing tariffs or making changes to international trade agreements and policies. Additional uncertainty with respect to any future actions and escalations exists in light of public statements made by U.S. President Donald Trump regarding tariffs. For example, U.S. President Trump has demonstrated a willingness to use tariffs to shift trade balances in favor of the United States in a number of regions, by imposing tariffs on goods imported from China in February 2025 as well as Canada and Mexico in March 2025 (with some tariffs being delayed until April 2025), imposing a tariff on global imports of steel and aluminum and announcing that he is considering tariffs on goods imported from the member states of the European Union as well. Any commencement or escalation of a trade war, tariffs, retaliatory tariffs or other trade restrictions on products and materials imported by us into or out of any country may significantly hinder our ability to provide our products to customers in such countries or other affected locations by such actions. Such developments may result in a decrease in demand for our products as well as delays in payments from our customers and, due to the location of our production facilities and customer base, could disproportionately affect our products as compared to those of our competitors. All of the above could hinder our ability to compete effectively in the markets in which we operate in the future and our competitive position and results of operations may suffer as a result. See also “—The Chinese government's policy and regulations and changes thereto with respect to outbound investment, foreign currency, export levels and trade protectionism, as well as negative changes in the political and economic conditions in China, present



geopolitical risks that could harm our business, results of operations and financial condition due to our increased manufacturing footprint in China.”

Additionally, economic downturns and crises may occur in the future, with adverse effects on the economies of the countries in which we do business and on our end user sectors, resulting in knock-on impacts on industry volumes and margins. Such downturns have been and may be caused or exacerbated by, among other things, bank crises, cyber incidents, global health crises, political tensions, war, strikes, riots, civil commotion, violent weather conditions or other natural disasters. Actual events involving limited liquidity, defaults, non-performance or other adverse developments in the financial services industry, or concerns or rumors about any events of these kinds or other similar risks, have in the past and may in the future lead to market-wide liquidity problems.

Moreover, many of our customers rely on access to credit to adequately fund their operations. The inability of our customers to access credit facilities may adversely affect our business by reducing our sales, increasing our exposure to accounts receivable bad debts and reducing our profitability.

***Currency fluctuations—We are exposed to currency fluctuation risks in several countries that could adversely affect our profitability.***

Although we report our results in euro, we conduct a significant portion of our business in countries that use currencies other than the euro, and we are subject to risks associated with currency fluctuations.

Our results of operations may be affected by both the transaction effects and the translation effects of foreign currency exchange rate fluctuations. We are exposed to transaction effects when one of our subsidiaries incurs costs or earns revenue in a currency different from its functional currency. Fluctuations in exchange rates may also affect the relative competitive position of our manufacturing facilities, as well as our ability to market our products successfully in other markets. We are exposed to currency fluctuation when we convert currencies that we may receive for our products into currencies required to pay our debt, or into currencies in which we purchase raw materials, meet our fixed costs or pay for services, which could result in a gain or loss depending on fluctuations in exchange rates and the currency in which certain raw materials are traded. In particular, a large proportion of our manufacturing costs, and our selling, general and administrative expenses are incurred in currencies other than the euro, principally the U.S. dollar and the British pound, reflecting the location of our sites, corporate and business support centers. In addition, a large proportion of our outstanding debt instruments is denominated in currencies other than the euro, including the U.S. dollar. At the same time, although many of our sales are invoiced in currencies other than the euro, our consolidated revenues are reported in euro. Our financial results in any given period are materially affected by fluctuations in the value of the euro relative to the U.S. dollar, British pound and other relevant currencies. If the value of the euro declines against currencies in which our obligations are denominated or increases against currencies in which our revenues are denominated, our results of operations and financial condition could be materially affected.

This could include the possibility of an increase in the amount of our U.S. dollar-denominated indebtedness when converted into euro, as was the case in 2018 and 2019 when the value of the U.S. dollar relative to the euro increased, before decreasing in 2020, increasing again in 2021 and most of 2022 and then decreasing again at the end of 2022 with periods of volatility in 2023 and 2024.

***Outbreaks of disease—The outbreak of contagious diseases may have a material adverse effect on our business, results of operations, financial condition and cash flows.***

Beginning in 2020, governments around the world, took measures in response to the COVID-19 outbreak, including imposing quarantines, vaccine requirements and travel restrictions and closures of various institutions; although restrictions have largely been lifted, future measures may be imposed in response to new variants of the SARS-CoV-2 virus that causes COVID-19 or to other contagious diseases or global health pandemics. The effects of the COVID-19 pandemic, including such governmental actions, resulted in significant disruptions and uncertainty in economic activity around the world.

Although we experienced no significant impact from the COVID-19 pandemic, the Group’s operations and financial results were negatively impacted by the COVID-19 pandemic in 2020 and the occurrence of new disruptions could have an adverse effect on our business, liquidity, financial condition and results of operations.

The adverse impacts the Group has or may experience due to future contagious diseases or global health pandemics include, but are not limited to:



- infections and quarantining of the Group's employees in areas in which the Group operates;
- the Group's ability to satisfy the terms of its contracts with customers in a timely or appropriate manner;
- cancellations, delays or downsizing of projects by the Group's customers;
- our customers, service providers or suppliers experiencing financial distress, filing for bankruptcy protection or insolvency, going out of business, or suffering disruptions in their businesses;
- weaker demand in all regions for some of our core products;
- logistical complexities in, and disruptions to, personnel travel and equipment and supply delivery to certain locations;
- the need to introduce measures to reduce the Group's costs and capital expenditure including reduction of its global workforce, implementation of a hiring and salary freeze and executive pay cuts, a review and deferral of the timing of planned turnarounds and a reduction in non-essential capital expenditures;
- increased risk of impairments as a result of the effects of a pandemic on the Group's profitability;
- liquidity challenges, including the inability to refinance debt, obtain additional financing or sell assets on commercially reasonable terms, if at all, exhaustion of borrowing capacity and the need to implement liquidity preservation measures, as well as impacts related to delayed customer payments and payment defaults associated with customer liquidity issues and bankruptcies;
- structural shifts in the global economy and its demand for petrochemical products as a result of changes in the way people work, travel and interact, or in connection with a global recession or depression;
- the risk that the Group's insurance coverage is not likely to cover losses associated with pandemics under its policies; and
- cybersecurity issues, as digital technologies may become more vulnerable and experience a higher rate of cyberattacks in the environment of remote connectivity due to stay-at-home orders.

The COVID-19 pandemic had significant impacts on the financial markets and future contagious diseases could have a similar or more significant impact on the financial markets. The associated principal risks to us as a result of this volatility in the financial markets include weaker currencies and the liquidity risk associated with potential increases in borrowing costs and the availability of debt financing. The economic impact of any future contagious diseases will depend on the continuing spread of the outbreak and the responses of the authorities and the global community. Although the Group took various measures to address the impacts of COVID-19, we can give no assurance that the measures the Group might implement in the future to address the impacts of future disease outbreaks or pandemics will be sufficient. Disease outbreaks are dynamic, and may result in updates on travel restrictions, shutdowns of non-essential businesses and shelter-in-place/stay-at-home orders.

The extent of any pandemic's impact on the Group's operational and financial performance will depend on future developments, including the duration, spread and intensity of the outbreak and other variants and the government measures implemented in response, or whether widespread shutdowns return, all of which are uncertain and difficult to predict considering the rapidly evolving landscape. To the extent a pandemic adversely affects our business, prospects, financial condition and results of operations, it may also have the effect of heightening other risks described in this annual report.

***International operations—We are exposed to risks related to conducting operations in several different countries.***

We currently have manufacturing facilities located in the United Kingdom, the United States, Germany, Belgium, Norway, Singapore, Canada, France and Italy. Notwithstanding the benefits of geographic diversification, our business is subject to risks related to the differing legal, political, social and regulatory



requirements and economic conditions of many jurisdictions. Risks inherent in international operations include the following:

- general economic, social or political conditions in the countries in which we operate could have an adverse effect on our earnings from operations in those countries;
- adverse changes in export duties, quotas and tariffs and difficulties in obtaining export licenses;
- risk of a widespread outbreak of an illness or other public health crisis, such as the COVID-19 outbreak, the timing and nature of which may differ across the various jurisdictions in which we operate, see also “—Outbreaks of disease—The outbreak of contagious diseases may have a material adverse effect on our business, results of operations, financial condition and cash flows”;
- compliance with a variety of laws and regulations, including sanctions, in various jurisdictions may be burdensome, see also “—Compliance—We are exposed to the risk of violations of anti-corruption laws, economic and trade sanctions or other similar regulations”;
- unexpected or adverse changes in laws or regulatory requirements in various jurisdictions may occur;
- the imposition of withholding taxes or other taxes or royalties on our income, or the adoption of other restrictions on foreign trade or investment, including currency exchange controls;
- intellectual property rights may be more difficult to enforce;
- transportation and other shipping costs may increase;
- staffing difficulties, national or regional labor strikes or other labor disputes;
- the imposition of any price controls;
- difficulties in enforcing agreements and collecting receivables; and
- volatility of foreign exchange rates, see also “—Currency fluctuations—We are exposed to currency fluctuation risks in several countries that could adversely affect our profitability.”

In addition, as we increase our footprint into new territories such as Asia, our business may be exposed to further economic and geopolitical risks as well as political and social instability which may adversely affect our business, financial condition, results of operations and cash flows. Furthermore, certain markets in which we may operate in the future are emerging markets that are rapidly developing and differ from the economies of most developed countries in material respects, including the macroeconomic challenges they face, the rapidly evolving nature of their financial and legal systems and the extent of government involvement. Operating in these markets presents certain risks, including political and economic instability, the inability to protect contractual or legal rights, market volatility and liquidity, rapid demographic and market changes, evolving laws and regulations in respect of the chemical industry, potential expropriation or nationalization of property or assets, and comparatively underdeveloped legal, financial and enforcement systems.

***The Chinese government’s policy and regulations and changes thereto with respect to outbound investment, foreign currency, export levels and trade protectionism, as well as negative changes in the political and economic conditions in China, present geopolitical risks that could harm our business, results of operations and financial condition due to our increased manufacturing footprint in China.***

We conduct a significant portion of our business in China through sales of materials and products in the country. We also maintain a large physical presence in China through our interest in joint ventures held through Unrestricted Subsidiaries. In the past several years, we have increased our manufacturing presence in China to meet rapidly growing demand of our products in the region. China was one of the world’s fastest growing economies for a number of years but recently has experienced a period of economic uncertainty and sluggish growth in 2023 and 2024. If China’s pace of growth continues to stagnate or decline, this may result in further negative consequences such as more tariffs which may create impediments to trade in China and other regions. As a result, negative changes in the economic conditions in China can have a material and adverse impact on our financial condition.



The Chinese government has occasionally made significant changes in its policies and regulations with respect to foreign investment and foreign currency, including increases in interest rates, application of exchange controls, changes in tax policies, price controls, currency devaluation and capital controls, among other measures. Chinese companies with the majority of their operations in China, including our joint venture partner Sinopec, as well as any future Chinese partners, may be adversely affected by these policies and regulations, especially with regard to the amount of foreign currency they are able to remit from China. For instance, in response to persistent capital outflow from China, the People's Bank of China and the State Administration of Foreign Exchange have implemented a series of capital control measures, including stricter vetting procedures for Chinese domestic companies to remit foreign currency for overseas investments, dividend payments and other capital account transactions. Although these capital controls purport to apply only to capital account transactions, in practice they have also caused delays to current account transactions, including payments of contractually agreed fees. Any reduction or elimination of the amounts our partners in China are able to pay to us, or any constraints placed on our ability to enter into or obtain revenue from contracts with Chinese entities in the future, would have a material adverse impact on our business, results of operations, financial condition and cash flow.

The government of China has also implemented economic policies aimed at increasing domestic consumption of Chinese-made goods. These policies may have the effect of reducing the supply of goods available for exports and the level of international trading and may, in turn, result in a decrease in demand for our products in China.

The U.S.-China trade war, that has imposed tariffs on our production in those countries since 2018 and 2019, has resulted in uncertainty in the global economy, reducing confidence and growth. Future actions of the U.S. administration and that of other governments, including China, with respect to tariffs or international trade agreements and policies remain unclear. There is additional uncertainty with respect to any future actions and escalations, particularly regarding the U.S.-China trade war, in light of U.S. President Donald Trump's administration beginning in January 2025 and previous public statements made by him with respect to tariffs. In February 2025, U.S. President Trump imposed tariffs on goods imported from China, and China implemented retaliatory measures. He has also imposed a tariff on global imports of steel and aluminum as well as tariffs on goods imported from Canada and Mexico in March 2025 (with some tariffs being delayed until April 2025). The escalation of a trade war, tariffs, retaliatory tariffs or other trade restrictions on products and materials imported by us into or out of China may significantly hinder our ability to provide our products to customers in China or other affected locations. Such developments may result in a decrease in demand for our products as well as delays in payments from our customers and, due to the location of our production facilities and customer base, could disproportionately affect our products as compared to those of our competitors. All of the above could hinder our ability to compete effectively in the markets in which we operate in the future and our competitive position and results of operations may suffer as a result.

***Wars and other armed conflicts—The ongoing military actions between Russia and Ukraine and in the Middle East could adversely affect our business, financial condition and results of operations.***

On 24 February 2022, Russian military forces launched a military action against Ukraine, which has resulted in sustained conflict and disruption in the region. We do not have operations in Belarus, Russia or Ukraine, and revenue that had previously been generated in these countries is not material to the Group. To date we have not experienced any material disruption to our operations from the ongoing military action between Russia and Ukraine. However, the length, impact and outcome of the ongoing military conflict in Ukraine is highly unpredictable. This conflict has led, and could in the future lead to further significant market and other disruptions, including significant volatility in energy and other commodity prices. It could also lead to significant disruptions to financial markets and the supply chain and changes in consumer or purchaser preferences, as well as increases in cyberattacks and espionage. See “—Global economy—Our industry is affected by global economic factors including risks associated with economic recessions and our customers' access to credit.”

Russia's annexation of Crimea, recognition of two separatist republics in the Donetsk and Luhansk regions of Ukraine and subsequent military action against Ukraine have led to sanctions being levied by the United States, the European Union, the United Kingdom, Canada, Switzerland, Japan and other countries against Russia, Belarus, the Crimea, Zaporizhzhia and Kherson regions of Ukraine, the so-called Donetsk People's Republic and the so-called Luhansk People's Republic, including, among others, the removal of certain Russian financial institutions from the Society for Worldwide Interbank Financial Telecommunication (SWIFT) payment system, which can significantly hinder the ability to transfer funds in and out of Russia. The situation is rapidly evolving as a result of the conflict in Ukraine, and the United States, the European Union, the United Kingdom and other countries or jurisdictions may implement additional sanctions, export controls or other



measures against Russia or other countries, regions, officials, individuals or industries in the respective territories. Such sanctions and other measures, as well as any potential responses from Russia or other countries to such sanctions, tensions and military actions, could adversely affect the global economy and financial markets and could adversely affect our business, financial condition and results of operations. For further details on sanctions see “—Compliance—We are exposed to the risk of violations of anti-corruption laws, economic and trade sanctions or other similar regulations.”

On 7 October 2023, Hamas infiltrated Israel’s southern border from Gaza and conducted a series of attacks on civilian and military targets. Following the attack, Israel’s security cabinet declared war against Hamas and launched a military campaign against Hamas-led Palestinian militant groups. Since then, tensions in the Middle East have increased with the conflict expanding to Lebanon. Although ceasefires are currently in place, the situation remains uncertain. Additionally, the conflict in and around the Red Sea, particularly uncertainty arising from the situation in Yemen, as well as heightened tensions in the region, including due to political uncertainty in Syria after the fall of the Assad regime, pose risks to transportation, shipping and picking up in the area, and have adversely affected and ultimately disrupted supply chains in the past and may do so in the future. For example, in 2024, we had to reroute the transport of modules and materials for Project ONE around the Cape of Good Hope, which increased shipping costs by more than €30 million and resulted in consequential delays in the arrival of shipments. While we do not have operations in the Middle East and revenue generated in this region is not material to the Group, the length, impact and outcome of the ongoing military conflict in the Middle East is highly unpredictable and there can be no assurances that further unforeseen events related to this conflict will not have a further material adverse effect on our operations in the future.

We are actively monitoring the situations in Ukraine and the Middle East and assessing their impact on our business. While energy prices have started to normalize, they remain higher than they were before the Russian invasion of Ukraine and we cannot guarantee that we will be able to successfully pass these higher prices on to customers. We have no way to predict the progress or outcome of the conflicts in Ukraine and the Middle East or their impact in these regions as the conflict, and any resulting government reactions, are rapidly developing and beyond our control. The extent and duration of the military actions, sanctions and resulting market disruptions could be significant and could potentially have substantial impact on the global economy and our business for an unknown period of time. Any of the abovementioned factors could affect our business, financial condition and results of operations. Any such disruptions may also magnify the impact of other risks described in this annual report.

***Competition—We face significant competition in our industries, whether through efforts of new or current competitors or through consolidation of existing customers, which may adversely affect our competitive position, sales and overall operations.***

The markets for most of our products are highly competitive. We are exposed to the competitive characteristics of several different geographic markets and industries. Competition in most of our industries is based primarily on price and, to a lesser extent, on product performance, product quality, product deliverability and customer service. Our principal competitors vary from business to business and range from large global petrochemical companies to numerous smaller regional companies. Some of our competitors are larger and more vertically integrated than we are and therefore may be able to manufacture products more economically than we can. In addition, some of our competitors have greater financial, technical, research and technology and marketing resources than we do. We operate in a regulated industry and certain of our competitors may be better positioned with respect to applicable requirements, or able to respond to changes in regulation more quickly or effectively than we are. For instance, the EU ETS (as defined below) regulations governing greenhouse gas (“GHGs”) emissions have been implemented at the national level in several EU member states, and the EU member states in which we operate may require us to purchase more emissions allowances than our competitors located in other EU member states, thereby driving up our costs or putting us at a competitive disadvantage. The UK ETS (as defined below), which replaced the EU ETS in the United Kingdom imposes its own emissions allowance requirements, which may be more burdensome for our UK operations than those imposed in other jurisdictions where our competitors are located. For further details, see “Climate change—Existing and proposed regulations to address climate change by limiting greenhouse gas emissions and restrictions on other air emissions, may cause us to incur significant additional operating and capital expenses or adversely affect demand for our products.” Our business could be adversely affected by regulations applicable to our products, negative public perception of our products or the substitution or obsolescence of our products. In addition, trade agreements entered into by the U.S., the European Union, Norway, the UK or China and tariffs on imports from the jurisdictions in which we manufacture our products could also lead to increased competition from imports and lower domestic prices. Furthermore, some of our competitors are fully or partially state-owned and could have broader goals than maximizing profits, such as investing in the economies of their respective countries and



providing local employment and therefore may continue to provide capacity and products even at unprofitable price points creating downward pricing pressure on our products. As the markets for our products expand, we expect that existing competitors may commit more resources to the markets in which we operate, further enhancing competition. All of the above could hinder our ability to compete effectively in the markets in which we operate in the future and our competitive position and results of operations may suffer as a result. For example, in the petrochemical industry in Europe, where the majority of our petrochemical assets are concentrated, and, to a lesser extent, in North America, we face competitive pressures from companies with facilities in the Middle East, which enjoy substantial cost advantages due to access to low-cost gas feedstock available in this region. In addition, our export business in Europe faces competitive pressures from export businesses in North America (including our own North American operations) due to the abundance and use of low-cost ethane in North America. These cost advantages are particularly significant when oil prices are high, as has been the case from time to time in recent years. The competitive pressure we experience could be exacerbated if the Chinese economy fails to grow as expected or Chinese capacity additions are more than expected, in which case more of the product manufactured in the Middle East to meet the growth expected in China could be redirected to Europe and North America, potentially resulting in greater supply to these markets and corresponding downward pricing pressure.

Ultimately, increase in competition can also lead to closures of our plants, as it might become commercially unviable to continue to operate certain plants due to lack of profitability.

***Customers—We are subject to the risk of loss resulting from nonpayment or nonperformance by our customers.***

Our credit procedures and policies may not be adequate to effectively manage the customer credit risk to which we are exposed. Our customers may experience financial difficulties, including bankruptcies, restructurings and liquidations. These and other financial problems that may be experienced by our customers, as well as potential financial weaknesses in our industry, may increase our risk in extending trade credit to customers. A significant adverse change in a customer relationship or in a customer's financial position could cause us to limit or discontinue business with that customer, commence proceedings against, or defend proceedings by, that customer, require us to assume more credit risk relating to that customer's receivables or limit our ability to collect accounts receivable from that customer, all of which could have a material adverse effect on our business, results of operations, financial condition and liquidity. Our insurance may not compensate us for all or any of such negative effects.

In addition, we have not entered into formal written contractual arrangements with certain customers. Accordingly, we have no contractual remedy if we suffer economic loss as a result of such customers ceasing or reducing their purchases from us. These business relationships could therefore terminate at any time, and from time to time, our customers do terminate or significantly reduce their purchases from us. Terminations or reductions in volumes purchased by our customers could have a material adverse effect on our business, financial condition and results of operations.

***Acquisition of DEA UK, certain subsidiaries of Fairfield Energy and DONG Energy A/S Oil & Gas business by INEOS Upstream Limited—We face a risk of loss if INEOS Upstream Holdings Limited is unable to repay the loans extended to the related party.***

In 2015, INEOS Upstream Limited acquired natural gas assets in the North Sea from a U.K. subsidiary of DEA Deutsche Erdoel AG, which is part of the LetterOne Group and from Fairfield Energy (collectively, the "2015 Upstream Acquisitions") by way of acquiring certain of its subsidiaries. INEOS Upstream Limited is a wholly-owned, oil and gas subsidiary of INEOS Limited, thereby making it our affiliate. In connection with the 2015 Upstream Acquisitions, the Group advanced a loan of \$623.7 million to INEOS Upstream Limited, the proceeds of which have been on-lent to certain of its subsidiaries. Following a corporate reorganization, this loan has been novated to INEOS Upstream Holdings Limited. The loan is unsecured, matures in June 2026 and bears interest at 7% per annum.

On 29 September 2017, INEOS Upstream Limited acquired further natural gas assets in the North Sea through its acquisition of the entire oil and gas business of DONG Energy A/S (the "DONG Acquisition"). In connection with the DONG Acquisition, the Group advanced a loan of \$376.2 million to INEOS Upstream Limited, the proceeds of which were on-lent to certain of its subsidiaries. Following a corporate reorganization, this loan has been novated to INEOS Upstream Holdings Limited. The loan is unsecured, matures in June 2026 and bears interest at 7% per annum.



As at 31 December 2024, the total aggregate amount outstanding on the 2015 Upstream Acquisition loan and the DONG Acquisition loan was \$617.1 million (€594.5 million).

In the event that INEOS Upstream Holdings Limited is unable to repay the 2015 Upstream Acquisitions loan or the DONG Acquisition loan, the Group will suffer losses as a result.

***Inability to implement strategy and maximize utilization of assets—We may be adversely affected if we are unable to maximize the utilization of assets and implement our business and growth strategy.***

Our future financial performance and success largely depend on our ability to implement our business strategies successfully. We cannot assure you that we will successfully implement the business strategies described in this annual report or those to be developed by our management, or that implementing these strategies will sustain or improve and not harm our results of operations in the targeted sectors. In particular, we may not be able to lower our fixed costs, increase our manufacturing efficiency or asset utilization and expand our capacity, enhance our current portfolio of products or achieve other fixed or variable cost savings.

Our business strategies are based on assumptions about future demand for our current products and the new products and applications we are developing, as well as on our continuing ability to produce our products profitably. Our ability to implement our business strategies depends on, among other things, our ability to finance our operations and product development activities, maintain high quality and efficient manufacturing operations, respond to competitive and regulatory changes, access quality raw materials and utilities in a cost effective and timely manner, respect local, regional or international anti-competition rules relating to horizontal or vertical integration in connection with our arrangements with customers and suppliers, retain and attract highly-skilled technical, managerial, marketing and finance personnel, and, in certain cases, acquire, dispose, re-arrange, relocate and close certain manufacturing facilities with minimal disruption to our operations, and acquire or divest businesses, or commence or discontinue product lines on favorable terms and with minimal disruptions.

Furthermore, we may not achieve the results anticipated in connection with our growth strategies if, for example, we are unable to maintain or gain market share in key customer industries, secure additional footholds in emerging markets or develop products responsive to evolving client requirements. The costs involved in implementing our strategies may be significantly greater than we currently anticipate. Any failure to develop, revise or implement our business strategies in a timely and effective manner may adversely affect our ability to service our debt and could have a material adverse effect on our business, financial condition, results of operations and cash flows.

Our results of operations are materially influenced by the degree to which we utilize our assets in order to achieve the most efficient production volumes. We cannot guarantee that we will be able to implement our strategy of maximizing utilization of assets in accordance with our plans or at all. For example, the number and length of turnarounds (scheduled outages of a unit in order to perform necessary inspections, tests to comply with industry regulations and any maintenance activities that may be necessary) and unplanned outages have had, and may in the future have, an impact on our operating results, even if such outages are covered by insurance. For instance, in the third quarter of 2023 due to an incident on a supplier pipeline at the Plaquemine, Louisiana site, a force majeure was declared. Although we were able to reach a settlement of an insurance claim, there can be no assurance that we will be successful in claiming insurance coverage for similar incidents in the future.

***Joint ventures—Several of our 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.***

Several of our petrochemical facilities are owned and operated in whole or part by joint ventures with one or more third parties. These facilities include Cedar Bayou in Texas, which is operated by Chevron Phillips Chemical Company LLC (“**Chevron Phillips**”) in a 50:50 joint venture with Chevron Phillips, the Shanghai SECCO Petrochemical Company Limited facility in Shanghai, China (“**SECCO**”), which is operated by Sinopec in a 50:50 joint venture with an Unrestricted Subsidiary of the Group. In August 2023, the Group acquired a 50% interest in, through an Unrestricted Subsidiary, another 50:50 joint venture with Sinopec concerning the Tianjin Nangang Ethylene Project, which has been on-stream since the fourth quarter of 2024. While we have a certain amount of influence over each of these joint ventures, we do not control them and are therefore dependent on our respective joint venture partners to cooperate with us in making decisions regarding the relevant joint venture. Moreover, the day-to-day operation of the relevant facilities is the responsibility of the management team of the joint venture or our joint venture partner. Therefore, our ability to influence these



operations on a day to day basis is limited and we may be unable to prevent actions that we believe are not in the best interests of our joint ventures or our Group as a whole. Any such actions could materially adversely affect our business, results of operations and financial condition, as well as our reputation.

***Climate change—Existing and proposed regulations to address climate change by limiting greenhouse gas emissions and restrictions on other air emissions may cause us to incur significant additional operating and capital expenses or adversely affect demand for our products.***

Our operations result in emissions of GHGs, such as carbon dioxide and methane. Growing concern about the sources and impacts of global climate change has led to a number of regional, national and supranational legislative and administrative measures, both proposed and enacted, to monitor, regulate and limit carbon dioxide and other GHG emissions. As a result, our operations, as well as those of our customers, are subject to stringent regulations relating to carbon dioxide and other GHG emissions. Compliance with these requirements may require us to install additional pollution reduction and control equipment, purchase additional emissions allowances or credits or implement other operational changes, such as alternative fuels, which could increase our production or compliance costs or, to the extent such requirements affect demand by, or increase costs for, our customers, negatively affect our profitability or demand for our products.

At the international level, many nations have agreed to limit emissions of GHGs pursuant to the United Nations Framework Convention on Climate Change, also known as the “**Kyoto Protocol**”. Methane, a primary component of natural gas, and carbon dioxide, a byproduct of the burning of oil, natural gas, and refined petroleum products, are two of the GHGs addressed by the Kyoto Protocol. Although the United States is not a party to the Kyoto Protocol at this time, all member states of the European Union and the United Kingdom have ratified it. As a result of commitments made at the UN climate conference in Durban, South Africa in December 2011, certain members of the international community negotiated a treaty at the December 2015 Conference of Parties in Paris (the “**Paris Agreement**”). The Paris Agreement, which entered into force in November 2016, requires developed countries to set targets for emissions reductions once the Paris Agreement is adopted by those individual countries within their respective national or federal law. Additional measures requiring reductions in GHG emissions have been, or may be, implemented by countries in which we operate.

The European Union committed in December 2020 to reduce GHG emissions in its member states to no more than 55% of 1990 levels by 2030, on the condition that other major economies undertake to do their part in the global attempt to reduce emissions and commit to taking steps to achieve Net Zero GHG emissions in the European Union by 2050. The European Climate Law, adopted by the European Union in July 2021, includes legally binding targets to achieve climate neutrality by 2050 and to reduce net GHG emissions by at least 55% by 2030. Such targets are binding on all European Union member states.

In the European Union, our GHG emissions are currently regulated under the European Union Emissions Trading System (the “**EU ETS**”), an EU-wide system that imposes emissions limits and permits trading of allowances for industrial GHG emissions. The EU ETS has become, and is expected to continue to become, progressively more stringent over time, including by reducing the total number of allowances to emit GHGs as well as those that EU member states will allocate without charge to industrial facilities and by introducing and/or increasing fees for allowances. Such measures could result in increased costs for us to: (i) operate and maintain our facilities; (ii) install new emission controls; (iii) purchase or otherwise obtain allowances to emit GHGs; and (iv) administer and manage our GHG emissions program. Our costs to purchase emissions allowances under the EU ETS and UK ETS (discussed below) totaled approximately €14.0 million in 2024; however, costs in future years could be higher.

In line with the European Union’s goal of achieving carbon neutrality by 2050 and a 55% reduction in GHGs by 2030, on 14 July 2021, the European Commission released a number of legislative proposals collectively called “Fit for 55”. The proposals envision significant changes to current EU ETS functions and requirements, including: new national limits on GHG emissions, a new carbon border adjustment mechanism (“**CBAM**”) to impose carbon pricing on imports into the European Union of selected products, further reduction of free CO<sub>2</sub> allowances allocated to heavy industry and extension of emissions trading requirements to additional industrial sectors. Specifically with respect to CBAM, which was formally adopted by the European Union on 10 May 2023, importers of certain goods (initially including cement, iron and steel, aluminum, fertilizers, hydrogen and electricity, as well as certain precursors) have to report emissions embedded in their goods in a transitional phase, which began on 1 October 2023. Once the definitive system is fully operational (expected in 2026), EU importers will also be required to surrender CBAM certificates purchased at prices that correspond to the carbon price that would have been paid if the goods had been produced in the EU (less any carbon price actually paid by the non-EU producer of the goods). Although the initial list of goods covered by CBAM is limited, such list may be expanded to include other imported goods and the process for obtaining



carbon emissions information from non-EU producers may become more burdensome or the cost and availability of future allowances or CBAM certificates may change. The Council and the European Parliament reached a provisional political agreement on certain points of the “Fit for 55” package in December 2022, and a majority of the proposals have since been adopted. The measures remain subject to the EU legislative process, including adoption or implementation by individual member states, and at this time we cannot predict the terms of any regulations that may be enacted in the future or the impact of any such regulations on our business, operations or financial condition. If raw materials which we purchase or use in our production processes were to be included on the list, this could materially impact the ability of our European operations to export to markets where we compete with producers that are not subject to similar carbon schemes, and such impacts could have a material adverse effect on our business, results of operations and financial condition.

The United Kingdom withdrew from the European Union on 31 January 2020 pursuant to Article 50 of the Treaty on European Union (“**Brexit**”). Accordingly, the UK government is no longer subject to the EU legislation that commits the EU member states to reducing carbon emissions, increasing energy efficiency and increasing renewable energy production, including in respect of the European Climate Law adopted by the European Commission. In addition, the United Kingdom is no longer a participant in the EU ETS. In January 2021, the United Kingdom implemented a UK Emissions Trading Scheme (“**UK ETS**”), which was subsequently extended through 2050. Like the EU ETS, the UK ETS requires industrial sites that emit GHGs to obtain sufficient allowances for such emissions (either via free allocation or purchase), and to surrender one allowance for each ton of carbon dioxide emitted. Companies which emit fewer GHGs than their allowances cover are able to sell the excess allowances, whereas those which emit more must buy additional allowances through the UK ETS. At present, no agreement to link the carbon pricing systems in the EU and the UK has been formalized. In December 2024, the UK government enacted various reforms to the UK ETS, including, among other provisions, aligning the UK ETS emissions cap with the Net Zero trajectory and expanding the UK ETS to include CO<sub>2</sub> venting by the upstream oil and gas sector as well as, subject to consultation, engineered GHG removals. Such reforms largely took effect on 1 January 2025. In addition, in November 2024, the UK government launched a consultation regarding the UK ETS and non-pipeline transportation of CO<sub>2</sub>, which consultation closed on 23 January 2025. Separately, in October 2024, the UK government confirmed that it plans to implement its own CBAM by 2027, by applying a carbon price to imported goods from the following sectors: aluminum, cement, fertilizer, hydrogen, iron and steel. Products from the glass and ceramics sectors will be considered for future inclusion but will not be in scope of the UK CBAM from 2027. The UK CBAM will require both primary and secondary legislation prior to its implementation; such legislation is currently being drafted in consultation with stakeholders and other governments. In addition, as a result of the Paris Agreement, in June 2019, the UK government enacted legislation requiring reduction of GHG emissions to Net Zero by 2050, including a target to reduce GHG emissions by 68% of 1990 levels by 2030, and more recently committed to a target to reduce GHG emissions by 77% of 1990 levels by 2035. In connection with Brexit, the UK government also introduced legislation designed to transfer responsibility for the Industrial Emissions Directive (“**IED**”), which takes an integrated approach to controlling pollution and sets strict industry standards for the most polluting industries, and the BAT Conclusion, which contain emissions limits associated with Best Available Techniques (“**BAT**”), to competent authorities in the UK and to put in place a process for determining future UK BAT Conclusions for industrial emissions. The UK government’s Clean Air Strategy for England sets out actions for determining future UK BAT for industrial emissions.

The Environment Act 2021 received royal assent on 9 November 2021, and introduced certain provisions regarding targets, plans and policies for improving the natural environment and certain other matters, including provisions relating to air quality. Commencement regulations to bring certain provisions in the Environment Act 2021 started to come into effect in 2022 and continue to be enacted, although the scope of any regulations adopted may vary across the countries comprising the UK. Our operations in the UK will continue to operate under the legislative framework applied in the United Kingdom. At this time, we cannot predict the terms of any regulations that may be enacted in the future or the impact of any such regulations on our business, operations or financial condition.

In the United States, we are required to monitor and report to the U.S. Environmental Protection Agency (“**EPA**”) annual GHG emissions from certain of our U.S. facilities. In addition, the EPA has promulgated regulations under the Clean Air Act (“**CAA**”), which subject the GHG emissions of certain newly constructed or modified facilities to pre-construction and operating permitting requirements. Pursuant to these requirements, newly constructed or modified facilities with the potential to emit certain quantities of GHGs are required to implement “best available control technology,” which may include carbon efficiency standards, GHG emission concentration limits, specific technology requirements or other measures. Significant uncertainty exists as to how newer or stricter GHG regulations will in the future impact large stationary sources, such as our facilities in the United States, and what costs or operational changes these regulations may require. For example, in May 2024, the EPA finalized a butadiene maximum achievable control technology (“**MACT**”) rule. At this



time, the estimated cost for the Chocolate Bayou site to comply with this regulation by the deadline in 2026 is not material.

In addition, the U.S. Congress has from time to time considered adopting legislation to reduce emissions of GHGs and numerous U.S. states have already taken legal measures to reduce emissions of GHGs primarily through the planned development of GHG emission inventories and/or regional GHG cap-and-trade programs. Although the U.S. Congress has not adopted such legislation at this time, it, or additional U.S. states, may do so in the future, along with other countries (in addition to the European Union) and we cannot yet predict the form such regulation will take (such as a nationwide cap-and-trade program, technology mandate, emissions tax or other regulatory mechanism) or, consequently, estimate any costs that we may be required to incur in respect of such requirements, for example, to install emissions control equipment, purchase emissions allowances, administer and manage our GHG emissions program or address other regulatory obligations. Such requirements could also adversely affect our energy supply, or the costs (and types) of raw materials we use for fuel. In addition to re-entering the Paris Agreement, in January 2021 U.S. President Biden issued a pair of executive orders and a presidential memorandum setting out several administrative priorities undertakings focused on climate change. On 20 January 2025, U.S. President Trump issued an executive order directing the U.S. to withdraw from the Paris Agreement and revoking a number of former U.S. President Biden's initiatives to limit GHG emissions. At this time, we are unable to predict what, if any, additional changes to GHG-related initiatives and commitments may result from the change in U.S. presidential administration or the form or substance of any regulations or other binding obligations adopted by the United States, the European Union or the United Kingdom to meet their commitments under the Paris Agreement or to otherwise reduce their GHG emissions will take (such as a cap-and-trade program, technology mandate, emissions tax, carbon floor price or other regulatory mechanism). Consequently, we are unable to estimate any costs that we may be required to incur in respect of such requirements, for example, to install emissions control equipment, purchase emissions allowances, administer and manage our GHG emissions program or address other regulatory obligations. Such requirements could also adversely affect our energy supply, or the costs (and types) of raw materials we use for fuel. Requirements arising from these, or different, regulations controlling or limiting GHG emissions could have a material adverse impact on our business, financial condition or results of operations, including by reducing demand for our products. In addition, our two joint-ventures in China with Sinopec are also subject to emission requirements under the laws of the People's Republic of China on Environmental Protection.

***Environmental matters—We will have ongoing costs and may have substantial obligations and liabilities arising from health, safety, security and environmental (“HSSE”) laws, regulations and permits applicable to our operations.***

Our businesses are subject to a wide range of HSSE laws and regulations in all of the jurisdictions in which we operate. These requirements govern our facilities and our operations, including, among other things, the manufacture, storage, handling, treatment, transportation and disposal of hazardous substances and wastes, water consumption, wastewater discharges, air emissions (including GHG emissions), noise emissions, the operation and closure of landfills, human health and safety, process safety and risk management and the clean-up of contaminated sites. Many of our operations require permits, approvals and controls to monitor or prevent pollution, and these permits are subject to modification, renewal and revocation by issuing authorities. We have 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 enforcement of such requirements.

We expect that our operations will be subject in the future to new and increasingly stringent HSSE laws, regulations and permit conditions and that substantial costs will be incurred by us to ensure continued compliance. We anticipate that these laws, regulations and permit conditions, including in respect of GHG emissions reduction commitments or requirements, will continue to require us to incur substantial costs and impose additional operating and capital obligations. Given the nature of our business, violations of HSSE requirements, whether currently alleged or arising in the future, have in the past, and may in the future, result in substantial fines or penalties, the imposition of other civil or criminal sanctions, cleanup costs, claims for personal injury or property damages, or restrictions on, or the suspension of, our operating permits or activities or require the installation of costly pollution control equipment. Our facilities are subject to periodic inspections by regulatory authorities to assess compliance with applicable HSSE laws and regulations. If we do not predict accurately the amount or timing of costs of any future compliance, remediation requirements or private claims, our environmental provisions may be inadequate and the related impact on our business, financial condition or results of operations in any period in which such costs need to be incurred could be material.

At certain sites where we operate, regulators have alleged, or we have otherwise identified, potential or actual noncompliance with HSSE laws and/or the permits which authorize operations at these sites. Some of



these allegations or instances of noncompliance are ongoing, and substantial amounts may need to be spent to attain and/or maintain compliance. In addition, we have in the past paid, and in the future may pay, penalties to resolve such matters. Our businesses and facilities have experienced, and in certain cases, are in the process of investigating or remediating, hazardous materials in the soil, groundwater or surface water bodies at locations where we operate and/or adjacent properties and/or natural resources at public and private lands not owned by us that result from current or historical operations.

Many of our sites have an extended history of industrial chemical processing, storage and related activities, and may currently be subject to engineering or institutional controls or restrictions or may become subject to such controls or restrictions in the future. We are currently, and from time to time have been or in the future may be, required to investigate, manage and remediate releases of hazardous materials or contamination at or migrating from certain of these sites, as well as at properties we formerly owned, leased or operated and/or at closed sites that we still own and occupy. We are, and in the future may be, responsible for investigating and cleaning up contamination at off-site locations where we or our predecessors disposed of, treated or arranged for the disposal or treatment of hazardous wastes. Under some environmental laws, including the U.S. Comprehensive Environmental Response, Compensation, and Liability Act (“CERCLA”), commonly referred to as “Superfund,” liability for contamination can be imposed retroactively, without regard to fault or knowledge, and on a joint and several basis. In connection with contaminated properties, as well as our operations generally, we also could be subject to claims by government authorities, individuals and other third parties seeking damages for alleged personal injury or property or natural resource damages resulting from environmental contamination or hazardous exposure caused by our operations, facilities or products. In addition, we may be required to provide financial assurances or guarantees that we will be able to address contamination at our sites and comply without decommissioning obligations once our facilities reach the end of their useful lives. Premiums associated with maintaining these financial assurances and insurance coverages may be significant. Finally, the discovery of previously unknown contamination at, the imposition of new obligations to investigate or remediate contamination at or migrating from our facilities or other locations, or restrictions on the use of our facilities, could result in substantial unanticipated costs. Our insurance coverage may not be adequate to cover all costs associated with such risks.

We could be required to establish or substantially increase our operational budget and/or financial reserves for such obligations or liabilities and, if we fail to accurately predict the amount or timing of such costs, the related impact on our business, financial condition or results of operations in any period in which such costs need to be incurred could be material. In addition, HSSE laws and regulations can impose various financial responsibility requirements on us, and pursuant to these requirements we may be required to post bonds, create trust funds or provide other assurances that we will be able to address contamination at our sites and comply with our decommissioning obligations once our facilities reach the end of their useful lives.

Our operations involve the intensive use of hazardous materials and we have been from time to time subject to claims made for damage to property or injury, including adverse health effects, to employees and other persons, resulting from our operations. These claims can also relate to historical liabilities of acquired facilities or businesses as well as facilities or businesses that we have sold. Claims made in the future could have a material adverse effect on our reputation, business, financial condition or results of operations.

Our operations involve significant water usage, with material annual industrial water costs incurred in 2024 and expected to be incurred in 2025 similar to those incurred in previous years. Changes to, or changes to the interpretation of, relevant environmental regulations, the issuance or terms of water consumption permits and licenses and other factors, such as water shortages as a result of climate change, could increase the cost and/or limit the availability of water, which would in turn impact our operating and production costs.

Our financial results may be adversely affected if environmental liability arises for which we are not adequately indemnified or insured, or from a disposal of assets or businesses for which we provided a seller’s indemnification in respect thereof. Although we believe that the indemnities given by the selling parties from whom we have acquired assets or businesses will help defray the costs associated with pre-acquisition environmental liabilities, our financial results may still be adversely affected to the extent that:

- the sellers do not fulfill their respective indemnification obligations;
- we breach our obligations not to undertake certain activities that may aggravate existing conditions or to mitigate associated losses;
- we incur indemnification obligations for other environmental liabilities owed as part of certain disposals of assets or businesses; or



- we incur significant costs for pre-acquisition conditions that are not covered by the indemnities.

***Potential hazards—Our operations are subject to hazards which could result in significant liability to us.***

Our operations are subject to hazards associated with chemical manufacturing and the related use, storage, transportation and disposal of raw materials, products and wastes, including but not limited to:

- fires and explosions;
- severe weather (including but not limited to floods, hurricanes on the U.S. Gulf Coast or in Gulf waters, droughts, exceedingly low temperatures and freezes or other adverse weather that may be increasing in intensity and/or frequency as a result of climate change) and natural disasters;
- accidents;
- mechanical and equipment failures;
- discharges or releases of toxic or hazardous substances or gases;
- transportation interruptions;
- human error;
- pipeline leaks and ruptures; and
- terrorist activities.

These hazards can cause, and have caused from time to time, personal injury and loss of life, severe damage to or destruction of property and equipment as well as environmental contamination or other damages, and may result in suspension of our operations and the imposition of civil and criminal liabilities, including penalties and damage awards, as well as reputational damage. For instance, in July 2023, an ethylene pipeline ruptured and ignited at a remote location in Texas, causing a fire that resulted in business losses estimated to be approximately €49 million.

A near miss event that does not result in property damage, personal injury or environmental contamination could lead to adverse publicity that negatively affects our reputation and our relationships with relevant regulators and the communities in which we operate.

We may incur significant costs to address any incidents or accidents, including to resolve claims or enforcement proceedings that are brought against us in connection with such events, which can impact our operating results, even if most or all of the related costs are covered by insurance. While we believe our insurance policies are consistent with customary industry practices, such insurance may not cover all risks associated with the hazards of our business and is subject to limitations, including deductibles and maximum liabilities covered. In addition, we may incur losses beyond the limits, or outside the coverage, of our insurance policies, including liabilities for violations of environmental requirements and contamination. Future incidents or accidents, if any, may result in claims that may not be covered by our insurance, which could have a material impact on our financial results or condition.

Various types of insurance for companies in our industries have not been available on commercially acceptable terms or, in some cases, have not been available at all. In the future, we may not be able to obtain coverage at current levels, and/or our premiums may increase significantly on coverage that we maintain. Costs associated with unanticipated events in excess of our insurance coverage could have a material adverse effect on our business, competitive or financial position or our ongoing results of operations. For additional related disclosure, see “Business—Health, Safety, Security and Environment.”

***Compliance—We are exposed to the risk of violations of anti-corruption laws, economic and trade sanctions or other similar regulations.***

As a result of our international activities, we are subject to the laws and regulations of the various countries in which the Group operates. In particular, our international operations may be subject to anti-corruption laws and regulations such as the U.S. Foreign Corrupt Practices Act of 1977, the UK Bribery Act of 2010 and the local anticorruption laws of any jurisdiction applicable to us. In addition, our international operations may be affected by sanctions and economic restrictions imposed by the UK Office of Financial Sanctions Implementation, the U.S. Office of Foreign Assets Control, the European Union, the United Nations, or other law enforcement agencies or sanctions authorities. Countries or jurisdictions that are subject to economic sanctions and export controls currently imposed by the United States, the European Union or the United Kingdom include the Crimea, Zaporizhzhia and Kherson regions of Ukraine (in each case to the extent



that such areas of Kherson or Zaporizhzhia are under control of Russia), the so-called Donetsk People's Republic, the so-called Luhansk People's Republic, Cuba, Iran, North Korea and Syria. Such list of countries or jurisdictions may change from time to time.

While we have developed policies, procedures and training designed to achieve and maintain compliance with applicable laws, the Group could be exposed to investigations, claims and other regulatory proceedings for alleged or actual violations of laws related to our operations, including anti-corruption and anti-bribery legislation, trade laws and sanctions laws. As there can be no assurance regarding EU, UK or U.S. enforcement policy with respect to economic sanctions, it is possible that the relevant authorities could take a different view regarding our sanctions compliance efforts, which could potentially lead to negative adverse effects on our results of operations, financial condition and prospects. If we are found to be subject to any laws or regulations which we considered were not applicable, our policies, procedures and actions may be in breach of such law or regulation and we may be subject to censure, prosecution, fines or other negative consequences. Furthermore, laws, regulations or licensing policies on economic sanctions or export controls could change and additional countries may introduce economic sanctions, export control or similar regimes. Any alleged violation of current or future applicable laws or regulations, either erroneously or substantiated in the future, could result in civil or criminal liability for us, our employees, entities or partners, the imposition of fines, or other penalties, as well as negative publicity or reputational damage, and could materially and adversely affect our business, prospects, financial condition and results of operations.

***Third parties—Our business and operations are subject to business interruption risks due to the actions of third parties, which could have a material adverse effect on our business, reputation, financial condition and results of operations.***

Due to the nature of our business, we are at risk of business interruption due to the actions of third parties. For example, many of our vendors and subcontractors have operations that are also subject to HSSE risks, including those associated with the use, storage and transport of hazardous materials. Any future HSSE-related incidents affecting our vendors and subcontractors may result in significant regulatory actions, fines and other penalties, including restrictions, prohibitions or sanctions on their operations which could impair their ability to perform their contracts with us or could otherwise subject us to claims or liability, all of which could have a material adverse effect on our business, reputation, financial condition and results of operations. In addition, if any facilities experience damage or temporary closures due to any number of incidents, events, or hazards caused by third parties (including protests), or if we suffer product quality issues due to contaminated feedstock from our suppliers, our reputation, business financial condition and results of operations may be adversely affected. For instance, in the third quarter of 2023 due to an incident on a supplier pipeline at the Plaquemine, Louisiana site, a force majeure was declared. Although we were able to reach a settlement of an insurance claim, we may not be successful in claiming insurance coverage for similar incidents in the future.

***Product stewardship regulation—Our business could be adversely affected by chemical safety regulation of our products and raw materials.***

We use and manufacture hazardous chemicals that are subject to regulation by the European Union and by many national, provincial and local governmental authorities in the countries in which we operate. In order to obtain regulatory approval of certain new products and production processes, we are required, among other things, to demonstrate to the relevant authorities that the product is safe for its intended uses and that we are capable of manufacturing the product in accordance with applicable regulations. The process of obtaining approvals can be time-consuming and subject to unanticipated and significant delays. Approvals may not be granted to us on a timely basis, or at all. Any delay in obtaining, or any failure to obtain or maintain, these approvals would adversely affect our ability to introduce new products, to continue distributing existing products and to generate revenue from those products, which could have a material adverse effect on our business and prospects. New laws and regulations may be introduced in the future that could result in additional compliance costs, confiscation, recall or monetary fines, any of which could prevent or inhibit the development, distribution and sale of our products.

In addition, some of our products (including our raw materials) are subject to extensive HSSE and industrial hygiene regulations that require the registration and safety analysis of and, in some cases, impose restrictions on, their component substances. For example, in connection with the European Union's Registration, Evaluation and Authorization of Chemicals ("REACH") Regulation and/or the European Union's Classification, Labelling and Packaging ("CLP") Regulation, any key raw material, chemical or substance, including some of our products, could be classified as having a toxicological, health-related or otherwise adverse or relevant effect, including impacts on the environment, on users of our products, or workers handling these products. In the event of such a classification, those key raw materials, chemicals, substances and/or



products could be banned or restricted for certain uses. The European Commission has been working toward a revision of the REACH regulation and has indicated that it currently plans to finalize such revision in 2025, but no such proposal has been made to date. At this time we cannot predict the impact of any such revision. Our UK operations are now subject to an equivalent UK version of the REACH regulation.

We manufacture, process, or use certain substances classified as substances of very high concern under REACH, including 2-methoxyethanol and propylene oxide, and the continued use of these substances may require authorization from the European Chemicals Agency (“ECHA”). If we cannot obtain authorization, we may need to discontinue use of such substances.

In June 2016, amendments to the U.S. Toxic Substances Control Act (“TSCA”) became effective, and it is possible that they could result in risk screening by the EPA of substances we produce or use, and this risk screening could lead to new or more stringent regulatory obligations and/or restrictions, including prohibitions on the manufacture and sale of certain substances. Since 19 December 2016, the EPA has designated 20 chemical substances as high-priority and 20 chemical substances as low-priority that are the subject of the EPA’s initial chemical risk evaluations, as required by TSCA. This list includes multiple chemicals we manufacture, including carbon tetrachloride, methylene chloride and 1,3-butadiene. In July 2024, the EPA proposed to designate five additional chemical substances as high-priority for chemical risk evaluations, including acrylonitrile, which we produce, although such designations have not yet been finalized. The list of substances is expected to be expanded over time.

The Chemicals Management Plan, which was created in 2006 under the Canadian Environmental Protection Act, 1999, governs the assessment and management of risks associated with chemical substances to human health and the environment, including government and public reporting. Similar regulations requiring the review of the uses of toxic substances as well as related government and public reporting are in place, have recently become more stringent or are being considered in other jurisdictions, including the United States, which could result in additional requirements, including notification, testing, labelling and record-keeping obligations, on our operations.

We are further subject to emerging laws and regulations governing workplace exposure to certain chemicals. For example, benzene has been identified as a genotoxic carcinogen. ECHA’s Committee for Risk Assessment (“RAC”) proposed reducing the occupational exposure limit (“OEL”) for benzene to 0.05 ppm as the maximum allowable concentration in air at workplaces in the European Union. In response, the EU Commission published the fourth revision of the Carcinogenic and Mutagenic Directive (“CMD”) which sets out a revised OEL for benzene of 0.5 ppm for a transitional period from April 2024 to April 2026 and 0.2 ppm from April 2026. The European Commission will assess a further reduction of the OEL for benzene according to the CMD. The CMD also sets out a new OEL of 0.45 ppm for acrylonitrile, a monomer used in many plastics, which becomes effective April 2026. Because we produce benzene and acrylonitrile, we are subject to these OELs. As another example, butadiene has been classified as a known human carcinogen by the International Agency for Research on Cancer, the U.S. National Toxicology Program and the EPA. The U.S. Occupational Safety and Health Administration currently limits the permissible employee exposure to butadiene. If studies on the health effects of butadiene result in additional regulations in the United States or new regulations in Europe that further restrict or prohibit the use of, and exposure to, butadiene, we could be required to change our operations, which could affect the quality of our products and increase our costs.

Growing concern about the sources and impacts of per- and polyfluoroalkyl substances (“PFAS”) has led and may continue to lead to increased regulation of such substances in jurisdictions where the Group operates. For instance, under a new EPA rule effective 8 July 2024, two PFAS substances - perfluorooctanoic acid (“PFOA”) and perfluorooctanesulfonic acid (“PFOS”), including their salts and structural isomers - are now designated as hazardous substances under CERCLA. The rule requires entities to report releases of PFOA and PFOS that meet or exceed reportable quantities and could result in the obligation to investigate or remediate PFOS or PFOA impacts to the environment. Additionally, in January 2024, the EPA finalized a rule that prevents the manufacture, processing, or use of an estimated 300 PFAS for “significant new uses” without a complete EPA review. In October 2023, the EPA also finalized a rule eliminating an exemption that allowed facilities to avoid reporting information on PFAS when those chemicals were used in limited concentrations and published a final rule that requires all manufacturers (including importers) of PFAS and PFAS-containing articles in any year since 2011 to report information to the EPA on PFAS uses, production volumes, disposal, exposures and hazards. In addition, in the EU several national authorities submitted to ECHA a universal proposal to restrict the entire PFAS group of substances. A consultation was launched in 2023 and is currently ongoing. In September 2024, the European Commission adopted measures under the REACH regulation, restricting the use of undecafluorohexanoic acid and related substances, which are sub-groups of PFAS, and such measures will take effect following a phase-in period. The European Commission, together with the EU Member States, plans



to continue to evaluate and determine if any additional PFAS restrictions will be formally proposed or enacted. Such enacted and proposed regulations, and other being considered or adopted in jurisdictions in which the Group operates, could require the Group to incur significant costs including, inter alia, relating to compliance, modifying operations, and altering product inputs.

The regulation or reclassification of any of our raw materials or products could result in a ban or restriction on their import, purchase or sale, adversely affect the availability of raw materials or the marketability of our products, or require us to incur increased costs to comply with notification, labeling, handling, processing, distribution, sale and transport requirements, each of which could result in a material adverse effect on our business, financial condition and/or results of operations.

***ESG—A failure to identify, manage and provide greater transparency of our exposure to environmental, social and governance (ESG) related risks may have increasingly adverse implications for us and our stakeholders.***

ESG-related risks may directly or indirectly impact our business and the achievement of our strategy and consequently our key stakeholders, which range from our employees, customers, investors and suppliers. Policymakers, regulators and industry organizations are increasingly focused on ESG-related issues, including those relating to sustainability, renewable resources, environmental stewardship, supply chain management, climate change, diversity and inclusion, workplace conduct, employee well-being, human rights, philanthropy and support for local communities. For example, new and proposed laws and regulations in the UK, EU and the U.S. requiring the identification, quantification and disclosure of ESG risks, including those relating to sustainability, climate change, supply chain, human capital, diversity and cybersecurity, have been adopted, are under consideration or may be adopted in the future. These requirements have resulted in, and may continue to result in, our need to make additional investments and implement new practices and reporting processes, which will require management attention and give rise to additional compliance risks. Any failure or perceived failure to accurately report on our current or future ESG-related targets, including our GHG emissions reduction targets, and any differences between our targets and those of any companies to which we are or may be compared, could harm our reputation, adversely affect our ability to effectively compete or expose us to potential legal liability. In addition, any failure or perceived failure to transparently and consistently implement our ESG strategy across our business or to achieve our goals and commitments may adversely impact our financial condition and reputation and may negatively impact our stakeholders, each of whom, in turn, have ESG-related expectations, concerns and aims, which may differ, both within and across the markets in which we operate. There is also a risk that we will fail to meet our committed targets by the applicable dates. For example, despite efforts toward achieving our INEOS-wide recycling targets for the year 2025, we currently expect delays in achieving such targets on schedule due to current economic conditions impacting our businesses and the industry in which we operate as a whole. Such failure, or any perceived failure, to achieve these targets could have an adverse impact on our reputation or subject us to liability. For more information on our ESG strategy, see “Business—Sustainability.”

***ESG—Increasing scrutiny and changing expectations from investors, lenders and other market participants with respect to ESG performance and policies may impose additional costs on us or expose us to additional obligations or risks.***

Companies across all industries are facing increasing scrutiny related to ESG issues, including those relating to sustainable development, renewable resources, environmental stewardship, supply chain management, climate change, diversity and inclusion, workplace conduct, employee well-being, human rights, philanthropy and support for local communities. Investor advocacy groups, certain institutional investors, investment funds, lenders, employees and other market participants are increasingly focused on ESG practices, performance and disclosures. In recent years, financial stakeholders have placed increased importance on the environmental and social cost and impact of their investments and consider that the petrochemicals industry faces ESG risks that some other industries do not. The increased focus and activism related to ESG and similar matters may hinder access to or increase the cost of capital, as investors and lenders may decide to reallocate capital or to not commit capital as a result of their assessment of a company’s ESG practices. INEOS-wide, we have made certain voluntary commitments with respect to ESG performance, such as a 33% reduction in INEOS’ Scope 1 and 2 GHG emissions by 2030 (as compared to 2019 on a like-for-like basis) and achievement of Net Zero GHG emissions by 2050. Achieving these commitments will require us to implement facility upgrades that we expect to require significant capital investments. In addition, in order to meet our emissions targets, we expect to rely in part on third-party technologies, such as carbon capture, some of which have not yet been developed to the required scale. If such developments are not available on commercially reasonable terms within the timeline for our emissions reductions targets, we may fail to meet those targets. If we fail to meet applicable standards or expectations with respect to these issues across all of our operations and activities, our



reputation and brand image could be damaged, we may lose the trust of our stakeholders (including investors, customers and employees), and our business, financial condition and results of operations could be adversely impacted.

In addition, while we seek to report our ESG practices and performance in alignment with certain relevant reporting frameworks and to engage with leading sustainability rating agencies and other stakeholders, these frameworks and ratings providers may not be the same as those evaluated by our stakeholders, may emphasize different aspects of ESG practices and performance or may not accurately reflect our ESG performance in certain respects. In addition, changes in consumer and market demands, regulatory requirements and other ESG-related considerations may negatively impact our perceived ESG performance or otherwise impact our reputation and accordingly our business and financial results.

***ESG Risk Ratings—The third-party ESG Risk Ratings referenced in this annual report may not accurately reflect our risks based on environmental, social and governance matters. Any actual or perceived lack of transparency or underperformance regarding ESG matters as a result of increasing scrutiny and changing expectations from investors, lender and other market participants may adversely affect the value of our securities and other debt instruments.***

The impact of our ESG-related risks and practices, including with respect to various environmental, social and governance matters in our business and in the local communities in which we operate, has been and will continue to be independently assessed by non-accredited ratings organizations and various stakeholders in the ESG community. These rating agencies and stakeholders may not view our ESG policies as sufficiently transparent or consistent with their performance standards or goals. If this view were shared in the broader ESG community, our reputation could be damaged which, in certain cases, could effectively limit our access to capital markets and result in scrutiny regarding our commitment to ESG principles and standards.

In addition, ESG ratings may vary among the different ESG ratings organizations and are subject to differing methodologies, assumptions and priorities used by such organizations to assess ESG performance and risks. Each ESG rating provider's rating should be evaluated independently of any other ESG rating provider's rating. There is no guarantee that the methodology used by any particular ESG rating provider will conform with the expectations or requirements of any investor or any present or future applicable standards, recommendations, criteria, laws, regulations, guidelines or listing rules. As a result, our ESG ratings are not necessarily indicative of our current or future operating or financial performance, our commitment to ESG standards and principles, or any future ability to service our indebtedness, and are only current as of the dates on which they were issued. Any ESG rating obtained by the Group or its affiliates provides no guarantee as to the actual environmental and/or social impacts or performance of the Group or its affiliates. In addition, individual company ratings may be based on only publicly available information and in other cases may be based on information supplied by the relevant companies. As such, the quality of information in respect of each company included in our rankings may not be comparable and therefore the utility of these rankings may be limited. Prospective investors must determine for themselves the relevance of any such ESG rating information contained in this annual report or elsewhere in making an investment decision. Moreover, ESG ratings are not a recommendation by us or any other entity or person to buy, sell or hold any securities or other debt instruments. As of the date of this annual report, Sustainalytics, which has provided an ESG rating for INEOS Group Holdings S.A. as disclosed in "Business—Sustainability—Sustainalytics Ratings" is subject to any regulatory or other governmental oversight in respect of its determination of ESG ratings or the underlying methodologies it uses to make such determinations and may revise or replace entirely the methodology it applies to derive its ESG ratings. No assurance can be given that the ESG Risk Ratings will remain constant for any given period of time or that the ESG Risk Ratings will not be withdrawn entirely by Sustainalytics or EcoVadis if, in their judgment, circumstances in the future so warrant. The past or future issuance of any ESG ratings which reflect low performance on ESG matters or high ESG-related risk, or are not consistent with our own views on our commitment to implement ESG principles and standards throughout our business and our commitment to our business and local communities as an ESG company, could adversely affect the value of an investment in our securities or other debt instruments.

***A failure to implement and commercialize recycling solutions may have adverse implications for us and our stakeholders.***

Increasingly, governmental authorities are considering, or have already adopted, legislation that requires a minimum amount of recycled content in certain products and applications. For now, officially adopted legislation focuses mostly on packaging. For example, in the European Union the Packaging and Packaging Waste Regulation ("PPWR") requires a minimum recycled content of between 7.5% and 35% for the plastic part of packaging by 2030 and between 25% and 65% by 2040. In the U.S., minimum recycled content



requirements are being defined at the state level. For example, California requires 25% of plastics to be recycled by 2025 and 65% by 2032. Industry-specific regulations have been adopted in some jurisdictions, such as the End-of-Life Vehicles (“ELV”) Directive for automotive applications in the European Union and the Waste Electrical and Electronic Equipment (“WEEE”) regulations in the United Kingdom and European Union for electronics and household applications.

In order to maintain our competitive market share, we may invest in recycling technologies to support our customers’ compliance with such regulations. Such ongoing investment and research carries various risks, such as significant capital expenditure requirements that could divert available resources, as well as implementation failure. We are pursuing partnership and cooperation agreements for multiple recycling technologies but there is a risk that we invest in the wrong technology or fail to successfully implement the chosen technology. There is also a risk that we will fail to implement recycling technologies in time to meet our targets for the aforementioned reasons.

Regulations on recycled content require waste access in large volumes and high purity levels for recycled materials. As waste collection, sorting and cleaning infrastructure is just being developed, there is a risk of lack of sufficient feedstock.

Our efforts to implement and commercialize recycling solutions also present regulatory and product safety risks. For example, food industry regulations require recycled plastics to comply with the same regulations as non-recycled plastics. While we can steer recycling and cleaning processes, we do not have the same influence on waste streams and their composition. This presents a risk of contamination and potential liabilities.

***Tax Burden—Our tax burden could increase due to changes in tax law or the application or interpretation thereof, or as a result of current or future tax audits or investigations.***

Our tax burden is dependent on certain aspects of tax laws across several different jurisdictions and their application and interpretation. Changes in tax laws or their interpretation or application could increase our tax burden. As a result of future tax audits or other review actions of the relevant financial or tax authorities, the tax laws and/or relevant facts could be interpreted by the tax authorities in a manner that deviates from our view and the tax authorities could revise original tax assessments and substantially increase the tax burden or identify additional taxes, which could lead to an increase in our tax obligations, either as a result of the relevant tax payment being levied directly on us or as a result of us becoming liable for tax as a secondary obligor due to a primary obligor’s (such as, for example, an employee’s) failure to pay. Due to our international focus, we are exposed to tax risks, in particular with regard to transfer pricing rules that apply in several jurisdictions. Pursuant to these rules, related enterprises must conduct any inter-company transactions at conditions that would apply among unrelated third parties concluding comparable agreements (the “arm’s length principle”) and provide sufficient documentation thereof, subject to particular rules applicable to them in the relevant jurisdiction. Although we have adopted a transfer pricing policy for all of our businesses, tax authorities may, and from time to time do, challenge our compliance with applicable transfer pricing rules, and we therefore must seek to ensure that our transfer pricing policies accurately reflect the operating model of our business. If any tax authority were to challenge our arrangements, including with respect to exit charges, we could face a higher tax burden and be subject to tax penalties or fines, which could have a material adverse impact on our business, financial condition, results of operations and cash flows.

Likewise, changes or proposed changes in tax laws could adversely impact the tax position of the Group and give rise to additional reporting and disclosure obligations, which could increase our costs and have material adverse effect on our financial position.

***Litigation—We are subject to certain risks related to litigation filed by or against us, and adverse results may harm our business.***

We cannot predict with certainty the cost of defense, the cost of prosecution or the ultimate outcome of litigation, arbitration and other proceedings filed by or against us, including remedies or damage awards, and adverse results in any litigation, arbitration and other proceedings may materially harm our business. Litigation and other proceedings may include, but are not limited to, actions (including class actions) relating to intellectual property, commercial arrangements (including disputes with contractors, suppliers and customers), HSSE, permits, joint venture agreements, mergers and acquisitions, restructuring and insolvencies, construction, labor, real estate and employment, anti-trust, anti-corruption regulations or tax laws and regulations, tort or other harms, including claims resulting from the actions of individuals or entities outside of our control and in certain instances including claims that could result in criminal proceedings. Such proceedings could also result in



preliminary or permanent injunctions and the suspension of operations at the subject sites. For example, appeals contesting our first full environmental permit for Project ONE were filed with the Council for Permit Disputes in Flanders, Belgium, resulting in the annulment of the permit. Although a second permit was granted by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism (the “**Environmental Minister**”) on 7 January 2024, and on 30 July 2024, the Environmental Minister issued Project ONE a new permit on additional legal grounds, replacing the permit issued in January 2024, appeals of the new permit have been filed by multiple non-governmental organizations and two Dutch provinces with the Council for Permit Disputes, and the matter is ongoing. If these challenges are successful and the permit is withdrawn, this would have a material adverse effect on our ability to successfully complete Project ONE or within the anticipated timeframe and, as significant expenditure has already been incurred on the project, on our business generally. Although we submitted a further permit application on 26 August 2024, which was granted by the Province of Antwerp on 16 January 2025, such application or any later application, as applicable, may be subject to appeals or may not be granted or such permits may ultimately be annulled or suspended following successful legal challenges. We may receive similar legal challenges in the future at other sites, including in respect of permit renewals for existing operations, and other challenges to our permit for Project ONE which, if filed in the future, could have a material adverse effect on our business. See also “Business—Legal proceedings.”

In the case of intellectual property litigation, arbitration and proceedings, adverse outcomes could include the cancellation, invalidation or other loss of material intellectual property rights used in our business and injunctions prohibiting our use of business processes or technology that are subject to third-party patents or other third-party intellectual property rights or the imposition of license fees to be paid to the holders of any such third-party intellectual property rights. Litigation, arbitration and other proceedings, and class action litigation in particular, based on environmental matters or human exposure to hazardous substances in our facilities or in connection with our operations or from our products could result in significant liability and reputational harm for us.

In addition, in certain jurisdictions, including the U.S., the chemicals industry experiences so-called “toxic-tort” litigation brought by plaintiffs seeking recovery for injury or property damage allegedly resulting from exposure to hazardous substances or contamination. If our operations become the subject of any such claims, they could result in reputational harm, litigation costs, settlement payments, damages awards or other impacts that could have a material adverse impact on our business, even in cases in which we believe we have strong defenses.

Litigation relating to trade sanctions or anti-corruption laws violations could undermine our status as a preferred economic operator. See also “—Compliance—We are exposed to the risk of violations of anti-corruption laws, economic and trade sanctions or other similar regulations”.

Litigation, arbitration and other proceedings relating to competition regulation violations could lead to high-cost litigation, arbitration and other proceedings, significant fines or damages and loss of credibility vis-à-vis customers and other third parties. From time to time, we are the subject of such litigation, arbitration and other proceedings, and any failure to successfully defend any such lawsuit could have a material adverse effect on our business. Any action which we take (or fail to take) to prosecute or defend any litigation, arbitration and other proceedings could in turn lead to further claims being made against us, which could then result in further litigation, arbitration or other proceedings. Although we believe that our insurance coverage is consistent with customary industry practices, it may not cover certain types of litigation and may not be sufficient to cover all claims awarded against us (see also “—Potential hazards—Our operations are subject to hazards which could result in significant liability to us”).

A failure to adequately prepare responses to litigation, arbitration, administrative or other claims brought against us in any venue (including administrative tribunals and local or federal courts), an inability to communicate effectively either externally or internally in moments of crisis or adverse outcomes in any proceedings instituted by or against us could have a material adverse effect on our business. Even when claims brought against the Group are ultimately unsuccessful, defending the suits may require significant management time and expense.

***Product liability—We may be liable for damages based on product liability claims.***

The sale of our products involves the risk of product liability claims arising out of the use of, or exposure to, our products or the chemicals in them. While most of our products have some hazardous properties, some of them, such as acrylonitrile, require specialized handling procedures due to their acute and chronic toxicity. Furthermore, our polymer products have widespread end uses in a variety of consumer industries, including food packaging and medical applications. A successful product liability claim or series of claims



against us in excess of our insurance coverage for payments for which we are not otherwise indemnified or have not otherwise provided for could have a material adverse effect on our business, financial condition or results of operations and cash flows. In particular, we could be required to increase our debt or divert resources from other investments in our business in order to discharge any such claims.

In addition, we have licensed our polyethylene, polypropylene, polystyrene, polyvinylchloride, vinyl chloride monomer, ethylene dichloride and acrylonitrile technologies to third parties, including certain strategic joint venture partners. Generally, our licensing agreements provide that any liability arising from the implementation of such technology is retained by us during the first 18 months of the agreements. As a result, we are liable for any damages arising from the implementation by our licensees of our technology during this period.

***Key personnel—Our success depends on the continued service of certain key personnel.***

Our success depends in significant part upon the continued service of our shareholders, directors and senior management, including James A. Ratcliffe, Andrew Currie and John Reece and the executive officers at each of our business divisions, who are experienced in our industry and in operating a company of our size and complexity. There may be a limited number of persons with the requisite experience and skills to serve in such positions and we may not be able to locate, employ or retain them on acceptable terms or at all. In addition, our future growth and success also depend on our ability to attract, train, retain and motivate skilled managerial, sales, administrative, operating and technical personnel. We generally do not have employment agreements with, and we do not maintain any “key man” life insurance for, any member of our senior management. Additionally, the loss of one or more of our key management or operating personnel could result in a loss of institutional know-how. Such loss, or the failure to attract and retain additional key personnel, or such former personnel moving to one of our competitors, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

***Relations with employees and service providers—We depend on good relations with our workforce and service providers, and any significant disruption could adversely affect us.***

The monthly average number of employees during the year ended 31 December 2024 was approximately 9,100 employees (measured as full-time equivalents) in our operations around the world, excluding employees of our joint ventures. The majority of our employees are unionized. In addition, a majority of our employees resides in countries in which employment laws provide greater bargaining or other rights to employees than the laws of the United States. These employment rights may require us to expend greater time and expenses in altering or amending employees’ terms of employment or making staff reductions. For example, most of our employees in Europe are represented by works councils which generally must approve changes in conditions of employment, including salaries and benefits. Further, a labor disturbance or work stoppage at any of our facilities as a result of any changes to our employment terms and conditions or for any other reason could have a material adverse effect on that facility’s operations and, potentially, on our business, financial condition, results of operations and cash flows. Additionally, any failure to observe relevant labor laws or apply human resources policies relating to discrimination, harassment, working hours regulations and other working conditions could result in reputation damage, administrative or civil claims or fines, any of which could have a material adverse effect on our business, financial condition and/or results of operations.

We also use independent contractors to provide us with certain technical assistance and services. In certain cases, we may exercise limited control over the activities and business practices of these providers and any inability on our part to maintain satisfactory commercial relationships with them or their failure to provide quality services (including as a result of work stoppages or labor disturbances at such providers) could materially and adversely affect our business, prospects, financial condition and results of operations.

***Intellectual property—The failure of our patents, trademarks and confidentiality agreements to protect our intellectual property could adversely affect our business.***

Protection of our proprietary processes, apparatuses, products and other technologies is important to our business, including our manufacturing activities. Our actions to protect our proprietary rights may be insufficient to prevent others from developing similar products and processes to ours. In particular, we may be unable to secure adequate protection or management of intellectual property during capital investment projects, in particular in new countries and certain of the emerging-markets jurisdictions in which we operate, or when key personnel leave our company to join a competitor, which may weaken our intellectual property rights and undermine our competitive advantage. In addition, the laws of many foreign countries do not protect our intellectual property rights to the same extent as the laws of the United States and the United Kingdom.



Furthermore, any pending patent application filed by us may not result in an issued patent, including as a result of objections raised by third parties, or if patents are issued to us, such patents may not provide meaningful protection against competitors or against competitive technologies. Oppositions or other actions initiated by third parties may also limit the scope of our patents and other intellectual property rights, thereby weakening our protection against competitors or against competitive technologies. You should be aware that the expiration of a patent or the failure of our patents to protect our formulations, processes, apparatuses, technology, trade secrets or proprietary know-how could result in intense competition, with consequent erosion of profit margins. In addition, our competitors and any other third parties may obtain patents that restrict or preclude our ability to lawfully produce, manufacture and market our products in a competitive manner, which could materially adversely affect our business, financial condition, results of operations and cash flows.

Some of our patents and patent applications are jointly owned with third parties. In many countries, both owners have full rights under a jointly-owned patent. In the absence of a specific agreement, such third parties may use our jointly-owned patents to compete with us or grant a license to our competitors. In addition, co-owners may not cooperate with us to enforce or to defend a jointly-owned patent where necessary to protect our rights.

We also rely upon unpatented proprietary know-how and continuing technological innovation and other trade secrets to develop and maintain our competitive position. While it is our policy to enter into confidentiality agreements with our employees and third parties to protect our intellectual property, there can be no assurances that:

- our confidentiality agreements will not be breached;
- such agreements will provide meaningful protection for our trade secrets or proprietary know-how; or
- adequate remedies will be available in the event of an unauthorized use or disclosure of these trade secrets and know-how.

In addition, there can be no assurances that others will not obtain knowledge of these trade secrets through independent development or other access by legal means.

In the past, we have received communications asserting that our products or their applications infringe on a third party's proprietary rights. Currently, there is no material pending litigation against us regarding any intellectual property claim but we cannot assure you that there will not be future claims. Such claims, regardless of merit, could subject us to costly litigation and divert our technical and management personnel from their regular responsibilities. Furthermore, if such claims are adversely determined against us, we could be forced to suspend the production and manufacture of products using the contested intellectual property and our business, financial condition, results of operations and cash flows could be adversely affected if any such products are material to our business.

We may also initiate lawsuits to defend the ownership of our inventions and our intellectual property. Like defending against litigation, initiating litigation relating to intellectual property rights is costly and may divert technical and management personnel from their normal responsibilities. Furthermore, we may not prevail in any such litigation or proceeding. A determination in an intellectual property litigation or proceeding that results in a finding of a non-infringement by others to our intellectual property or an invalidation of our patents may result in the use by competitors of our technologies or processes and sale by competitors of products that resemble our products, which may adversely affect our ability to compete as well as create increased supply and corresponding downward pricing pressure.

***Cybersecurity—We are subject to cybersecurity risks. A cyber incident could occur and result in information theft, data corruption, operational disruption and/or financial loss.***

Our industry has become increasingly dependent on digital technologies to conduct certain processing activities in particular in the context of trends such as the "Internet of Things", "Artificial Intelligence" and "Machine Learning". For example, we depend on digital technologies to perform many of our services and to process and record financial and operating data. At the same time, cyber incidents, including deliberate attacks, have increased. Our technologies, systems and networks, and those of our vendors, suppliers and other business partners, may become the target of cyberattacks or information security breaches, such as cyber-fraud, viruses, malware infections, or social engineering activities like phishing and employee impersonation, all of which could result in the unauthorized release, gathering, monitoring, misuse, loss or destruction of proprietary and other information, or other disruption of business operations. In recent years, cyberattacks have become more prevalent and much harder to detect and defend against. These threats may arise from a variety of sources, all



ranging in sophistication from an individual hacker to alleged state-sponsored attacks. A cyberattack may be generic, or it may be custom-crafted to target the specific information technology used by us. If, as a result of such cyberattack, our information technology systems were to fail and we were unable to recover in a timely way, we may be unable to fulfil critical business functions, which could damage our reputation and have a material adverse effect on our reputation, business, financial condition, and results of operations.

Although our business' IT governance, risk management and compliance programs provide availability, confidentiality and an overall security approach to all systems and business processes, including cybersecurity controls (like intrusion detection/intrusion prevention, firewalls, mobile device management, malware and virus protection, notebook encryption, secure VPN access, network segmentation, industrial control system security monitoring, email and internet security, security information and event management, threat and vulnerability management), any failure of these programs could result in a cybersecurity incident. Increased reliance on technology carries with it an increased risk of cybersecurity issues, including phishing and end point vulnerability, which has been particularly heightened in light of the introduction of 'remote working' arrangements in response to the COVID-19 pandemic.

In addition, certain cyber incidents, such as surveillance, may remain undetected for an extended period. Our systems for protecting against cybersecurity risks may not be sufficient. As cyber incidents continue to evolve, we will likely be required to expend additional resources to continue to modify or enhance our protective measures or to investigate and remediate any vulnerability to cyber incidents.

Furthermore, confidential information that we maintain may be subject to misappropriation, theft and deliberate or unintentional misuse by current or former employees, third-party contractors or other parties. Any such misappropriation and/or misuse of our information could result in, among other things, our being in breach of certain global data privacy, data protection, localization, security and consumer protection laws and regulations. These laws and regulations are emerging and evolving in countries worldwide and the interpretation and application of these laws and regulations in Europe, the U.S. and elsewhere are subject to ongoing review by regulators and courts, resulting in variations and adaptations to new legal and technological developments. For example, the General Data Protection Regulation (Regulation (EU) 2016/679) ("GDPR"), came into effect in Europe in May 2018, which has created a range of new compliance obligations, and increased financial penalties for non-compliance significantly. The GDPR has been incorporated into domestic law in the United Kingdom, with minor amendments, by virtue of the EUWA. The GDPR is a uniform framework setting out the principles for legitimate data processing. The introduction of the GDPR strengthens the rights of individuals (data subjects), imposes stricter controls over the processing of personal data by both controllers and processors of personal data and imposes stricter sanctions with substantial administrative fines and potential claims for damages from data subjects for breach of their rights. In particular, under the GDPR, breaches of data protection rules may result in maximum fines equal to the greater of €20 million and 4% of the annual global turnover of the sanctioned company. It is possible that the GDPR and other laws may be interpreted or applied in a manner that is adverse to us, unforeseen, or otherwise inconsistent with our practices or that we may not adequately adapt our internal policies and/or procedures to evolving regulations, or adjust our practices, any of which could result in litigation, regulatory investigations and potential legal liability, require us to change our practices in a manner adverse to our business or limit access to our products and services in certain countries. We may face operational disruptions and increased scrutiny from regulatory bodies. As a result, our reputation and brand may be harmed, we could incur substantial costs, and we could lose both customers and revenue.

While our IT compliance programs contain certain procedures to cover GDPR by providing records of processing activities, performing assessments on technical and organizational security measures and stipulating contractual agreements with external service providers and business partners and our demand, change and project management procedures have been implemented, which guarantee the involvement of the legal department and IT security team to assess new business applications and systems, identifying GDPR relevance and security vulnerabilities upfront, any failures of these programs could result in potential liability for our business, losses of confidential information, reputational consequences, financial damages, higher insurance premiums, damage to assets, safety issues, operational downtime or delays, and revenue losses, adversely impacting our prospects, results of operations and financial condition. The significance of any such event is difficult to quantify, but may in certain circumstances be material to the Group and could have adverse effects on our business, financial condition and results of operations.

***Internal controls—If we fail to maintain an effective system of internal controls over financial reporting, we may not be able to accurately report our financial results or prevent fraud.***

We have designed and continue to design our internal controls with the objective of providing reasonable assurance that (1) our transactions are properly authorized; (2) our assets are safeguarded against



unauthorized or improper use; and (3) our transactions are properly recorded and reported, all to permit the preparation of our consolidated financial information in conformity with applicable accounting principles. We design our internal controls through the use of internal resources, external consultants and, as the case may be, with joint venture partners.

Any system of controls, however well designed and operated, can provide only reasonable, and not absolute, assurance that the objectives of the system are met. In addition, the design of any control system is based in part upon certain assumptions about the likelihood and expected impact of future events. Because of these and other inherent limitations of control systems, there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote they are. In addition, the fact that our operations span several jurisdictions compounds the complexity of our control systems. Any failure, even unintentional, to remedy internal control weaknesses in the future, to maintain adequate internal controls, to properly limit access to cash, to train staff adequately regarding company policies and procedures, to apply accounting and tax rules correctly or to be able to produce accurate consolidated financial information on a timely basis could result in material misstatements of our financial results, asset loss or misappropriation, internal or third-party investigations, administrative fines and damaged customer relationships, all of which could increase our operating costs and materially impair our ability to operate our business.

***The Senior Secured Term Loans Agreement and the Indentures—Our Senior Secured Term Loans Agreement and the Indentures impose significant operating and financial restrictions, which may prevent us from capitalizing on business opportunities and taking certain actions.***

Our Senior Secured Term Loans Agreement and the Indentures impose significant operating and financial restrictions on us. These restrictions include limitations on our ability to:

- make investments and other restricted payments, including dividends;
- incur additional indebtedness;
- sell our assets or consolidate or merge with or into other companies;
- enter into joint ventures; and
- make capital expenditures.

Our Senior Secured Term Loans Agreement and the Indentures contain covenants that may adversely affect our ability to finance our future operations and capital needs and to pursue available business opportunities. A breach of any of these covenants could result in a default in respect of the related debt. If a default were to occur, the relevant holders or the relevant lenders (as applicable) of such debt could elect to declare the debt, together with accrued interest and other fees, immediately due and payable and, subject to certain limitations, proceed against any Collateral securing that debt. Refer to “Description of Certain Indebtedness” for further information.

***Future acquisitions or developments—Any future acquisitions or developments may prove difficult for us to consummate.***

We have a history of making acquisitions and in the future we may acquire companies or assets engaged in similar or complementary businesses to our own if we identify appropriate acquisition targets, including acquisitions of interests from our joint venture partners. For example, in April 2023, we acquired the entire asset base of Mitsui Phenols Singapore Ltd from Mitsui Chemicals. On 1 April 2024, the Group completed the Lavéra Acquisition. On 1 May 2024, the Group acquired LyondellBasell’s Ethylene Oxide and Derivatives business, including the Bayport Underwood site in Texas, United States.

In addition, we also intend to organically grow our business. INEOS announced its major capital investment in Antwerp, Belgium on 14 January 2019 (“**Project ONE**”) consisting of a new Ethane Steam Cracker and a Propane Dehydrogenation Unit, for the production of ethylene and propylene, respectively, along with associated utilities, tankage and infrastructure. Following a strategic review in 2020, INEOS determined that the demand for propylene in the quantities previously envisaged was less urgent. As a result, Project ONE was rescoped to only consist of an ethane steam cracker with a nameplate capacity of approximately 1,450 kta and associated utilities, tankage and infrastructure. Any additional European propylene capacity will be considered separately in the future. Project ONE is our first major greenfield construction project and there can be no assurance that Project ONE will be successful.



INEOS has selected Technip Energies to provide the operating technology for the new ethane cracker. We believe that Project ONE remains the largest investment in the European chemicals industry for the past 25 years and we expect it to be among the most efficient and sustainable of its kind. It is planned to be equipped with the best available technologies with a high efficiency in use of raw materials and energy, CO<sub>2</sub> emissions that are expected to be less than half of the currently best performing similar units in Europe from the outset and a clear path to carbon neutrality on a Scope 1 and Scope 2 basis within 10 years of start-up of the cracker. Latest estimates suggest that the project will represent a capital investment of approximately €4.5 billion (of which approximately €1.9 billion was invested by September 2024 and approximately another €2.2 billion is expected to be invested by the end of 2025) largely funded by debt secured on the Project ONE assets. Construction on site began in the summer of 2022, but was suspended in the second half of 2023 (although works on Project ONE in other locations (for example in module yards around the world) continued during the suspension) and resumed in January 2024 when a new environmental permit was granted by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism (the “**Environmental Minister**”). On 30 July 2024, the Environmental Minister issued Project ONE a new permit on additional legal grounds, replacing the permit issued in January 2024. Appeals of the new permit have been filed by multiple non-governmental organizations and two Dutch provinces with the Council for Permit Disputes, and the matter is ongoing. On 26 August 2024, IOB submitted a new permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted this additional permit. However, we expect similar legal challenges to be filed against such permit. See also “—Litigation—We are subject to certain risks related to litigation filed by or against us, and adverse results may harm our business.”

In addition, we acquired an interest in the SECCO facility in Shanghai, China, which is operated by Sinopec in a 50:50 joint venture with an Unrestricted Subsidiary of the Group. In August 2023, we completed, through an Unrestricted Subsidiary, another 50:50 joint venture with Sinopec concerning the Tianjin Nangang Ethylene Project, which came on-stream in the fourth quarter of 2024. We may not be able to successfully implement our strategic and operational initiatives for these joint ventures, and an inability to realize the full extent of anticipated benefits could have a material adverse effect on our business, financial condition and results of operations.

The success of these and other projects and the ability to complete them within the expected budget and schedule will depend in part on us continuing to adequately addressing any technical, regulatory, environmental, labor, litigation and legal challenges or other issues that may arise in connection with such projects. It also depends on the general economic, social or political conditions in the countries in which such projects are being pursued and the global macroeconomic environment. For example, due to continuing weak market conditions in China, we are in discussions to limit our short-term financial exposure to the region. On the other hand, we may be required to make significant additional capital expenditure beyond that planned or exceed the respective anticipated timeframe in order to resolve issues that may arise. For example, due to the tensions in the Middle East, we have experienced delays in the delivery of construction materials and supplies to the Project ONE site in Antwerp, which have led to an increase in costs and higher expected capital expenditure for the completion of Project ONE. There can be no assurance that the projects will be completed or that each would be completed at the anticipated cost or within the indicated timeframe, or, once completed, operate at the anticipated rates or capacity. We may not be able to successfully implement our strategic and operational initiatives, and an inability to realize the full extent of anticipated benefits of such projects could have a material adverse effect on our business, financial condition and results of operations.

Moreover, restrictions in the Senior Secured Term Loans Agreement, the Existing Indentures and the Indenture may limit or preclude our ability to make certain acquisitions or capital expenditures. Further, we may use debt financing for any permitted acquisitions or capital expenditures, which would increase our debt service requirements. In order to manage any acquisitions or development projects we successfully complete, we will need to expand and continue to improve our operational, financial and management information systems. If making acquisitions or integrating any acquired business or development projects divert too much management attention from the operations or our core businesses, this could adversely affect our financial condition and results of operations. Any acquisition or development project that we make could be subject to a number of risks, including, as applicable:

- problems with effective integration of operations, in particular the effective integration of IT systems;
- problems with governance arrangements, in particular for joint ventures;
- the inability to maintain key pre-acquisition business relationships;
- increased operating or capital costs;



- difficulty obtaining regulatory approvals;
- costs related to achieving or maintaining compliance with laws, rules or regulations;
- the loss of key employees, including those of the acquired company;
- difficulties in renegotiating collective bargaining agreements;
- exposure to historical liabilities of the acquired company;
- exposure to unanticipated liabilities;
- difficulties in realizing projected efficiencies, synergies and cost savings; and
- general economic, social or political conditions.

We cannot assure you that any acquisition or development project we consummate will ultimately provide the benefits we originally anticipate. Furthermore, we may not succeed in identifying attractive acquisition candidates or financing and completing potential acquisitions on favorable terms and development projects may experience delays and cost overruns. In addition, we may make investments in joint ventures or Unrestricted Subsidiaries for future acquisitions or development projects. In that case, such joint ventures or Unrestricted Subsidiaries will not be bound by the covenants in the Senior Secured Term Loans Agreement, the Existing Indentures and the Indenture (including with respect to limitations on indebtedness and restricted payments, including dividends).

Any acquisition process may also give rise to issues surrounding market consolidation, horizontal or vertical integration or appearances of price fixing, which may trigger antitrust and competition reviews. Violations of such competition laws could lead to legal proceedings, compensatory fines and reputational damage, which may have a material adverse effect on our business, financial condition and results of operations. Any acquisition process may also be in contentious circumstances, giving rise to the risk of claims being made, and proceedings instituted, against us.

***Credit and capital market conditions—Adverse conditions in the credit and capital markets may limit or prevent our ability to borrow or raise capital.***

While we believe we have facilities in place that will allow us to borrow or otherwise raise funds as needed, adverse conditions in the credit and financial markets could prevent us from obtaining financing, if the need arises. Furthermore, even if financial markets are stable, we may be unable to access credit on attractive terms or at all if we suffer a rating downgrade, if we are too highly leveraged or if lenders believe that our business model is too dependent on volatile commodities or any other source of uncertainty.

Our ability to invest in our businesses and refinance maturing debt obligations could require access to the credit and capital markets and sufficient bank credit lines to support cash requirements. If we are unable to access the credit and capital markets, we could experience a material adverse effect on our business, financial condition or results of operations and cash flows.

Moreover, many of our customers also rely on access to credit to adequately fund their operations. If such customers are unable to access the credit and capital markets due to general economic, country specific or idiosyncratic factors such as those described above, they may be forced to reduce their production levels or capital expenditures and purchasing volumes or otherwise curtail their operations. Any such effects on our customers' operations may in turn adversely affect our business by reducing our sales, increasing our exposure to accounts receivable bad debts and reducing our profitability.

***Pension plans—Significant changes in pension fund investment performance or assumptions relating to pension costs may adversely affect the valuation of pension obligations, the funded status of pension plans, and our pension cost.***

Our funding policy for pension plans is to accumulate plan assets that, over the long run, will approximate the present value of projected benefit obligations. Our pension cost is materially affected by the discount rate used to measure pension obligations, the level of plan assets available to fund those obligations at the measurement date and the expected long-term rate of return on plan assets. Significant changes in investment performance or a change in the portfolio mix of invested assets may result in corresponding increases and decreases in the valuation of plan assets, particularly equity securities, or in a change of the



expected rate of return on plan assets. Any change in key actuarial assumptions, such as the discount rate, would impact the valuation of pension obligations, affecting the reported funded status of our pension plans as well as the net periodic pension cost in the following fiscal years. Any declines in the fair values of the pension plans' assets could require additional payments by us in order to maintain specified funding levels. Any decrease in interest rates will result in an increase of pension liabilities. Our pension plans are subject to legislative and regulatory requirements of applicable jurisdictions. This could have a material adverse effect on our business, financial condition or results of operations and cash flows.

Furthermore, certain of our pension plans are currently in a deficit. While we do not believe that this has a material impact on our business, financial condition or results of operations and cash flows, we cannot predict whether changing market or economic conditions, regulatory changes or other factors will increase the amount of any deficit and our pension expense or funding obligations in total, diverting funds we would otherwise have applied to other uses.

## Risks Relating to Our Capital Structure

***Significant indebtedness—Our level of indebtedness could adversely affect our ability to react to changes in our business, and we may be limited in our ability to fulfill our obligations with respect to the Senior Secured Notes and the Senior Secured Term Loans and to use debt to fund future capital needs.***

We are significantly indebted and as of 31 December 2024, had total consolidated loans and borrowings of €13,101.6 million as compared to total equity of €5,089.8 million. In addition, IHL and IGH have guaranteed indebtedness of our Unrestricted Subsidiary, INEOS China Holdings Limited, under the Rain Facilities with an aggregate principal amount of RMB 1,045 million and \$785.0 million. We also had €561.4 million and €10.0 million available for future borrowings under the unused portion of our Securitization Program and the O&P South Revolving Credit Facilities, respectively, as of 31 December 2024. Our substantial indebtedness could have important consequences to holders of the Senior Secured Notes and the creditors under the Senior Secured Term Loans by adversely affecting our financial position including, but not limited to:

- requiring us to dedicate all of our cash flow from operations (after the payment of operating expenses) to payments with respect to our indebtedness, thereby reducing the availability of our cash flow for working capital, capital expenditures, acquisitions, joint ventures, product research and development, and other general corporate expenditures;
- increasing our vulnerability to, and reducing our flexibility to respond to, adverse general economic or industry conditions;
- limiting our flexibility in planning for, or reacting to, competition or changes in our business or industry;
- limiting our ability to borrow additional funds and increasing the cost of any such borrowing;
- restricting us from making strategic acquisitions or exploring business opportunities; and
- placing us at a competitive disadvantage relative to competitors that have less debt or greater financial resources.

Any of these or other consequences or events could have a material adverse effect on our ability to satisfy our debt obligations, including with respect to the Senior Secured Notes and the Senior Secured Term Loans. Our ability to make payments on and refinance our indebtedness will depend on our ability to generate cash from our operations. Our ability to generate cash from operations is subject, in large part, to general economic, competitive, legislative and regulatory factors and other factors that are beyond our control. We may not be able to generate enough cash flow from operations nor obtain enough capital to service our debt or fund our planned capital expenditures.

In addition, we may be able to incur substantial additional debt in the future, including indebtedness in connection with any future acquisition and indebtedness in connection with any inventory financing or similar arrangements. The terms of the Indentures and the Senior Secured Term Loans Agreement permit our subsidiaries to do so, in each case, subject to certain limitations. If new debt is added to our current debt levels, the risks that we now face could intensify. Moreover, some of the debt we may incur in the future could be structurally senior to the Senior Secured Notes and the Senior Secured Term Loans, and may be secured by collateral that does not secure the Senior Secured Notes and the Senior Secured Term Loans. For example, in



connection with Project ONE, we entered into project financing agreements to fund the majority of the capital expenditure plus associated financing costs during construction. The indebtedness is secured by the Project ONE assets and, during the construction phase, supported by a debt service undertaking provided by IGH, IHL and INEOS US I Inc. The Project ONE assets will not form part of the Collateral that secures the Senior Secured Notes and the Senior Secured Term Loans. See also “Description of Certain Indebtedness—Project ONE Facilities”.

For further information regarding our substantial leverage and for more information about our outstanding indebtedness, see also “Operating and Financial Review and Prospects” and “Description of Certain Indebtedness.”

***Restrictive covenants and financial covenants in our debt instruments—We are subject to restrictive debt covenants that may limit our ability to finance our future operations and capital needs and to pursue business opportunities and activities. We are also subject to financial covenants in certain of our debt instruments which require us to maintain minimum levels of financial performance. If we default under these covenants, we will not be able to meet our payment obligations.***

The Senior Secured Term Loans Agreement and the Existing Indentures contain, and the Indenture will contain, a number of significant covenants that restrict some of our and our subsidiaries’ corporate activities, including our and their ability to:

- incur or guarantee additional debt and issue certain preferred stock;
- make restricted payments, including paying dividends or making other distributions and prepaying or redeeming subordinated debt or equity;
- create or incur certain liens;
- sell, lease or transfer certain assets;
- enter into arrangements that restrict dividends or other payments to us;
- create encumbrances or restrictions on the payment of dividends or other distributions, loans or advances and on the transfer of assets;
- engage in certain transactions with affiliates;
- create unrestricted subsidiaries; and
- consolidate, merge or transfer all or substantially all of our assets and the assets of our subsidiaries on a consolidated basis.

The covenants to which we are subject could limit our ability to finance our future operations and capital needs and our ability to pursue business opportunities and activities that may be in our interest.

Also, the Senior Secured Term Loans Agreement requires us and some of our subsidiaries to comply with certain affirmative covenants. See “Description of Other Indebtedness—Senior Secured Term Loans.”

Our ability to comply with these covenants and restrictions may be affected by events beyond our control. These include prevailing economic, financial and industry conditions. If we breach any of these covenants or restrictions, we could be in default under the Senior Secured Term Loans Agreement. This would permit the lenders to take certain actions, including declaring all amounts that we have borrowed under the Senior Secured Term Loans Agreement to be due and payable, together with accrued and unpaid interest. A failure to pay such amounts would also result in an event of default under the Existing Indentures and the Indenture. If we are unable to repay our debt to the lenders, they could proceed against the Collateral that secures the debt under the Senior Secured Term Loans Agreement, the Senior Secured Notes, certain hedging liabilities and certain cash management liabilities. If the debt under our Senior Secured Term Loans Agreement, the Senior Secured Notes or any other material financing arrangement that we enter into were to be accelerated, our assets may be insufficient to repay in full our other debt.

Further, our other debt instruments may include maintenance financial covenants. For instance, our Unrestricted Subsidiary, INEOS China Holdings Limited as borrower is subject to financial covenants under the terms of the Rain Facilities, which are tested by reference to SECCO EBITDA, as well as net debt incurred by



SECCO. IGH and IHL are both guarantors under the Rain Facilities. The EBITDA covenant is tested with effect from the 12-month period expiring December 31, 2024, while the net debt covenant is tested with effect from December 31, 2024. With SECCO's EBITDA being, as of the date of this offering memorandum, negative, INEOS China Holdings Limited may not be able to meet the financial covenants under the Rain Facilities, which would require us to make certain sinking fund payments to cure any default. If INEOS China Holdings Limited breaches any of these covenants and any such breaches are not cured, the lenders of the Rain Facilities may be permitted to take certain actions, including declaring all amounts that INEOS China Holdings Limited has borrowed (and IGH and IHL have guaranteed) under the Rain Facilities to be due and payable, together with accrued and unpaid interest. This may have an impact on our ability to continue to make payments in respect of the Notes when due. See also "Description of Other Indebtedness—Rain Facilities." For example, in August 2024 and in January 2025, we were required to make cure payments under the Rain Facilities of €73.9 million (\$79.8 million) and €104.7 million (CNY 793.1 million), respectively.

***Securitization Program—We use the Securitization Program to meet some of our liquidity requirements, and are subject to various covenants under the Securitization Program, which, if we are unable to comply with them, could result in the acceleration of our debt.***

Unless the maturity date of the Securitization Program is extended, the Securitization Program will mature in December 2026. We satisfy a significant amount of our short-term liquidity needs with amounts available under the Securitization Program. While we have in principle agreed to terms with our securitization providers, our ability to refinance the Securitization Program could be affected by a number of factors, including volatility in the financial markets, contractions in the availability of credit, including in interbank lending, and changes in investment markets, including changes in interest rates, exchange rates and returns from equity, property and other investments. Our liquidity will be adversely affected if we are unable to refinance the Securitization Program on acceptable terms or at all, and we can provide no assurance we will be able to do so.

The availability under the Securitization Program varies depending on the underlying receivables. For a more detailed discussion, please see "Description of Certain Indebtedness—Securitization Program." In addition, the Securitization Program contains various covenants, and if we fail to comply with these covenants, a default may occur under the Securitization Program. If a default occurs under the Securitization Program, we may need to fund our working capital requirements from other sources.

***Ability to repay and service debt—To repay or refinance and service our debt, we will require a significant amount of cash.***

Our ability to make principal or interest payments when due on our indebtedness, including the Senior Secured Term Loans and the Senior Secured Notes, will depend upon our future performance and our ability to generate cash. Our ability to generate cash depends on many factors beyond our control. The ability of our subsidiaries to transfer monies upstream to us, as well as to pay operating expenses and to fund planned capital expenditures, any future acquisitions and research and development efforts, will depend on our businesses' ability to generate cash in the future, as well as limitations that may be imposed under applicable law. This, to an extent, is subject to general economic, financial, competitive, legislative, regulatory and other factors, including those factors discussed in this "Risk Factors" section or elsewhere in this annual report, many of which are beyond our and our subsidiaries' control. Please see "Selected Financial Information" and "Operating and Financial Review and Prospects." If we sustain losses in the future, our ability to repay and service our debt may be materially impaired.

If we are unable to generate sufficient cash flow to meet our payment obligations, we may be forced to reduce or delay planned expansions or capital expenditures, sell significant assets, discontinue specified operations, obtain additional funding in the form of debt or equity capital or attempt to restructure or refinance all or a portion of our debt on or before maturity. We cannot assure you that we would be able to accomplish any of these alternatives on a timely basis or on commercially reasonable terms, if at all. In addition, the terms of our debt, including the Senior Secured Term Loans Agreement and the Indentures, limit our ability to pursue any of these alternatives. If we are unsuccessful in any of these efforts, we may not have sufficient cash to meet our obligations.

***Controlling shareholders—The interests of our principal shareholders may conflict with your interests.***

Messrs. Ratcliffe, Currie and Reece own INEOS Limited, our ultimate parent holding company. Mr. Ratcliffe controls INEOS Limited. Our controlling shareholder has power to elect all of the directors of our



companies, to change their management, to approve any changes to their organizational documents, and to approve any acquisitions or dispositions. As a result, his actions can affect our strategic decisions, including the payment of dividends or the making of loans to our affiliates the size of which may change or increase from time to time and may not necessarily be in line with past practice, our legal and capital structure and our day-to-day operations. In addition, our principal shareholders may have an interest in pursuing acquisitions, divestitures or other transactions, including repurchases of our debt, on the open market or otherwise, that, in their judgment, could enhance their equity investment, even though these transactions might involve risks to you. In the event of a conflict of interest between you and our principal shareholders, their actions could affect our ability to meet our payment obligations to you.

***Interest rate risks—Certain of our borrowings bear interest at floating rates that could rise significantly, increasing our interest cost and reducing cash flow.***

A substantial part of our indebtedness, including borrowings under the Senior Secured Term Loans Agreement, bears or will bear interest at per annum rates depending on EURIBOR, SOFR and similar benchmarks, in each case adjusted periodically, plus a spread. Furthermore, we may incur additional indebtedness that bears interest at a floating rate. These interest rates could rise significantly in the future, thereby increasing our interest expenses associated with these obligations, reducing cash flow available for capital expenditures and hindering our ability to make payments on our indebtedness.

***Changes or uncertainty in respect of EURIBOR, SOFR or other interest rate benchmarks may affect our sources of funding, increasing our interest cost and reducing cash flow.***

Some of our sources of funding are linked to EURIBOR, SOFR or other interest rate benchmarks. See “Description of Certain Indebtedness—Senior Secured Term Loans.” Various interest rate benchmarks are the subject of recent national and international regulatory guidance and proposals for reform, including the EU Benchmarks Regulation (Regulation (EU) 2016/1011). The Bank of England has established the Sterling Overnight Index Average rate (SONIA) as the primary sterling interest rate benchmark in replacement of sterling LIBOR, and the publication of the one-week and two-month LIBOR for U.S. dollars ceased immediately after 31 December 2021. In addition, immediately after 30 June 2023, publication of the overnight and 12-month LIBOR for U.S. dollars and the one-month, three-month and six-month LIBOR for U.S. dollars were discontinued, except, in the case of one-month, three-month and six-month LIBOR for U.S. dollars, on a synthetic basis which was discontinued in September 2024. As a result of these developments, the Senior Secured Term Loans Agreement was amended in November 2022 to accommodate the phase-out of LIBOR for U.S. dollars. Any further significant change to the setting or existence of EURIBOR, SOFR or other interest rate benchmarks could affect the ability of amounts available to us to meet our obligations under our sources of funding or could have a material adverse effect on the value or liquidity of, and the amount payable under, our sources of funding, including our ability to make payments on the Senior Secured Notes. The discontinuation of or changes in the manner of administration of EURIBOR, SOFR or other interest rate benchmarks could result in adjustment to the conditions applicable to our sources of funding or other consequences as relevant to our sources of funding including, without limitation, early redemption, discretionary valuation, delisting or other consequences. No assurance can be provided that relevant changes will not be made to EURIBOR, SOFR or any other relevant benchmark rate or that such benchmarks will continue to exist. Furthermore, under the Senior Secured Term Loans Agreement, the administrative agent and the borrowers are required to endeavor to amend the Senior Secured Term Loans Agreement to replace EURIBOR or SOFR with a replacement benchmark rate in certain circumstances such as if the administrator of EURIBOR or SOFR or the supervisor for the administrator of EURIBOR or SOFR announces that such administrator has ceased or will cease to provide the applicable benchmark rate, permanently or indefinitely, or if the supervisor for the administrator of EURIBOR or SOFR announces a specific date after which EURIBOR or SOFR shall no longer be used for determining interest rates for loans denominated in the applicable currency.

***The Group may incur additional indebtedness, which indebtedness could increase its leverage and may have terms that are more or less favorable than the terms of the Group’s existing indebtedness.***

The Group or its subsidiaries may incur substantial additional debt, including in connection with a refinancing of the Group’s existing debt. In connection with the Group’s financial strategy, the Group continually evaluates different financing alternatives, and the Group may decide to enter into new credit facilities, access the debt capital markets or incur other indebtedness from time to time. Any such offering or incurrence of debt will be made at the Group’s election or the election of its relevant subsidiaries, and if such debt is in the form of securities, would be offered and sold pursuant to, and on the terms described in, an additional offering memorandum. The interest rate with respect to any such additional debt will be set at the time of the pricing or incurrence of such debt and may be less than or greater than the interest rate applicable to



the Group's existing debt, including, in the case of a refinancing, the debt that is being refinanced, which would have a corresponding effect on the Group's net cash interest expense on a *pro forma* basis. In addition, the maturity date of any such additional debt will be set at the time of pricing or incurrence of such debt and may be earlier or later than the maturity date of the Group's existing debt. The other terms of such additional debt would be as agreed with the relevant lenders or holders thereof and could be more or less favourable than the terms of the Group's existing indebtedness. There can be no assurance that the Group will elect to raise any such additional debt or that any effort to raise such debt will be successful, and there can be no assurance as to the timing of such offering or incurrence, the amount or terms of any such additional debt. If the Group incurs new debt in addition to its current debt, the related risks that the Group now faces, even in a refinancing transaction, as described above and elsewhere in these "Risk Factors," could intensify. If we are unable to obtain new debt financing as needed, we would have to consider other options, such as selling assets; restructuring all or a portion of our debt before maturity including through formal restructuring proceedings; obtaining additional equity capital; foregoing opportunities such as acquisitions; or reducing or delaying our business activities and capital investments. For example, in connection with Project ONE, we entered into project financing agreements to fund the majority of the capital expenditure plus associated financing costs during construction. The indebtedness is secured by the Project ONE assets, that will not form part of the collateral that secures the Senior Secured Notes and the Senior Secured Term Loans, and, during the construction phase, supported by a debt service undertaking provided by IGH, IHL and INEOS US I Inc. In addition, in connection with our acquisition of the SECCO joint venture interest, our Unrestricted Subsidiary, INEOS China Holdings Limited, incurred RMB 1,045 million and \$785.0 million of indebtedness, which is also guaranteed by IHL and IGH. See also "Description of Certain Indebtedness—Project ONE Facilities" and "Description of Certain Indebtedness—Rain Facilities."



## SELECTED FINANCIAL INFORMATION

The following table sets forth selected historical consolidated financial information for INEOS Group Holdings S.A. for the years ended 31 December 2024, 31 December 2023 and 31 December 2022.

	At or for the year ended 31 December		
	2024	2023	2022
	(€ in millions)		
<b>Income Statement:</b>			
Revenue.....	16,179.7	14,885.0	20,927.0
Cost of sales .....	(14,368.1)	(13,447.6)	(18,313.2)
Gross profit .....	1,811.6	1,437.4	2,613.8
Distribution costs .....	(278.5)	(214.9)	(209.1)
Administrative expenses .....	(420.3)	(515.4)	(403.4)
Operating profit.....	1,112.8	707.1	2,001.3
Share of (loss)/profit of associates and joint ventures using the equity accounting method .....	(145.7)	(149.2)	147.2
Loss on disposal of fixed assets .....	(0.2)	(1.4)	(0.6)
Profit/(loss) on disposal of investments .....	52.5	(0.3)	270.6
Profit before net finance costs.....	1,019.4	556.2	2,418.5
Net finance cost.....	(1,090.5)	(148.4)	(135.9)
(Loss)/profit before tax .....	(71.1)	407.8	2,282.6
Tax charge.....	(78.8)	(98.7)	(282.0)
(Loss)/profit for the year .....	(149.9)	309.1	2,000.6
<b>Other Financial Data:</b>			
EBITDA before exceptionals <sup>(4)</sup> .....	2,048.4	1,685.2	2,840.6
Depreciation, amortization and impairment.....	1,025.8	972.0	835.1
Capital expenditures <sup>(1)</sup> .....	1,749.5	1,451.2	1,036.4
Total Indebtedness <sup>(2)</sup> .....	13,101.6	10,308.3	8,877.6
Net debt <sup>(3)</sup> .....	10,624.6	8,534.2	6,238.5

- (1) Capital expenditures represents payments to acquire property, plant and equipment as recorded on the consolidated cash flow statements.
- (2) Total debt represents long-term debt plus short-term debt, excluding lease liabilities before deduction of unamortized debt issuance costs. Under IFRS, debt issuance costs are deducted from the related debt amounts for the purposes of balance sheet presentation and are amortized over the life of the debt.
- (3) Net debt represents total debt less cash and cash equivalents.
- (4) EBITDA before exceptionals represents operating profit before depreciation, amortization, impairment and exceptional charges. In accordance with IFRS, we use both the FIFO and weighted average cost methods of accounting for purposes of determining our inventory cost in connection with the preparation of our audited annual consolidated financial information. EBITDA before exceptionals is based on the FIFO and weighted average cost methods of accounting for inventory used in connection with the preparation of such financial information. EBITDA before exceptionals is derived from income statement line items calculated in accordance with IFRS on a historical cost basis. Although our EBITDA-based measures should not be considered a substitute measure for operating profit, profit, cash flows from operating activities or other measures of performance as defined by IFRS, we believe that they provide useful information regarding our ability to meet future debt service requirements. The EBITDA measure presented may not be comparable to similarly titled measures used by other companies.

The reconciliation of INEOS' operating profit to EBITDA before exceptionals is as follows:

	Year ended 31 December		
	2024	2023	2022
	(€ in millions)		
Operating profit.....	1,112.8	707.1	2,001.3
Depreciation, amortization and impairment.....	1,025.8	972.0	835.1
Exceptional administrative (gains)/expenses .....	(90.2)	6.1	4.2
EBITDA before exceptionals .....	2,048.4	1,685.2	2,840.6



## Use of Non-GAAP Financial Measures

We have presented certain information in this annual report based on non-GAAP measures. As used in this annual report, this information includes “EBITDA before exceptionals”.

- **EBITDA before exceptionals** represents operating profit before depreciation, amortization, impairment and exceptional charges. In accordance with IFRS, we use both the first in first out (“FIFO”) and weighted average cost methods of accounting for purposes of determining our inventory cost in connection with the preparation of our audited annual consolidated financial information. EBITDA before exceptionals is based on the FIFO and weighted average cost methods of accounting for inventory used in connection with the preparation of such financial information. EBITDA before exceptionals is derived from income statement line items calculated in accordance with IFRS on historical cost basis.

EBITDA before exceptionals, is not a measure of financial performance under IFRS. EBITDA-based measures are non-GAAP measures. We believe that the presentation of EBITDA-based measures enhances an investor’s understanding of our financial performance. However, EBITDA-based measures should not be considered in isolation or viewed as a substitute for operating profit, profit, cash flows from operating activities or other measures of performance as defined by IFRS. These EBITDA-based measures, as used herein, are not necessarily comparable to other similarly titled captions of other companies due to potential inconsistencies in the method of calculation. Our management has used, and expects to use, EBITDA-based measures to assess operating performance and to make decisions about allocating resources among our various segments. In assessing our overall performance and the performance of each of our segments, management reviews EBITDA-based measures as a general indicator of performance compared to prior periods. Furthermore, management and employee bonuses can be linked to the EBITDA-based performance of the business and the region in which they work. Our EBITDA-based measures exclude items that management does not consider in assessing operating performance. Our management believes it is useful to eliminate such items because it allows management to focus on what it considers to be a more meaningful indicator of operating performance and ability to generate cash flow from operations.

The information presented by EBITDA before exceptionals is unaudited and has not been prepared in accordance with IFRS or any other accounting standards. In addition, the presentation of this measure is not intended to and does not comply with the reporting requirements of the SEC; compliance with its requirements would require us to make changes to the presentation of this information.

## Presentation

Rounding adjustments have been made in calculating some of the financial information included in this annual report. Figures shown as totals in some tables and elsewhere may not be exact arithmetic aggregations of the figures that precede them.

In this annual report, unless otherwise indicated: all references to the “EU” are to the European Union; all references to “euro” or “€” are to the lawful currency of the European Union; all references to the “U.K.” are to the United Kingdom; all references to “pounds sterling,” “sterling,” “Sterling,” “British pounds” or “£” are to the lawful currency of the United Kingdom; all references to the “United States” or the “U.S.” are to the United States of America; and all references to “U.S.\$,” “U.S. dollars,” “dollars” or “\$” are to the lawful currency of the United States.



## OPERATING AND FINANCIAL REVIEW AND PROSPECTS

*This summary highlights selected information contained elsewhere in this annual report. It is not complete and does not contain all the information that you should consider before investing in the notes. The following summary should be read in conjunction with and is qualified in its entirety by the more detailed information included elsewhere in this annual report. You should read the entire annual report, including the more detailed information in the financial information and the related notes included elsewhere in this annual report, before making an investment decision. See the section entitled "Risk Factors" for factors that you should consider before investing in the notes and the section entitled "Forward-Looking Statements" for information relating to the statements contained in this annual report that are not historical facts.*

### Overview

We are one of the world's largest chemical companies as measured by revenue. Our business has highly integrated, world-class chemical facilities and production technologies. We have leading global market positions for a majority of our key products and a strong and stable customer base. We operate 39 manufacturing sites in nine countries throughout the world. We are led by a highly experienced management team with, on a combined basis, over 100 years of experience in the chemical industry. As of 31 December 2024, our total chemical production capacity was approximately 29,600 kta, of which 56% was in Europe, 40% was in North America and 4% was in Asia.

We operate our business through three segments: Olefins & Polymers Europe, Olefins & Polymers North America and Chemical Intermediates. The products we manufacture are derived from crude oil and natural gas, and include olefins, polymers and various petrochemical products directly or indirectly derived from olefins. Our products serve a broad and diverse range of end markets, including packaging, construction, automotive, white goods/durables, agrochemicals and pharmaceuticals.

Our highly integrated, world class production facilities and technological know-how allow us to process raw materials into higher value-added products. In Europe, we own three sites integrated with crackers and polymer units, including, since the completion of the Lavéra Acquisition, the Naphtachimie steam cracker, which is one of Europe's largest with a capacity of 720 kta of ethylene. This cracker is integrated with the downstream derivative plants, making up the Lavéra Businesses. Typically, these three sites account for approximately 77% of our European olefin and polymer volumes. The polyolefins plants on our three major sites in Europe receive approximately 99% of their feedstock supply from our integrated crackers. Similarly, in the United States, much of our olefin feedstock requirements for our polymer business is supplied by either our Chocolate Bayou cracker in Texas or by integrated third-party facilities, such as the Tesoro facility in Carson, California. The Bayport Texas, United States, site is also integrated with third-party facilities. We believe that with our highly integrated facilities we are able to capture attractive margins across the value chain, enjoy greater certainty of feedstock supply, reduce logistical costs, improve energy management and optimize our product slate.

We benefit from the cost advantages of operating large-scale, well-invested, highly integrated facilities strategically located near major transportation facilities and customer locations. Since 1 January 2007, we and our predecessors have invested almost €14.2 billion (including investments in divested assets) in our production facilities to ensure that they operate efficiently, resulting in integrated, and state-of-the-art production units. This includes significant investments of almost €4.1 billion in the last five years to further enhance our assets' capabilities. We believe these investments allow us to operate at lower cost and higher utilization rates than most of our competitors, and enable us to maintain positive margin and cash flows even during downturns in industry cycles or customer demand. For the year ended 31 December 2024, our revenue was €16.2 billion and our EBITDA before exceptionals was €2.0 billion.

Over the past several years, we have implemented a range of strategic initiatives designed to lower our operating costs, increase our profitability and further enhance our market position. These include fixed asset investments to expand our capacity in higher value products, to enhance productivity at our existing facilities, and to reduce our fixed cost structure through headcount reductions, production line closures and system upgrades. In addition, we have shifted our product portfolio to focus on more differentiated products, exited low-margin businesses and implemented premium pricing strategies designed to improve our margins. We believe these initiatives provide us with a strong platform to drive growth, create significant operating leverage and position us to benefit from volume recovery in our end markets.

Since April 1998, when INEOS was established with the acquisition of the Belgian "Oxide" assets from Inspec plc, we have significantly expanded, both through a series of strategic acquisitions of businesses



and assets from major chemical companies, and through organic growth. The combination of INEOS and Innovene in December 2005 represented a transformational milestone for our company, providing global scale and further upstream integration.

In 2011, we transferred our Refining Business, our Entrepreneurial (Refining) Business and certain infrastructure assets to three joint ventures outside the INEOS Group. Please see “Business—Refining Divestiture, Grangemouth Divestiture and Lavéra Divestiture—The Refining Divestiture” for a further description of the disposal of our Refining Business and Entrepreneurial (Refining) Business.

On 1 October 2013, we completed the Grangemouth Divestiture to a newly created subsidiary of INEOS Holdings AG, our indirect parent company. See “Business—Refining Divestiture, Grangemouth Divestiture and Lavéra Divestiture—The Grangemouth Divestiture.”

On 1 July 2014 we divested the olefins and polymers assets and Chemical Intermediates assets of the Lavéra site. See “Business—Refining Divestiture, Grangemouth Divestiture and Lavéra Divestiture—The Lavéra Divestiture.”

In 2015 we completed the purchase of the remaining 50% interest in the Noretyl ethylene cracker at Rafnes, Norway from the INOVYN group (formerly the Kerling Group), a related party. In 2015 we also acquired aromatics and cumene assets from Axiall Corporation. The acquisition comprised the world’s largest cumene plant in Pasadena, Texas. In addition, Axiall’s phenol, acetone and alpha-methylstyrene business was transferred to the INEOS phenol facility at Mobile, Alabama.

In 2016 the Group acquired 100% of the shares of WLP Holding Corporation, one of the largest high-density polyethylene (HDPE) pipe manufacturers in North America. Moreover, in 2016, following a strategic review of the INEOS Technologies business, we decided to cease marketing its polyolefins licensing technology externally and to transfer the remaining parts of the INEOS Technologies business to existing businesses within the Group to provide a clearer focus on individual product lines.

In December 2020, the Group acquired the remaining 50% interest in the Gemini HDPE joint venture from Sasol Chemicals. The principal activity of the company is the production of high density polyethylene in La Porte, Texas, USA. The acquisition increased the Group’s interest in Gemini to 100%. Prior to the acquisition the Group reflected its 50% interest in Gemini as a joint venture.

In December 2021 the Group acquired the assets of Charter Plastics in Titusville, USA, a manufacturer of high density polyethylene (HDPE) pipe products.

In the summer of 2022, the Group began construction of a new ethane steam cracker in Antwerp, Belgium, for the production of ethylene with a nameplate capacity of approximately 1,450 kta, along with associated utilities, tankage and infrastructure (“Project ONE”). We believe Project ONE is the largest investment in the European chemicals industry for the past 20 years and we expect it to be among the most efficient and sustainable of its kind. It is planned to be equipped with the best available technologies with a high efficiency in use of raw materials and energy, CO<sub>2</sub> emissions that are expected to be less than half of the currently best performing similar units in Europe from the outset and a clear path to carbon neutrality on a Scope 1 and Scope 2 basis within 10 years of start-up of the cracker.

In December 2022, the Group acquired for approximately RMB 10.5 billion, through an Unrestricted Subsidiary, a 50% interest in the Shanghai SECCO Petrochemical Company Limited facility in Shanghai, China (“SECCO”). The remaining 50% is owned by Sinopec and its affiliates. SECCO has a capacity of 4,200 kta of petrochemicals, including ethylene, propylene, polyethylene, polypropylene, styrene, polystyrene, acrylonitrile, butadiene, benzene and toluene. In August 2023, the Group acquired, through an Unrestricted Subsidiary, 50% interest in a joint venture with Sinopec which now holds a new petrochemical complex in Tianjin, China currently under construction by Sinopec (the “Tianjin Nangang Ethylene Project”). The Tianjin Nangang Ethylene Project came on-stream in the fourth quarter of 2024 and includes a new 500 kta HDPE plant.

On 31 March 2023, the Group completed the acquisition of the entire asset base of Mitsui Phenols Singapore Ltd from Mitsui Chemicals for a total consideration of \$0.3 billion, which was funded by cash on hand. The acquisition comprised the entire asset base of Mitsui Phenols on Jurong Island, Singapore, which has more than 1,000 ktpa of capacity, including for cumene, phenol, acetone, alpha-methylstyrene and bisphenol A. This acquisition allows us to support our global customers more effectively, developing new markets and relationships in Asia.



On 1 April 2024, the Group acquired the Lavéra Businesses and, through affiliates of the Group, TotalEnergies' 50% share of Naphtachimie (720 kta steamcracker), Appryl (300 kta polypropylene business), Gexaro (270 kta aromatics business) and 3TC (naphtha storage), previously 50:50 joint ventures between TotalEnergies and certain of the Lavéra Businesses. The acquisition also included other infrastructure assets associated with the site, including full ownership of the southern sections of TotalEnergies' ethylene pipeline network running from Lavéra to the Lyon region.

On 1 May 2024, the Group acquired LyondellBasell's Ethylene Oxide and Derivatives business, including the Bayport Underwood site in Texas, United States for \$700 million, which includes a 420 kta Ethylene Oxide plant, a 375 kta Ethylene Glycols plant, a 165 kta Glycol Ethers plant and all associated third-party activities on the site.

### ***Key Factors Affecting Our Results of Operation***

Our results of operations are driven by a combination of factors affecting the petrochemical and chemical intermediate markets generally, including general economic conditions, prices of raw materials, global supply and demand for our products and environmental legislation, including climate change initiatives. Our results of operations are also impacted by company-specific structural and operational factors. Set forth below is an overview of the key drivers that have affected the historical results of operations, and are expected to affect our future results of operations.

### ***Supply and Demand in the Petrochemical Industry***

Margins in the petrochemical industry are strongly influenced by industry utilization. As demand for petrochemical products approaches available supply, utilization rates rise, and prices and margins typically increase. Historically, this relationship has been highly cyclical due to fluctuations in supply resulting from the timing of new investments in capacity and general economic conditions affecting the relative strength or weakness of demand. Generally, capacity is more likely to be added in periods when current or expected future demand is strong and margins are, or are expected to be, high. Investments in new capacity can result, and in the past frequently have resulted, in overcapacity, which typically leads to a reduction of margins. In response, petrochemical producers typically reduce capacity or limit further capacity additions, eventually causing the market to be relatively undersupplied.

After a sharp drop in operating rates as a result of demand destruction during the COVID-19 pandemic, excessive capacity addition in Asia has further depressed operating rates. NexantECA's analysis of the global supply and demand for ethylene indicates that operating rates have dropped by 8% from 2020, and will remain at trough levels of around 80 percent until 2027 as a result of ongoing capacity addition and low consumption growth. NexantECA notes that the financial situation of several ethylene producers in Asia is increasingly precarious, which may accelerate the exit of some unprofitable capacity and provide some upside to the operating rate outlook. Further closure announcements have also been made in Western Europe.

NexantECA forecasts that capacity addition over 2024-2025 is significantly lower than over 2020-2023, but that capacity addition will accelerate again over 2026-2027, mostly in China. NexantECA notes that the pressure on operating rates and margins will be more severe in Asia where the capacity addition is concentrated, than in Europe or the United States. Nevertheless, the rate of margin recovery in the petrochemical industry is highly dependent on the actual speed of global macro-economic growth. In addition to the global petrochemical cycle, margins are also susceptible to potentially significant swings in the short term. This volatility, which may be global or isolated in individual regions, can be caused by a number of factors, including fluctuations in utilization rates due to planned or unplanned plant outages, political and economic conditions driving rapid changes in prices for key feedstocks, exchange rate fluctuations and changes in inventory management policies by petrochemical customers (such as inventory building or de-stocking in periods of expected price increases).

### ***Asset Utilization***

Our results of operations are materially influenced by the degree to which we utilize our assets in order to achieve maximum production volumes. As a low-cost producer, we believe in operating our facilities at full capacity. We believe this allows us to maintain positive margins and cash flows, even during downturns in industry cycles or customer demand, more readily than some of our competitors who have higher production costs. We intend to achieve growth in production volume by improving utilization rates within the defined availability of an asset, improving availability of an asset by minimizing planned and unplanned facility downtime and improving capacity of an asset through de-bottlenecking projects.



For example, the number and length of turnarounds (scheduled outages of a unit in order to perform necessary inspections and testing to comply with industry regulations and to permit us to carry out any maintenance activities that may be necessary) carried out in any given period can impact operating results.

When possible, we seek to schedule the timing of turnarounds to coincide with periods of relatively low demand for the products of the relevant units. Olefins crackers typically undergo major turnarounds every four or five years, with each turnaround lasting four to six weeks. Turnarounds for polymers and derivatives units are more frequent, typically every one to two years, but generally last only seven to 10 days. Likewise, unplanned outages, such as the incidents on a pipeline in Chocolate Bayou in 2023, the outage at our Lavéra site in 2024, the impact of hurricane Beryl in the third quarter of 2024 causing the temporary closure of our Texas facilities, the freezing weather conditions in Texas during the latter part of the first quarter of 2021 and the outages at our Green Lake and Seal Sands sites in 2019, can impact our operating results, even if such outages are covered by insurance. Similarly, planned or unplanned outages of our competitors can positively affect our operating results by decreasing the supply of product in the market.

### *Oil and Gas Price Movements*

Feedstock costs are a significant component of the operating costs of our petrochemical business. The costs of the feedstocks we require to make our petrochemical products (naphtha, ethane, butane and propane) are principally driven by the price of oil and natural gas. According to the U.S. Energy Administration, the spot price for Brent crude oil decreased from approximately \$92 per barrel in January 2008 to approximately \$74 per barrel in December 2024, while the natural gas Citygate price in Texas decreased from \$8.23 per thousand cubic feet in January 2008 to \$3.16 per thousand cubic feet in November 2024. During 2022, the crude oil price rapidly increased, reaching a high of approximately \$123 per barrel in June before finishing the year at approximately \$81 per barrel as compared to approximately \$74 per barrel at the end of 2021. During 2023, the crude oil price gradually rose, reaching a high of approximately \$94 per barrel in September before finishing the year at approximately \$78 per barrel as compared to approximately \$81 per barrel at the end of 2022. During 2024, the crude oil price gradually rose until it reached an annual high in April of approximately \$90 per barrel, before decreasing to approximately \$74 per barrel in September and December. The average price of crude oil, and thus the price of petrochemical products, decreased to an average of approximately \$81 per barrel in 2024 as compared to an average of approximately \$82 per barrel for the year ended 31 December 2023.

Our ability to pass on price increases for crude is limited due to the impact of time lags resulting from the repricing intervals of our contracts with suppliers and customers, particularly in the petrochemical business. While most of our feedstock contracts reprice daily, our contracts with customers generally reprice on a monthly basis. A further limitation is that many of our customers take advantage of fluctuating prices by building inventories when they expect product prices to increase and reducing inventories when they expect prices to decrease. The effect of these time lags and our customers' inventory management policies on our ability to pass through feedstock price increases is magnified in periods of high volatility. In addition, changes in oil and gas prices have a direct impact on our working capital levels and on inventory losses, especially in the event of a sudden decrease in oil and gas prices. While negatively affecting our EBITDA before exceptionals, these inventory losses and cost of sales adjustments are non-cash in nature. In general, increases in feedstock prices lead to an increase in our working capital and decreases in feedstock prices lead to a decrease in our working capital.

### *Implementation of Cost Reduction*

We have historically focused on implementing our strategies of reducing costs by making rapid reductions in underlying fixed costs and implementing an efficient corporate and management structure and maximizing the utilization of our assets. Our ability to continue to reduce costs will impact, among other things, our profitability and capacity plans.

### *Debt Structure*

As of 31 December 2024, we had €13,101.6 million (31 December 2023: €10,308.3 million) of indebtedness. Our future results of operations, and in particular our net finance charges, will be significantly affected by the amount of indebtedness, including the interest we pay on our indebtedness. The servicing of this indebtedness will impact, among other things, our cash flows and our cash balance.

In December 2024 the Group issued new Senior Secured Term Loans due 2031. The Senior Secured Term Loans included €500 million and \$550 million maturing in 2031. Proceeds (including a cashless roll) were used to redeem in full the March 2026 Senior Secured Note amounting to €78.1 million, to partly redeem the



November 2025 Senior Secured Note for €45.0 million, and to repay the €425 million and \$500 million Senior Secured Term Loans due 2031 which were originally issued in February 2024.

In June 2024 the Group issued new Senior Secured Term Loans. The Senior Secured Term Loans included €1,500 million maturing in June 2031 and \$2,379 million maturing in February 2030. Proceeds were used to fully repay the 2027 Euro Term Loans, the 2027 Dollar Term Loans and the initial 2030 Dollar Term Loans.

In February 2024 the Group issued new Senior Secured Term Loans and Senior Secured Notes. The Senior Secured Term Loans included €425 million maturing in February 2031 and \$500 million maturing in February 2031. Proceeds were used to partly repay the 2025 and 2026 Senior Secured Notes and to provide funding for the Group's Lavera and Bayport acquisitions and to prefund Project ONE.

In February 2023, the Group issued €400.0 million Senior Secured Notes due 2028 and \$425.0 million Senior Secured Notes due 2028 and new euro-denominated Senior Secured Term Loans of €700.0 million and U.S. dollar-denominated Senior Secured Term Loans of \$1,200.0 million.

As part of the Group's purchase of the 50% interest in the SECCO joint venture in Shanghai, China from Sinopec on 31 December 2022, the Group entered into the Rain Facilities, consisting of term loan facilities of RMB 1,045 million and \$525.0 million, maturing June 2026. In April 2023, the Group successfully completed a syndication of the term loan facilities. As part of the syndication, which increased the number of lenders to 10, the term loan facilities were increased to RMB 1,045 million and \$785.0 million.

In addition, on 22 December 2022, the Group entered into project financing agreements in connection with Project ONE to borrow loans of up to €3.5 billion under the Project ONE Facilities to fund the majority of the capital expenditure plus associated financing costs during construction. On 20 July 2023, the Group received a decision from the Council for Permit Disputes annulling the permit for Project ONE. As a result of the annulment of the permit, no further drawings under the Project ONE Facilities could be made until such time as a new permit was reissued. Under the terms of the Project ONE Facilities there was a period of up to 18 months to achieve this. In September 2023, the Group entered into the Project ONE Interim Facility providing for loans in an aggregate principal amount of up to €400 million which is partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government). This was a short dated facility repayable within 364 days. On 7 January 2024, a new permit was issued. On 29 February 2024, the Group repaid the entire drawn balance of the Project ONE Interim Facility of €400.0 million from borrowings under the Project ONE Facilities following lifting of the drawstop. On 30 July 2024, the Environmental Minister issued Project ONE a new permit on additional legal grounds, replacing the permit issued in January 2024. Appeals of the new permit have been filed by multiple non-governmental organizations and two Dutch provinces with the Council for Permit Disputes, and the matter is ongoing. On 26 August 2024, IOB submitted a new permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted the additional permit.

In November 2022, The Group raised €800 million of Senior Secured Term Loans which were partly used to redeem a proportion of the Euro denominated Senior Secured Term Loans due 2024. Additionally the Group raised \$1,200 million of Senior Secured Term Loans which were partly used to redeem a proportion of the Dollar denominated Senior Secured Term Loans due 2024.

#### *Foreign Exchange Rate Fluctuations*

Our results of operations may be affected by both the transaction effects and translation effects of foreign currency exchange rate fluctuations. A substantial portion of our revenue is generated in, or linked to, the U.S. dollar and euro. In our European petrochemical business, product prices, certain feedstock costs and most other costs are denominated in euro and British pounds. In our U.S. petrochemical and chemical intermediates businesses, product prices, raw material costs and most other costs are primarily denominated in U.S. dollars. We generally do not enter into foreign currency exchange instruments to hedge our foreign currency exposure, although we have done so in the past and we may do so in the future. We also believe that we benefit from natural hedging to the extent that we have been able to match the currencies of our cash flows and long-term indebtedness.

Our reporting currency is the euro, and our results of operations will be impacted by the relative strength of the euro against other currencies, including the U.S. dollar and the British pound. In the first half of 2021, the value of the euro relative to the U.S. dollar increased, before decreasing during the second half of 2021 and most of 2022, until a slight recovery at the end of the year with periods of volatility in 2023 (although



remaining below the peak 2022 levels and below 2021 levels). The value of the euro relative to the U.S. dollar increased during the first three quarters of 2024 before decreasing again in the fourth quarter of 2024.

### *Environmental Considerations*

Our results of operations are affected by environmental laws and regulations, including those relating to GHG and other air emissions, and environmental risks and goals generally. We have invested, and will continue to invest, a significant amount of financial and technical resources in order to achieve and maintain compliance with environmental requirements. From time to time, we also incur remediation and decommissioning costs at our current and former production facilities, as well as at other locations. Environmental considerations can also impact the markets in which we operate, including our position with respect to our competitors.



## Results of Operations

The consolidated financial information of INEOS Group Holdings S.A. is prepared in accordance with IFRS. The income statement data for the years ended 31 December 2024, 31 December 2023 and 31 December 2022 represent the consolidated results of the Company.

### Description of Key Line Items

Set forth below is a brief description of the composition of the key line items of our consolidated income statement accounts:

- *Revenue.* Group revenue represents the invoiced value of products sold or services provided to third parties net of sales discounts and value-added taxes. It also excludes our share of joint venture revenue. 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). Services provided to third parties include administrative and operational services provided to other chemical companies with units on our sites, and services under tolling arrangements. Under tolling arrangements, customers pay for or provide raw materials to be converted into a certain specified product, for which we charge a toll fee.
- *Cost of sales.* Cost of sales includes fixed and variable production costs. Such production costs typically include the costs of raw materials, packaging, utilities, direct wages and salaries, repairs and maintenance, waste disposal and effluent treatment, consumables, attributable depreciation charges and directly attributable overheads, including wages and salaries, depreciation charges and overheads that are attributable to production. Fixed costs included in the cost of sales are rent, depreciation, repairs and maintenance, while variable costs include raw materials, packaging, consumables and wages and salaries.
- *Distribution costs.* Distribution costs typically include the costs of warehousing, carriage and freight, together with sales and distribution wages and salaries and depreciation on property, plant and equipment used for sales and distribution.
- *Administrative expenses before exceptional items.* Administrative expenses typically include indirect wages and salaries and indirect overheads. Indirect overheads would include such items as insurance costs, legal and professional fees and office supplies. Administrative expenses also include the depreciation of property, plant and equipment not directly attributable to production or sales and distribution.
- *Exceptional administrative gain/(expenses).* Exceptional administrative gains/(expenses) are those gains/(expenses) which, because of their size or nature, are disclosed to give a proper understanding of the underlying results for the period. These gains/(expenses) are mainly related to acquisition related costs, closure and demolition costs, business restructuring and the provision for severance payments.
- *Exceptional gains arising on acquisition.* Exceptional gains arising on acquisition are gains which, because of their size or nature, are disclosed to give a proper understanding of the underlying results for the period. These gains relate to a gain on bargain purchase arising on acquisitions.
- *Share of profit/(loss) of associates and joint ventures using the equity accounting method.* Share of profit/(loss) of associates and joint ventures using the equity accounting method relates to the results from the investment in associated undertakings and joint ventures.
- *Profit/(loss) on disposal of investments.* Profit/(loss) on disposal of investments relates to the profit/(loss) from the disposal of associates and joint ventures.
- *Loss on disposal of property, plant and equipment assets.* Loss on disposal of property, plant and equipment assets relates to the loss on disposal of tangible property, plant and equipment assets.
- *Finance income before exceptional items.* Finance income before exceptional items includes interest receivable on funds invested, expected return on defined benefit pension plan assets, net fair value gain on derivatives and foreign exchange gains.
- *Exceptional finance income.* Exceptional finance income relates to income which, because of their size or nature, are disclosed to give a proper understanding of the underlying results for the period. This income mainly relates discounts on the purchase price when acquiring a portion of the Senior Secured Notes pursuant to the tender offers.



- *Finance costs before exceptional items.* Finance costs includes interest payable, finance charges on finance leases, unwinding of the discount on provisions, net fair value losses derivatives and foreign exchange losses.
- *Exceptional finance costs.* Exceptional finance costs are those costs which, because of their size or nature, are disclosed to give a proper understanding of the underlying results for the period. These costs are mainly related to call premia and the write-off of unamortized debt issue costs following modification or redemption of debt.



**Consolidated Results**

The following table sets forth, for the periods indicated, our revenue and expenses and such amounts as a percentage of revenue.

	INEOS Group Holdings S.A.					
	For the year ended 31 December					
	2024		2023		2022	
	€m	%	€m	%	€m	%
<b>Revenue</b> .....	<b>16,179.7</b>	<b>100.0</b>	<b>14,885.0</b>	<b>100.0</b>	<b>20,927.0</b>	<b>100.0</b>
Cost of sales .....	(14,368.1)	(88.8)	(13,447.6)	(90.3)	(18,313.2)	(87.5)
<b>Gross profit</b> .....	<b>1,811.6</b>	<b>11.2</b>	<b>1,437.4</b>	<b>9.7</b>	<b>2,613.8</b>	<b>12.5</b>
Distribution costs.....	(278.5)	(1.7)	(214.9)	(1.4)	(209.1)	(1.0)
Administrative expenses before exceptional items.....	(510.5)	(3.2)	(509.3)	(3.4)	(399.2)	(1.9)
Exceptional administrative expenses.....	(29.5)	(0.2)	(6.1)	-	(4.2)	-
Exceptional gains arising on acquisition ...	119.7	0.7	-	-	-	-
<b>Operating profit</b> .....	<b>1,112.8</b>	<b>6.9</b>	<b>707.1</b>	<b>4.8</b>	<b>2,001.3</b>	<b>9.6</b>
Share of (loss)/profit of associates and joint ventures using the equity accounting method.....	(145.7)	(0.9)	(149.2)	(1.0)	147.2	0.7
Profit/(loss) on disposal of investments.....	52.5	0.3	(0.3)	-	270.6	1.3
Loss on disposal of property, plant and equipment assets.....	(0.2)	-	(1.4)	-	(0.6)	-
<b>Profit before finance costs</b> .....	<b>1,019.4</b>	<b>6.3</b>	<b>556.2</b>	<b>3.7</b>	<b>2,418.5</b>	<b>11.6</b>
Finance income before exceptional item ...	281.3	1.7	646.7	4.3	279.9	1.3
Exceptional finance income .....	16.7	0.1	-	-	-	-
Finance costs before exceptional item.....	(1,343.2)	(8.3)	(786.6)	(5.3)	(415.8)	(2.0)
Exceptional finance costs .....	(45.3)	(0.3)	(8.5)	(0.1)	-	-
<b>(Loss)/profit before tax</b> .....	<b>(71.1)</b>	<b>(0.4)</b>	<b>407.8</b>	<b>2.7</b>	<b>2,282.6</b>	<b>10.9</b>
Tax charge .....	(78.8)	(0.5)	(98.7)	(0.7)	(282.0)	(1.3)
<b>(Loss)/profit for the year</b> .....	<b>(149.9)</b>	<b>(0.9)</b>	<b>309.1</b>	<b>2.1</b>	<b>2,000.6</b>	<b>9.6</b>

**Year Ended December 31, 2024, Compared With Year Ended December 31, 2023**

**Consolidated Results**

**Revenue.** Revenue increased by €1,294.7 million, or 8.7%, to €16,179.7 million in the year ended 31 December 2024 as compared to €14,885.0 million for the same period in 2023. The increase in revenues was primarily due to higher volumes, aided by the Lavéra and Bayport acquisitions in the second quarter of 2024, partially offset by a decrease in selling prices. Overall sales volumes for the Group were approximately 15% higher in the year ended 31 December 2024 as compared to the same period in 2023. The decrease in selling prices was driven by the general price environment, with crude oil prices averaging \$81/bbl for the year ended 31 December 2024 as compared to an average of \$82/bbl for the year ended 31 December 2023.

**Cost of sales.** Cost of sales increased by €920.5 million, or 6.8%, to €14,368.1 million in the year ended 31 December 2024 as compared to €13,447.6 million for the same period in 2023. The increase in cost of sales was primarily due to higher volumes in the year ended 31 December 2024 as compared to the same period in 2023.

**Gross profit.** Gross profit increased by €374.2 million, or 26.0%, to €1,811.6 million in the year ended 31 December 2024 as compared to €1,437.4 million for the same period in 2023. The increase in profitability was driven by higher margins and an increase in volumes which were approximately 15% higher in the year ended 31 December 2024 as compared to the same period in 2023, which was largely driven by the acquisitions made in the second quarter of 2024. Additionally, there were lower O&P inventory holding losses for the year ended 31 December 2024 as compared to the same period in 2023. The profitability of the O&P North America business increased due to a change in product mix and inventory holding gains. The business experienced higher olefin margins, partially offset by lower polyethylene, polypropylene and pipe margins. During the year ended 31 December 2024, the O&P North America business was adversely impacted by a hurricane which temporarily closed its facilities in Texas resulting in some lost production volumes. Volumes were also adversely impacted for



the O&P North America business in the year ended 31 December 2023 following an incident on a pipeline at the Chocolate Bayou, Texas facility which resulted in lower production of ethylene and polyethylene. The O&P Europe business experienced an increase in profitability, driven by higher margins and lower inventory holding losses. Overall sales volumes for the segment increased in the year ended 31 December 2024 as compared to the same period in 2023 as there were large increases in the polymer and olefins volumes. The O&P Europe business was adversely impacted by an unscheduled outage of the Lavéra cracker and logistical pipeline supply constraints in France during the year ended 31 December 2024. Inventory holding losses within the O&P segments were approximately €10 million in the year ended 31 December 2024, as compared to inventory holding losses of €95 million in the same period in 2023. The Chemical Intermediates segment experienced an increase in profitability across all businesses in the year ended 31 December 2024 as compared to the same period in 2023. The business with the most significant increase in profitability in the year ended 31 December 2024 as compared to the same period in 2023 was the Oxide business driven by the Lavéra and Bayport acquisitions during the second quarter of 2024. The Oxide business also recognized a one-off receipt of €50.1 million in the third quarter of 2024 as a result of the settlement of an insurance claim relating to business interruption at the Plaquemine, Louisiana plant due to a third-party explosion on the site in July 2023 which resulted in force majeure being declared and the site being closed and only returned to full production in June 2024.

*Distribution costs.* Distribution costs increased by €63.6 million, or 29.6%, to €278.5 million in the year ended 31 December 2024 as compared to €214.9 million for the same period in 2023. The increase in distribution costs was driven by higher sales volumes which has been partly aided by the Bayport and Lavéra acquisitions in the second quarter of 2024.

*Administrative expenses before exceptional items.* Administrative expenses before exceptional items increased by €1.2 million, or 0.2%, to €510.5 million in the year ended 31 December 2024 as compared to €509.3 million for the same period in 2023, mainly due to the Bayport and Lavéra acquisitions in the second quarter of 2024.

*Exceptional administrative expenses.* Exceptional administrative expenses were €29.5 million in the year ended 31 December 2024 as compared to €6.1 million in the same period in 2023. The exceptional administrative costs in the year ended 31 December 2024 related to the transaction costs incurred in relation to the Lavéra and Bayport acquisitions in the second quarter of 2024. During the year ended 31 December 2023, an exceptional administrative cost of €6.5 million was charged, which related to €1.2 million of severance costs at the Phenol Antwerp plant and €4.9 million of deal costs in relation to the Phenol acquisition of the Mitsui Singapore plant.

*Exceptional gains arising on acquisition.* Exceptional gains arising on acquisition was €119.7 million in the year ended 31 December 2024 as compared to nil in the same period in 2023. On 1 April 2024, the Group acquired the TotalEnergies Lavéra Businesses, which resulted in provisional negative goodwill of €119.7 million being credited to the consolidated income statement as exceptional gains arising on acquisition during the year ended 31 December 2024.

*Operating profit.* Operating profit increased by €405.7 million, or 57.4%, to €1,112.8 million in the year ended 31 December 2024 as compared to €707.1 million for the same period in 2023.

*Share of loss of associates and joint ventures.* Share of loss of associates and joint ventures was a loss of €145.7 million in the year ended 31 December 2024 as compared to a loss of €149.2 million for the same period in 2023. The share of loss from associates and joint ventures in the year ended 31 December 2024 and the same period in 2023 primarily reflected the Group's share of losses from the SECCO joint venture with Sinopec.

*Profit/(loss) on disposal of investments.* There was a profit on disposal of investments of €52.5 million in the year ended 31 December 2024 as compared to a loss of €0.3 million in the year ended 31 December 2023. The profit for the year ended 31 December 2024 related to the gain on disposal of the Group's 50% share of the Lavéra joint ventures as part of the acquisition of the TotalEnergies Lavéra businesses by the Group in April 2024.

*Loss on disposal of property, plant and equipment.* There was a loss on disposal of property, plant and equipment of €0.2 million in the year ended 31 December 2024 as compared to a loss of €1.4 million for the same period in 2023.

*Profit before net finance costs.* Profit before net finance costs increased by €463.2 million, or 83.3%, to €1,019.4 million in the year ended 31 December 2024 as compared to €556.2 million for the same period in 2023.



*Finance income before exceptional items.* Finance income decreased by €365.4 million, or 56.5%, to €281.3 million in the year ended 31 December 2024 as compared to €646.7 million for the same period in 2023. The decrease in finance income was primarily due to exchange gains of €391.5 million during the year ended 31 December 2023 as compared to exchange losses during the same period in 2024 which are reported against finance expenses before exceptional items. The income in the year ended 31 December 2024 primarily related to interest income from loans to related parties, including INEOS Upstream and INEOS Industries, together with higher interest rates on cash balances held by the Group. The income in the year ended 31 December 2023 primarily related to exchange gains and interest income from loans to related parties, including INEOS Upstream and INEOS Industries, together with interest on cash balances held by the Group.

*Exceptional finance income.* Exceptional finance income was €16.7 million in the year ended 31 December 2024 as compared to nil in the same period in 2023. The exceptional finance income in the year ended 31 December 2024 related to the discount on the purchase price to acquire a portion of the Senior Secured Notes due 2025, the Senior Secured Notes due March 2026 and the Senior Secured Notes due May 2026 pursuant to the tender offers in January 2024.

*Finance costs before exceptional items.* Finance costs before exceptional items increased by €556.6 million, or 70.8%, to €1,343.2 million in the year ended 31 December 2024 as compared to €786.6 million for the same period in 2023. The increase in finance costs for the year ended 31 December 2024 reflected exchange losses of €456.5 million for the year ended 31 December 2024 as compared to exchange gains which were reported against finance income before exceptional items in the same period in 2023. In addition higher levels of indebtedness for the Group in the year ended 31 December 2024 as compared to the same period in 2023 has led to an increase in finance costs before exceptional items during 2024. These increases were partly offset by lower interest paid on lease liabilities and more borrowing costs capitalized on property, plant and equipment in the year ended 31 December 2024 as compared to the same period in 2023.

*Exceptional finance costs.* There were €45.3 million of exceptional finance costs charged in the year ended 31 December 2024 compared to €8.5 million charged for the same period in 2023. The exceptional finance costs in the year ended 31 December 2024 related to the write-off of debt issue costs associated with the refinancing of the Senior Secured Term Loans in June and December 2024. As a result of the June and December 2024 refinancings there were substantial modifications of the Euro Senior Secured Term Loans which resulted in the write-off of the existing unamortized debt issue costs of €33.6 million and €7.4 million, respectively. The proceeds from these refinancings were partly used to redeem some of the Group's Senior Secured Notes which resulted in an additional write-off of €4.3 million of unamortized debt issue costs associated with the purchase of a portion of the Senior Secured Notes due 2025 and Senior Secured Notes due May 2026 and the full redemption of the Senior Secured Notes due March 2026. The charge in 2023 was made following an assessment of the Rain Facilities syndication as the amendment was deemed to be a substantial modification which resulted in the write-off of unamortized issue costs.

*(Loss)/profit before tax.* (Loss)/profit before tax decreased by €478.9 million, or 117.4%, to a loss of €71.1 million in the year ended 31 December 2024, as compared to a profit of €407.8 million for the same period in 2023.

*Tax charge.* Tax charge decreased by €19.9 million to €78.8 million in the year ended 31 December 2024, as compared to €98.7 million for the same period in 2023 primarily due to the decreased profitability of the Group. After adjusting for the loss from the share of associates and joint ventures, the effective tax rate for the Group for the year ended 31 December 2024 was 106%, as compared to 18% in 2023. The effective tax rate for the Group in 2024 was higher than the standard rate in Luxembourg of 24.94% primarily due to unprovided deferred tax. The effective tax rate for the Group in 2023 was lower than the standard rate in Luxembourg of 24.94% as profits were made in regions with lower rates which more than offset profits made in regions with higher rates than the standard rate.

*(Loss)/profit for the year.* (Loss)/profit for the year decreased by €459.0 million to a loss of €149.9 million in the year ended 31 December 2024, as compared to a profit of €309.1 million for the same period in 2023.



## *Business Segments*

The Group reports under three business segments: O&P North America, O&P Europe and Chemical Intermediates.

The following table provides an overview of the historical revenue and EBITDA before exceptionals of each of the business segments for the periods indicated:

	For the year ended 31 December	
	2024	2023
	<i>(€ in millions)</i>	
<b>Revenue</b>		
O&P North America	4,232.2	4,133.2
O&P Europe	7,851.4	6,233.9
Chemical Intermediates	7,190.2	6,860.2
Eliminations	(3,094.1)	(2,342.3)
	<u>16,179.7</u>	<u>14,885.0</u>
<b>EBITDA before exceptionals</b>		
O&P North America	796.0	720.0
O&P Europe	470.2	411.6
Chemical Intermediates	782.2	553.6
	<u>2,048.4</u>	<u>1,685.2</u>

### *O&P North America*

*Revenue.* Revenue in the O&P North America segment increased by €99.0 million, or 2.4%, to €4,232.2 million in the year ended 31 December 2024, as compared to €4,133.2 million for the same period in 2023. The increase was driven by a change in product mix in the year ended 31 December 2024 as compared to the same period in 2023. Overall sales volumes were flat in the year ended 31 December 2024 as compared to the same period in 2023, as increases in polymer volumes was offset by lower olefins and pipe volumes in the period. This change in product mix led to an increase in revenue due to the increased polyethylene and polypropylene sales volumes which more than offset the lower revenue from lower olefin and pipe sales. During the year ended 31 December 2024, the business was adversely impacted by a hurricane which temporarily closed its facilities in Texas resulting in some lost production volumes. Volumes were also adversely impacted in the year ended 31 December 2023 following an incident on a pipeline at the Chocolate Bayou, Texas facility, which resulted in lower production of ethylene and polyethylene.

*EBITDA before exceptionals.* EBITDA before exceptionals in the O&P North America segment increased by €76.0 million, or 10.6%, to €796.0 million in the year ended 31 December 2024 as compared to €720.0 million in the same period in 2023. The increase in profitability in the year ended 31 December 2024 as compared to the same period in 2023 was due to a change in product mix and inventory holding gains as compared to inventory holding losses in the same period in 2023. During the year ended 31 December 2024, the business experienced higher olefin margins, although this was partially offset the lower polyethylene, polypropylene and pipe margins. However the increase in polyethylene and polypropylene sales volumes led to increased profitability as they more than offset the lower olefin and pipe sales volumes during the period. During the year ended 31 December 2024, the business was adversely impacted by a hurricane which temporarily closed its facilities in Texas resulting in some lost production volumes. Volumes were also adversely impacted in the year ended 31 December 2023 following an incident on a pipeline at the Chocolate Bayou, Texas facility which resulted in lower production of ethylene and polyethylene. Inventory holding gains were approximately €1 million in the year ended 31 December 2024, as compared to losses of approximately €28 million in the same period in 2023.

### *O&P Europe*

*Revenue.* Revenue in the O&P Europe segment increased by €1,617.5 million, or 25.9%, to €7,851.4



million in the year ended 31 December 2024 as compared to €6,233.9 million for the same period in 2023. The increase in revenues was driven primarily by higher sales volumes, partly offset by lower sales prices in the year ended 31 December 2024 as compared to the same period in 2023. The decrease in selling prices was driven by the general price environment, with crude oil prices averaging \$81/bbl for the year ended 31 December 2024 as compared to an average of \$82/bbl for the year ended 31 December 2023. Overall sales volumes for both polymers and olefins increased in the year ended 31 December 2024 as compared to the same period in 2023 driven by increased production at the Köln site in 2024 as compared to 2023. In addition, revenues and volumes also increased in the year ended 31 December 2024 as compared to the same period in 2023 as a result of the acquisition of the Lavéra assets, which completed on 1 April 2024. The Trading and Shipping business experienced lower sales volumes in the year ended 31 December 2024 as compared to the same period in 2023, due to lower sales of ethane.

*EBITDA before exceptionals.* EBITDA before exceptionals in the O&P Europe segment increased by €58.6 million, or 14.2%, to €470.2 million in the year ended 31 December 2024, as compared to €411.6 million in the same period in 2023. The results for the year ended 31 December 2024 increased compared to the same period in 2023, primarily due to higher margins, higher sales volumes and lower inventory holding losses. This was partially offset by higher fixed costs within the Trading and Shipping business. Overall sales volumes increased in the year ended 31 December 2024 as compared to the same period in 2023 as a result of higher polymer and olefins volumes. There was an increase in margins which was driven by the Trading and Shipping business which experienced higher margins in the year ended 31 December 2024 as compared to the same period in 2023. Inventory holding losses were approximately €11 million in the year ended 31 December 2024 as compared to losses of approximately €67 million in the year ended 31 December 2023. The acquisition of the Lavéra assets on 1 April 2024 has had an adverse impact on profitability in the year ended 31 December 2024 due to a combination of an unscheduled outage of the Lavéra cracker and logistical pipeline supply constraints in France.

## **Chemical Intermediates**

*Revenue.* Revenue in the Chemical Intermediates segment increased by €330.0 million, or 4.8%, to €7,190.2 million in the year ended 31 December 2024 as compared to €6,860.2 million for the same period in 2023. The Oxide business revenues increased in the year ended 31 December 2024 as compared to the same period in 2023 driven by higher volumes, partly offset by lower prices. Sales volumes were approximately 48% higher in the year ended 31 December 2024 as compared to the same period in 2023, driven by a large increase in volumes generated by the Bayport and Lavéra acquisitions in the second quarter of 2024, together with the Plaquemine EOA plant coming back in to operation in June 2024. This was partly offset by lower prices on products compared to the same period in 2023, driven by cheaper imports and reduced demand. The Oligomers business revenues were lower in the year ended 31 December 2024 as compared to the same period in 2023, driven by lower prices which was only partially offset by higher volumes. Regional prices in 2024 were lower despite an increase in the underlying raw material prices of ethylene and naphtha as the business experienced lower realizations across all product groups. Sales volumes were approximately 1% higher in the year ended 31 December 2024 as compared to the same period in 2023, as a result of higher PAO, PIB and SO sales volumes being largely partly offset by lower LAO volumes. PAO sales volumes were higher driven by wind turbine gear oil demand in Europe and Asia. PIB sales volumes increased due to the Lavéra acquisition during the second quarter of 2024 which increased volumes sold as compared to the same period in 2023. SO sales volumes were higher driven by strong demand in cosmetics, solvents and specialty fuels, combined with production issues at a competitor during the second quarter of 2024. The decrease in LAO sales volumes was seen in the North American and Asian markets, partially offset by higher volumes in Europe. Additionally, LAO volumes were impacted by Hurricane Beryl in North America and an unplanned outage at the Joffre, Canada plant. Nitriles revenues increased in the year ended 31 December 2024 as compared to the same period in 2023, driven by higher prices and higher volumes, partly offset by a lower product mix. Increasing feedstock prices led to the average acrylonitrile sales price increasing by approximately 5% in the year ended 31 December 2024 as compared to the same period in 2023. The increased selling price for acrylonitrile was partly offset by lower selling prices for specialty nitriles, ammonia and catalysts. Sales volumes were marginally higher in the year ended 31 December 2024 as compared to the same period in 2023, with relatively stable US domestic demand and weak Asian demand being offset by slightly higher European demand. The Phenol business revenues increased in the year ended 31 December 2024 as compared to the same period in 2023, driven by higher prices and higher phenol volumes. Selling prices moved in line with the underlying raw material prices with acetone and phenol prices moving higher due to increases in propylene and benzene feedstock prices. Sales volumes of phenol were higher in the year ended 31 December 2024 as compared to the same period in 2023, driven by higher sales in Asia.

*EBITDA before exceptionals.* EBITDA before exceptionals in the Chemical Intermediates segment increased by €228.6 million, or 41.3%, to €782.2 million in the year ended 31 December 2024 as compared to €553.6 million for the same period in 2023. The Oxide business results in the year ended 31 December 2024



were higher compared to the same period in 2023, primarily due to the Bayport and Lavéra acquisitions in the second quarter of 2024, as well as higher margins and a one-off insurance receipt during the period. The effect of the Bayport and Lavéra acquisitions in the second quarter of 2024 has resulted in an increase in sales volumes when compared to the same period in 2023. The business has also recognized a one-off receipt of €50.1 million in the third quarter of 2024 as a result of the settlement of an insurance claim relating to business interruption at the Plaquemine plant due to a third-party explosion on the site in July 2023 which resulted in force majeure being declared and the site being closed. Margins have increased in the year ended 31 December 2024 as compared to the same period in 2023 due to an extended competitor outage which increased prices and margins of oxo alcohol products and its derivatives during the year, although general market conditions during 2024 put other product margins under pressure. The Oligomers business profitability increased in the year ended 31 December 2024 as compared with the same period in 2023, helped by the Lavéra acquisition in the second quarter of 2024 and higher sales volumes, partially offset by lower margins. The business experienced lower LAO, PAO and SO margins in the year ended 31 December 2024 as compared with the same period in 2023, whilst PIB margins were higher than the previous period. LAO margins were lower in Europe and Asia, but higher in North America. There were lower PAO margins due to lower realizations with both North America and Europe experiencing lower margins. PIB margins were higher benefitting from the Lavéra acquisition in April 2024 and impressive growth of panalane sales in North America, whilst SO margins decreased during the period as compared to the same period in 2023 as higher production costs offset higher realizations. The Nitriles business experienced an increase in profitability in the year ended 31 December 2024 as compared to the same period in 2023, driven by higher margins. This was largely due to good recovery in the ammonia business as compared to 2023 and the positive impact of a newly signed nitric acid operating agreement. The Phenol business profitability increased in the year ended 31 December 2024 as compared to the same period in 2023, primarily due to higher phenol sales volumes and margins, partly offset by higher fixed costs. Phenol margins increased across all three regions, with North America experiencing the biggest increase. Sales volumes of phenol were higher in the year ended 31 December 2024 as compared to the same period in 2023, driven by higher sales volumes in Asia.

## ***Year Ended December 31, 2023, Compared With Year Ended December 31, 2022***

### ***Consolidated Results***

***Revenue.*** Revenue decreased by €6,042.0 million, or 28.9%, to €14,885.0 million in the year ended December 31, 2023 as compared to €20,927.0 million for the same period in 2022. The decrease in revenues was driven by lower selling prices and lower sales volumes. Selling prices followed the decrease in crude oil prices, which decreased to an average of \$82 per barrel for the year ended December 31, 2023 as compared to \$101 per barrel in the same period in 2022. Overall sales volumes for the Group were approximately 8% lower in the year ended December 31, 2023 as compared to the same period in 2022 with all businesses experiencing a decrease in sales volumes apart from the O&P North America business.

***Cost of sales.*** Cost of sales decreased by €4,865.6 million, or 26.6%, to €13,447.6 million in the year ended December 31, 2023 as compared to €18,313.2 million for the same period in 2022. The decrease in cost of sales was largely due to the decrease in crude oil prices, resulting in lower feedstock prices across the Group in the year ended December 31, 2023, as compared to the same period in 2022. In addition to this, overall sales volumes decreased in 2023 when compared to 2022.

***Gross profit.*** Gross profit decreased by €1,176.4 million, or 45.0%, to €1,437.4 million in the year ended December 31, 2023 as compared to €2,613.8 million for the same period in 2022. During the period ending December 31, 2023 high energy costs, particularly in Europe, and continued high inflation rates have led to reduced demand levels and erosion of margins from the previous strong performance in the same period in 2022. The decrease in profitability was driven by lower margins, inventory holding losses and a decrease in volumes which were approximately 8% lower in 2023 when compared to the same period in 2022. The profitability in the O&P North America business decreased due to a decrease in margins. Polyethylene markets were weaker in 2023 when compared to the same period in 2022 with lower demand, improved industry supply availability and reduced export opportunities. Polymer markets were softer with erosion of margins for most products during 2023, although pipe markets remained solid. O&P North America sales volumes in were higher in 2023 as compared to 2022 despite volumes in 2023 being adversely impacted by an incident on a pipeline at the O&P North America Chocolate Bayou, Texas facility, which resulted in reduced operating rates and the adverse impact of a tornado event at the Battleground, Texas site. The O&P Europe business experienced a decrease in volumes and a decrease in margins for 2023 when compared to the same period in 2022. The market for olefins in 2023 was generally weaker than the same period in 2022, with most industry crackers being trimmed across Europe. Propylene markets were long with weak demand across most derivatives in 2023 due to high energy costs which adversely impacted the economics of all derivatives. European polymer markets were weaker with reduced demand and



increased levels of imports in 2023 as compared to the same period in 2022. The O&P segments were also adversely impacted by inventory holding losses of approximately €95 million in 2023, as compared to inventory holding losses of €93 million in the same period in 2022. Chemical Intermediates experienced a decline in profitability in 2023 as compared to the same period in 2022 as all businesses experienced a decrease in volumes in 2023 as compared to the same period in 2022 with volumes in the Oxide business being adversely impacted by an incident on a supplier pipeline at the Plaquemine, Louisiana site where a force majeure was declared.

*Distribution costs.* Distribution costs increased by €5.8 million, or 2.8%, to €214.9 million in the year ended December 31, 2023 as compared to €209.1 million for the same period in 2022. The increase in distribution costs is largely due to the acquisition of the Phenol Singapore business in March 2023 and inflationary pressures on freight costs which was only partially offset by lower sales volumes in the year.

*Administrative expenses before exceptional items.* Administrative expenses before exceptional items increased by €110.1 million, or 27.6%, to €509.3 million in the year ended December 31, 2023 as compared to €399.2 million for the same period in 2022, mainly as a result of inflationary cost pressures and a one-off impairment of intangible assets within the O&P North America business of €26.1 million. In addition, the Group had lower other operating income in 2023 when compared to the same period in 2022.

*Exceptional administrative(expenses)/gains.* Exceptional administrative expenses of €6.1 million were charged for the year ended December 31, 2023, which relates to €1.2 million of severance costs at the Phenol Antwerp plant and €4.9 million of deal costs in relation to the Phenol acquisition of the Mitsui Singapore plant. During the year ended December 31, 2022 an exceptional administrative expense of €4.2 million which related to a provision for early retirement costs as part of a restructuring of the Köln site within the O&P Europe business.

*Operating profit.* Operating profit decreased by €1,294.2 million, or 64.7%, to €707.1 million in the year ended December 31, 2023 as compared to €2,001.3 million for the same period in 2022.

*Share of profit/(loss) of associates and joint ventures using the equity accounting method.* Share of profit/(loss) of associates and joint ventures using the equity accounting method was a loss of €149.2 million in the year ended December 31, 2023 as compared to a profit of €147.2 million for the same period in 2022. The share of loss of associates and joint ventures using the equity accounting method primarily reflected the Group's share of losses from the SECCO joint venture with Sinopec which was acquired in December 2022. The share of profit from associates and joint ventures in 2022 primarily reflected the Group's share of the results of the Refining joint venture with PetroChina. On December 23, 2022 the Group disposed of its non-voting ordinary shares in INEOS Investments to INEOS Limited, a related party, with an effective date of November 30, 2022, so after this date the Group no longer had any economic interest in the Refining joint venture.

*(Loss)/profit on disposal of investments.* There was a loss on disposal of investments of €0.3 million in the year ended December 31, 2023 as compared to a profit of €270.6 million in the year ended December 31, 2022. On December 23, 2022 the Group disposed of its non-voting ordinary shares in INEOS Investments (Jersey) Limited to INEOS Limited, a related party with an effective date of November 30, 2022 which resulted in a profit on disposal of €270.6 million. From November 30, 2022 the Group no longer had any economic interest in the Refining joint venture.

*(Loss)/profit on disposal of fixed assets.* There was a loss on disposal of fixed assets of €1.4 million in the year ended December 31, 2023 as compared to a loss of €0.6 million for the same period in 2022.

*Profit before net finance costs.* Profit before net finance costs decreased by €1,862.3 million, or 77.0%, to €556.2 million in the year ended December 31, 2023 as compared to €2,418.5 million for the same period in 2022.

*Total finance income.* Total finance income increased by €366.8 million, or 131.0%, to €646.7 million in the year ended December 31, 2023 as compared to €279.9 million for the same period in 2022. The increase in income in the year ended December 31, 2023 primarily relates to exchange gains of €391.5 million as compared to exchange losses in 2022. Furthermore, there is higher interest income from loans to other related parties, including INEOS Upstream and INEOS Industries following additional loans made in 2023, together with higher interest rates on cash balances held by the Group.

*Finance costs before exceptional items.* Finance costs before exceptional items increased by €370.8 million, or 89.2%, to €786.6 million in the year ended December 31, 2023 as compared to €415.8 million for the same period in 2022. The increase in finance costs in the year ended December 31, 2023 reflected the higher level of indebtedness and higher interest costs on the Group's variable rate debt and refinanced fixed rate debt as a result



of higher interest rates in 2023 as compared to the same period in 2022. These increases were partly offset by a higher capitalisation of borrowing costs in property, plant and equipment in 2023 compared to the same period in 2022.

*Exceptional finance costs.* Exceptional finance costs of €8.5 million were charged for the year ended December 31, 2023 following an assessment of the Rain Facility syndication as the amendment was deemed to be a substantial modification which resulted in the write-off of unamortised issue costs.

*Profit before tax.* Profit before tax decreased by €1,874.8 million, or 82.1%, to €407.8 million in the year ended December 31, 2023, as compared to €2,282.6 million for the same period in 2022.

*Tax charge.* Tax charge decreased by €183.3 million, or 65.0%, to €98.7 million in the year ended December 31, 2023, as compared to €282.0 million for the same period in 2022 primarily due to the decreased profitability of the Group. After adjusting for the profit/(loss) from the share of associates and joint ventures, the effective tax rate for the Group for the year ended December 31, 2023 was 18%, as compared to 15% in 2022. The effective tax rate for the Group was lower than the standard rate in Luxembourg of 24.94% as profits were made in regions with lower rates which more than offset profits made in regions with higher rates than the standard rate.

*Profit for the year.* Profit for the year decreased by €1,691.5 million, or 84.5% to €309.1 million in the year ended December 31, 2023, as compared to €2,000.6 million for the same period in 2022.

## **Business segments**

The Group reports under three business segments: O&P North America, O&P Europe and Chemical Intermediates.

The following table provides an overview of the historical revenue and EBITDA before exceptionals of each of the business segments for the periods indicated:

	For the year ended December 31,	
	2023	2022
	<i>(€ in millions)</i>	
<i>Revenue</i>		
<b>Continuing operations</b>		
O&P North America	4,133.2	5,723.9
O&P Europe	6,233.9	9,177.7
Chemical Intermediates	6,860.2	9,802.9
Eliminations	(2,342.3)	(3,777.5)
	<u>14,885.0</u>	<u>20,927.0</u>
 <i>EBITDA before exceptionals</i>		
<b>Continuing operations</b>		
O&P North America	720.0	1,204.4
O&P Europe	411.6	655.6
Chemical Intermediates	553.6	980.6
	<u>1,685.2</u>	<u>2,840.6</u>

## **O&P North America**

*Revenue.* Revenue in the O&P North America segment decreased by €1,590.7 million, or 27.8%, to €4,133.2 million in the year ended December 31, 2023, as compared to €5,723.9 million for the same period in 2022. The decrease was primarily driven by the weighted average sales price falling by approximately 28% in 2023 as compared to the same period in 2022. The sales price fell across all product lines with the fall in olefins,



polypropylene and polyethylene prices driving the revenue decrease. Sale volumes increased by approximately 1% in the year ended December 31, 2023, as compared to the same period in 2022, with the increase in olefin volumes only being partially offset by lower polymers and pipe sales.

*EBITDA before exceptionals.* EBITDA before exceptionals in the O&P North America segment decreased by €484.4 million, or 40.2%, to €720.0 million in the year ended December 31, 2023 as compared to €1,204.4 million in the same period in 2022. The decrease in profitability in the year ended December 31, 2023 as compared to the same period in 2022 was largely due to lower margins and lower volumes. Olefins, polyethylene and polypropylene all experienced a decrease in margins, although this was partially offset by higher margins in the pipe business. The overall decrease was partially offset by a reduction in inventory holding losses which were approximately €28 million in the year ended December 31, 2023, as compared to inventory holding losses of approximately €80 million in the same period in 2022.

## **O&P Europe**

*Revenue.* Revenue in the O&P Europe segment decreased by €2,943.8 million, or 32.1%, to €6,233.9 million in the year ended December 31, 2023 as compared to €9,177.7 million for the same period in 2022. The decrease in revenues was driven primarily by lower selling prices and decreased sales volumes in the year ended December 31, 2023 as compared to the same period in 2022. The decrease in selling prices was driven by the general price environment, which was lower in the year ended December 31, 2023 as compared to the same period in 2022, as crude oil prices fell to an average of \$82 per barrel for the year ended December 31, 2023 as compared to \$101 per barrel in the same period in 2022. As a result, all prices decreased in the year ended December 31, 2023, as compared to the same period in 2022. Overall sales volumes decreased by approximately 12% in the year ended December 31, 2023 as compared to the same period in 2022 as ethylene suffered from weakened demand which caused destocking with most industry crackers being trimmed across Europe, whilst propylene experienced a very weak market as high energy costs impacted the economics for all derivatives. The Trading and Shipping business experienced higher sales volumes in the year ended December 31, 2023 as compared to the same period in 2022, primarily due to higher ethane sales.

*EBITDA before exceptionals.* EBITDA before exceptionals in the O&P Europe segment decreased by €244.0 million, or 37.2%, to €411.6 million in the year ended December 31, 2023, as compared to €655.6 million in the same period in 2022. The results for the year ended December 31, 2023 decreased compared to the same period in 2022, due to inventory holding losses, higher fixed costs and the impact of falling volumes and margins. Overall sales volumes were approximately 12% lower in the year ended December 31, 2023 as compared to the same period in 2022 due to reduced demand and high energy costs adversely impacting the economics of all derivatives. Inventory holding losses were approximately €67 million in the year ended December 31, 2023 as compared to losses of approximately €13 million in the year ended December 31, 2022. Fixed costs rose in the year ended December 31, 2023 as compared to the same period in 2022, mainly as a result of increased terminal costs due to a full year of the ATEX pipeline in the Trading and Shipping business. The decrease in margins was driven by a significant decrease in the Köln cracker margin, along with a decrease in margins within the Trading and Shipping business, which was only partially offset by increases in polymer margins.

## **Chemical Intermediates**

*Revenue.* Revenue in the Chemical Intermediates segment decreased by €2,942.7 million, or 30.0%, to €6,860.2 million in the year ended December 31, 2023 as compared to €9,802.9 million for the same period in 2022. The Oxide business revenues decreased in the year ended December 31, 2023 as compared to the same period in 2022, driven by lower prices and lower volumes. The decrease in pricing was driven by a general fall in prices of around 15% when compared to 2022 as lower demand and competition from cheaper imports has put product pricing under considerable pressure, especially for commodity products. There were price decreases of up to 50% for ethylene and propylene glycols due to these commodity products being easily traded between regions, resulting in prices being pushed down below cost. Sales volumes in the year ended December 31, 2023 were lower than volumes in 2022, which has been driven by two significant factors. There was an incident on a supplier pipeline at the Plaquemine, Louisiana site in the second half of 2023 which resulted in force majeure being declared. Furthermore, there has been a general economic slowdown in Europe which has been exacerbated by cheaper imports from other regions throughout the world. Due to these factors, some units have been in commercial shutdown to avoid an additional negative impact on the bottom line. The Oligomers business revenues were lower in the year ended December 31, 2023 as compared to the same period in 2022, as a result of lower prices and slightly decreased sales volumes. Regional prices in the year ended December 31, 2023 moved in line with the underlying raw material prices of ethylene and naphtha. Regional feedstock prices were lower in the year ended December 31, 2023 as compared to the same period in 2022 with lower European and US ethylene prices impacting PAO and LAO prices, whilst decreased naphtha prices impacted PIB and SO pricing. Sales volumes



were approximately 2% lower in the year ended December 31, 2023 as compared to the same period in 2022 as lower LAO, PIB and SO sales volumes were only partially offset by higher PAO sales volumes. Nitriles revenues decreased in the year ended December 31, 2023 as compared to the same period in 2022, driven primarily by falling prices, as well as decreased sales volumes. The average acrylonitrile sales price decreased by over 30% in the year ended December 31, 2023 as compared to the same period in 2022, driven by the lower feedstock costs during the year and the US market being predominately at a cost-plus pricing level. Additionally, the average ammonia pricing has reduced by 50%, which is driven by natural gas pricing returning to the levels seen prior to war in Ukraine. Acrylonitrile sales volumes decreased in the year ended December 31, 2023 as compared to the same period in 2022 due to weakened demand in Europe and Asia, with US domestic demand remaining stable between the two periods. The Phenol business revenues decreased in the year ended December 31, 2023 as compared to the same period in 2022, driven by lower prices and lower sales volumes. Selling prices moved in line with the underlying raw material prices with acetone and phenol prices moving significantly lower due to decreases in global propylene and benzene feedstock prices. The revenue reduction relating to phenol prices also relates to very weak Asian market prices in 2023. Sales volumes were lower in the year ended December 31, 2023 as compared to the same period in 2022 as a result of lower phenol and acetone sales as weaker market demand led to lower volumes, predominately in the European market.

*EBITDA before exceptionals.* EBITDA before exceptionals in the Chemical Intermediates segment decreased by €427.0 million, or 43.5%, to €553.6 million in the year ended December 31, 2023 as compared to €980.6 million for the same period in 2022. The Oxide business results in the year ended December 31, 2023 were lower than the period in 2022. The slowing economic conditions across Europe and growing imports from outside Europe has caused a fall in prices and pushed commodity prices down, despite higher feedstock and energy prices for the business in 2023 which has led to bottom of cycle conditions. Sales volumes in the year ended December 31, 2023 were lower than those in 2022 due to an incident on a supplier pipeline at the Plaquemine, Louisiana site where force majeure was declared as well as the general economic slowdown across Europe as higher energy costs and high inflation rates has resulted in weak market conditions. The Oligomers business profitability decreased in the year ended December 31, 2023 as compared with the same period in 2022, primarily due to a decrease in sales volumes, although this was partly offset by higher margins. The business experienced a decrease in sales volumes of approximately 2% in the year ended December 31, 2023 as compared to the same period in 2022, as a result of lower LAO, PIB and SO sales volumes, partially offset by higher PAO sales volumes. The business experienced higher PAO and SO margins, but lower LAO and PIB margins in the year ended December 31, 2023 as compared with the same period in 2022. LAO margins were lower in North America and Europe, partially offset by higher margins in Asia. Lower production costs in 2023 as compared to the same period in 2022 led to an increase in PAO margins which were higher in North America and Europe, partially offset by lower margins in Asia. SO margins were only higher in Europe, whilst PIB margins decreased in the year ended December 31, 2023 as compared to 2022. The Nitriles business experienced a decrease in profitability in the year ended December 31, 2023 as compared to the same period in 2022, driven by lower volumes and lower margins. Acrylonitrile sales volumes decreased in the year ended December 31, 2023 as compared to the same period in 2022 due to weakened demand in Europe and Asia. Acrylonitrile margins were lower in the year ended December 31, 2023 as compared to the same period in 2022 as higher feedstock costs led to a decrease in margins. The Phenol business profitability decreased in the year ended December 31, 2023 as compared to the same period in 2022, largely due to a decrease in margins, as well as a decrease in volumes. Margins decreased during 2023 due to pressures on the Asian market prices, with this being prevalent throughout the Asian market. Volumes were lower due to reduced market demand for phenol and acetone, predominantly in the European market.

## Liquidity and Capital Resources

### *Capital Resources*

Our historical liquidity requirements have arisen primarily from the need for us to meet our debt service requirements, to fund capital expenditures for the general maintenance and expansion of our production facilities and for new facilities, and to fund growth in our working capital.

Our primary sources of liquidity are cash flows from operations of subsidiaries, cash on our balance sheet and borrowings under the Securitization Program and the Inventory Financing Facilities. An additional source of liquidity are borrowings under the Project ONE Facilities, which, however, are specifically reserved for capital expenditures in connection with Project ONE. Our ability to generate cash from our operations depends on future operating performance, which is in turn dependent, to some extent, on general economic, financial, competitive market, legislative, regulatory and other factors, many of which are beyond our control.

We believe that our operating cash flows, together with the cash resources and future borrowings under the Securitization Program, the Project ONE Facilities and Inventory Financing Facilities, will be sufficient to



fund our working capital requirements, anticipated capital expenditures and debt service requirements as they become due, although this may not be the case.

We have also historically paid dividends to our shareholders. We may make strategic decisions, including the payment of dividends, the size of which may change or increase from time to time, depending on the performance of the business, and may not necessarily be in line with past practice.

In addition, we may engage in strategic transactions, including future debt incurrence in the capital and leverage finance markets, including inventory financing or similar arrangements, or repurchases of our debt (on the open market or otherwise) with cash on hand or from the proceeds of future debt incurrences, which may impact the availability of cash resources.

### *Financing Arrangements*

The Group's capital structure includes a mixture of secured term loans and secured notes. These various debt instruments are denominated in both euro and U.S. dollars where appropriate, to approximately match the main currencies of the cash flows generated by the Group's operations.

The Group has a €800.0 million Securitization Program in place, which matures in December 2026. The Group also has Inventory Financing Facilities in place, which mature in June 2025, although these are extendable by mutual agreement.

The Group has a €300.0 million LC Facility in place. Under the terms of the facility the Group undertakes to provide cash collateral to cover any letters of credit, guarantees, bonds or indemnities issued under the facility.

Following the Group's purchase of the remaining 50% interest in the Noretyl ethylene cracker at Rafnes, Norway from the Kerling group in July 2015, the Group assumed the obligations of a loan facility of Noretyl AS. In November 2019, following the repayment of the initial loan, the loan facility was amended and restated with a new facility amount of €250.0 million. In November 2022 the Group amended and extended the existing Rafnes facility to €305.0 million, resulting in an additional drawdown of €126.4 million. The new facility matures in November 2027.

As part of a project at the Group's Köln site to replace part of its incineration or cogeneration unit, the Group entered into a €60.0 million loan facility which matures in June 2026.

As part of the Group's purchase of the remaining 50% interest in the Gemini HDPE plant in Texas, United States, from Sasol Chemicals on 31 December 2020, the Group amended and upsized the existing Gemini Term Loan facility within the acquired legal entity. The amended loan facility was upsized to \$600.0 million and has a stated maturity date of 31 October 2027. In February 2025 the Gemini Term Loan was repaid and canceled in full.

As of 31 December 2024, excluding unamortized debt issuance costs, the Group had a total of €6,316.1 million Senior Secured Term Loans, €192.8 million Senior Secured Notes due 2025, €281.2 million Senior Secured Notes due May 2026, €809.4 million Senior Secured Notes due 2028 and €1,548.4 million Senior Secured Notes due 2029 outstanding. In February 2025, new Senior Secured Term Loans and new Senior Secured Notes due 2030 were issued by the Group. The Senior Secured Term Loans were denominated in euros (€425 million) and US dollars (\$440 million). The new Senior Secured Notes due 2030 were denominated in euros (€400 million). The proceeds of this refinancing were used to redeem in full the outstanding Senior Secured Notes due 2025 and Senior Secured Notes due May 2026, repay the Gemini Term Loan and to partially prefund Project ONE.

As part of the Group's purchase of the 50% interest in the SECCO joint venture in Shanghai, China from Sinopec on 31 December 2022, the Group entered into the Rain Facilities with an aggregate principal amount of RMB 1,045 million and \$525 million through an Unrestricted Subsidiary. In April 2023, the Group successfully completed syndication of the Rain Facilities increasing the Rain Facilities to RMB 1,045 million and \$785 million. The Rain Facilities are fully drawn and mature in June 2026.

In December 2022, the Group entered into project financing agreements in connection with Project ONE to borrow loans of up to €3.5 billion to fund the majority of the capital expenditure plus associated financing costs during construction. On 20 July 2023, the Group received a decision from the Council for Permit Disputes annulling the permit for Project ONE. As a result of the annulment of the permit, no further drawings



under the Project ONE Facilities could be made until such time as a new permit was reissued. Under the terms of the facility there was a period of up to 18 months to achieve this. In September 2023, the Group entered into the Project ONE Interim Facility providing for loans in an aggregate principal amount of up to €400 million which was partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government). This was a short dated facility repayable within 364 days. On 7 January 2024, a new permit was issued. On 29 February 2024, the Group repaid the entire drawn balance of the Project ONE Interim Facility of €400.0 million from borrowings under the Project ONE Facilities following lifting of the drawstop. On 30 July 2024, the Environmental Minister issued Project ONE a new permit on additional legal grounds, replacing the permit issued in January 2024. Appeals of the new permit have been filed by multiple non-governmental organizations and two Dutch provinces with the Council for Permit Disputes, and the matter is ongoing. On 26 August 2024, IOB submitted a new permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted the additional permit. However, we expect similar legal challenges and there can be no assurance that such permit would ultimately become effective or not be annulled or suspended.

On 1 April 2024, in connection with the Lavéra acquisition, the Group acquired three revolving credit facilities providing for revolving credit facilities in an aggregate principal amount of €115.0 million. The Group acquired a revolving credit facility with an aggregate principal amount of €80.0 million with BNP Paribas which expires in June 2025 and under which €70.0 million were drawn as at 31 December 2024. The Group also acquired a revolving credit facility with an aggregate principal amount of €15.0 million with Caisse d'Épargne, which is repayable on demand with 90 days' notice and which was drawn in full as at 31 December 2024. The Group also acquired a revolving credit facility with an aggregate principal amount of €20.0 million with Credit Agricole CIB, which has no set maturity, but is reviewed annually and which was drawn in full as at 31 December 2024.

We or our affiliates may repay, redeem or repurchase any of our outstanding debt instruments, including term loans and notes, at any time and from time to time in the open market, in privately negotiated transactions, pursuant to one or more tender or exchange offers or otherwise, upon such terms and with such consideration as we or any such affiliate may determine. The amounts involved may be material.

### Capital Expenditures

As part of our strategy to focus capital investments on improving returns, we have instituted measures to ensure the most efficient uses of capital investment. We intend to manage capital expenditures to maintain our well-invested asset base.

Capital expenditure incurred during the years ended 31 December 2024, 2023 and 2022 were €1,749.5 million, €1,451.2 million and €1,036.4 million, respectively, analyzed by business segment as follows:

	For the year ended		
	31 December		
	2024	2023	2022
O&P North America.....	168.0	243.0	243.6
O&P Europe.....	1,419.9	976.9	489.6
Chemical Intermediates.....	161.6	231.3	303.2
<b>Total.....</b>	<b>1,749.5</b>	<b>1,451.2</b>	<b>1,036.4</b>

The main capital expenditures for the year ended 31 December 2024 in the O&P North America segment related to turnaround expenditure. The main capital expenditures in the O&P Europe segment related to the Project ONE expenditure that restarted following the granting of a permit in January 2024 that allowed work to recommence on the construction of a new cracker in Antwerp, Belgium. The main expenditure in the Chemical Intermediates segment was within the Oxide business, with turnaround expenditure on the Köln and Antwerp sites, as well as sustenance expenditure. The remaining capital expenditure related primarily to sustenance expenditure.

The main capital expenditures for the year ended 31 December 2023 in the O&P North America segment related to turnaround expenditure at the Gemini site and to the expansion of the Lubbock pipe manufacturing plant. The main capital expenditures in the O&P Europe segment related to continued expenditure on Project ONE, the completion of the cogeneration project at the Köln, Germany site and continued turnaround expenditure on a polyethylene unit and on a cracker and aromatics unit. The main expenditure in the Chemical Intermediates segment included turnaround spend at Gladbeck in the Phenol



business as well growth expenditure on a new cumene unit project at Marl, Germany. The Oligomers business saw further growth expenditure on the LAO platform at Chocolate Bayou, United States. There was growth expenditure in the Nitriles business in relation to the new acetonitrile production facility at the Köln, Germany site. The main expenditure in the Oxide business was in relation to a turnaround. The remaining capital expenditure related primarily to sustenance expenditure.

The main capital expenditures for the year ended 31 December 2022 related to turnaround expenditure in the O&P North America segment. The main capital expenditures in the O&P Europe segment related to the completion of the cogeneration project at the Köln, Germany site, together with expenditure on a scheduled cracker turnaround at the Rafnes, Norway site and expenditure on Project ONE. The main expenditure in the Chemical Intermediates segment was further growth expenditure by the Phenol business on the new cumene unit project at Marl. There was further growth expenditure by the Oligomers business on the LAO and PAO platforms at Chocolate Bayou, United States. In Nitriles, there was expenditure on the new port facility at the Green Lake site. The remaining capital expenditure related primarily to sustenance expenditure.

### **Working Capital**

We anticipate that our working capital requirements will vary due to changes in raw material costs, which affect inventory and account receivables levels, and sales volumes. Working capital levels typically develop in line with raw material prices, although timing factors can affect flows of capital. We expect to fund our working capital requirements with cash generated from operations and drawings under our Securitization Program and Inventory Financing Facilities.

### **Cash Flows**

During the years ended 31 December 2024, 2023 and 2022, our net cash flow was as follows:

	<b>For the year ended 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Cash flow from operating activities.....	2,048.8	1,587.9	2,740.7
Cash flow used in investing activities .....	(2,583.7)	(2,707.0)	(2,590.0)
Cash flow from financing activities.....	1,134.4	315.5	305.3

### **Cash flows from operating activities**

Net cash flow from operating activities was an inflow of €2,048.8 million for the year ended 31 December 2024 (inflow of €1,587.9 million for the year ended 31 December 2023). The inflow was due to the profit generated from operations, partly offset by working capital outflows of €31.4 million in the year ended 31 December 2024 (inflow of €138.7 million in the year ended 31 December 2023). The working capital outflows in the year ended 31 December 2024 primarily reflected the higher working capital levels of the Group due to higher sales volumes.

Net cash flow from operating activities was an inflow of €1,587.9 million for the year ended 31 December 2023 (inflow of €2,740.7 million for the year ended 31 December 2022). The inflow was due to the profit generated from operations and working capital inflows of €138.7 million in the year ended 31 December 2023 (inflows of €41.6 million in the year ended 31 December 2022). The working capital inflows in the year ended 31 December 2023 primarily reflected the lower working capital levels of the Group due to a reduction in overall sales volumes of approximately 8% for the year ended 31 December 2023 as compared to the year ended 31 December 2022.

Taxation payments of €74.1 million were made in the year ended 31 December 2024 (payments of €226.0 million in the year ended 31 December 2023, payments of €148.1 million in the year ended 31 December 2022). The payments in the year ended 31 December 2024 primarily reflected tax payments in UK, Belgium, France, Italy, Luxembourg, Switzerland, Singapore, United States and Canada. This was partly offset by a tax receipt in Germany. The payments in the year ended 31 December 2023 primarily reflected tax payments in Germany, UK, Belgium, Norway, United States and Canada. The payments in the year ended 31 December 2022 primarily reflected tax payments in Germany, Switzerland, Belgium, Canada and the United States, partially offset by tax refunds in the United States (including a refund under the CARES Act).



## *Cash flows used in investing activities*

Interest receipts of €98.9 million were received in the year ended 31 December 2024 (31 December 2023: €98.1 million, 31 December 2022: €31.1 million) which related primarily to interest received on cash balances held by the Group.

On 1 May 2024, the Group acquired the LyondellBasell Ethylene Oxide and Derivatives business and production facility at Bayport Texas for total consideration of \$700.0 million (€652.7 million). No cash was acquired as part of this transaction.

On 1 April 2024, the Group completed the Lavéra acquisition and reintegrated the Lavéra businesses back into the Group. Total consideration of €250.0 million was paid, consisting of €234.0 million paid to INEOS Holdings Luxembourg S.A. and €16.0 million to INEOS Chemicals Holdings Luxembourg II S.A. As part of this acquisition, €84.3 million of cash was acquired.

On 1 April 2024, the Group also completed the acquisition of the TotalEnergies Lavéra business for a total cash consideration of €133.6 million. Cash balances acquired with the business were €15.3 million.

In April 2023, the Group provided a loan of €811.9 million via INEOS Industries Holdings Limited to INEOS Upstream Holdings Limited, a related party, to partly fund its acquisition of U.S. onshore oil and gas assets in the Eagle Ford shale from Chesapeake Energy. The loan facility is unsecured, matures in April 2028 and bears interest at 8.5% per annum.

On 31 March 2023, the Group completed the acquisition of the entire asset base of Mitsui Phenols Singapore Ltd from Mitsui Chemicals, a leading Japanese chemicals manufacturer, for a total consideration of \$289.9 million (€273.4 million). Cash balances acquired with the business were €42.9 million.

In January 2023, the Group provided a loan of €309.3 million via INEOS Industries Holdings Limited to INEOS Grangemouth Limited, a related party, to facilitate the repayment of its Senior Term and Revolving Loan Facilities. The loan facility is unsecured, matures in January 2028 and bears interest at 5.75% per annum.

In the year ended 31 December 2024, the Group spent €5.1 million (31 December 2023: €14.7 million, 31 December 2022: €128.8 million) on intangible assets primarily related to the purchase of carbon emission credits.

In the year ended 31 December 2022, the Group acquired 50% of SECCO from Sinopec. Total consideration was RMB 10,870 million (€1,460.7 million), which was partly funded by new term loan facilities which mature in June 2026.

There were no other significant cash flows used in investing activities for the years ended 31 December 2024, 2023 and 2022 other than the acquisition of property, plant and equipment (see “—Capital Expenditures” above).

## *Cash flows from financing activities*

Payments of €920.2 million were made in the year ended 31 December 2024 (€624.3 million in the year ended 31 December 2023, €205.4 million in the year ended 31 December 2022), in respect of interest and other finance items. The payments during the 2024 related primarily to monthly cash payments in respect of the Senior Secured Term Loans and the Project ONE Interim Facility; semi-annual interest payments on the Senior Secured Notes due 2028, Senior Secured Notes due May 2026, Senior Secured Notes due March 2026, Senior Secured Notes due 2025 and Project ONE Facilities; quarterly interest payments on the Gemini and Rain facilities and interest paid on lease liabilities of €52.3 million, partially offset by the net settlement of derivative contracts of €24.1 million. The interest payments during 2023 related primarily to monthly cash payments in respect of the Senior Secured Term Loans and the Project ONE Interim Facility, semi-annual interest payments on the Project ONE Facilities, Senior Secured Notes due May 2026, Senior Secured Notes due March 2026 and Senior Secured Notes due 2025, quarterly interest payments on the Gemini and Rain facilities and interest paid on lease liabilities of €56.0 million, partially offset by the net gain on settlement of derivative contracts of €116.8 million. The interest payments during 2022 related primarily to monthly cash payments in respect of the Senior Secured Term Loans, quarterly interest payments on the Gemini Term Loans, semi-annual interest payments on the Senior Secured Notes due 2025 and Senior Secured Notes due May 2026, Senior Secured Notes due March 2026 and interest paid on lease liabilities of €51.7 million, partially offset by the net gain on settlement of derivative contracts of €123.4 million.



The Group made drawdowns of €106.3 million (31 December 2023: repayments of €40.0 million, 31 December 2022: repayments of €40.5 million) during the year ended 31 December 2024. The Group paid associated debt issue costs of €0.1 million (31 December 2023: €0.1 million, 31 December 2022: €0.1 million) in relation to the Inventory Financing Facilities during the year ended 31 December 2024.

In December 2024 the Group issued new Senior Secured Term Loans due 2031. Proceeds of €126.0 million were used to redeem in full the Senior Secured Note due March 2026 amounting to €78.1 million, to partly redeem the Senior Secured Notes due 2025 for €45.0 million, to increase cash balances and to repay (via a cashless roll) the €425 million and \$500 million Senior Secured Term Loans due 2031 which were originally issued in February 2024.

In June 2024 the Group issued new Senior Secured Term Loans. The Senior Secured Term Loans included €1,500 million maturing in June 2031 and \$2,379 million maturing in February 2030. This was a cashless roll and replaced the 2027 Euro Term Loans, the 2027 Dollar Term Loans and the initial 2030 Dollar Term Loans. Debt issue costs of €20.6 million were paid during the year ended 31 December 2024 associated with the Senior Secured Term Loans.

In February 2024 the Group issued new Senior Secured Term Loans and Senior Secured Notes due 2029. The Senior Secured Term Loans included €425 million and \$500 million maturing in February 2031 which were issued at a discount resulting in a cash inflow of €877.5 million. Debt issue costs of €8.1 million were paid in relation to the new Senior Secured Term Loans. The Senior Secured Notes consisted of €850 million and \$725 million (€669.1 million) and mature in April 2029. Debt issue costs of €15.2 million were paid by the Group in relation to the new Senior Secured Notes. Proceeds were used to partly redeem €312.2 million of the 2025 and €735.7 million of the 2026 Senior Secured Notes for a discounted cash consideration of €1,031.2 million and to provide funding for the Group's planned acquisitions and development projects.

In February 2023 the Group issued new Senior Secured Term Loans and Senior Secured Notes. The Senior Secured Term Loans included €700.0 million maturing in November 2027 and \$1.2 billion (€1,103.9 million) maturing in February 2030. The Group paid debt issue costs of €32.3 million in relation to the new Senior Secured Term Loans. The Senior Secured Notes consisted of €400 million and \$425 million (€390.9 million) and mature in May 2028. Debt issue costs of €8.4 million were paid by the Group in relation to the new Senior Secured Notes. The proceeds were used to fully redeem the remaining Senior Secured Term Loans due 2024 of €1,982.1 million as well as increasing the liquidity of the Group.

In November 2022 the Group extended its maturity profile by issuing new €800.0 million and \$1,200.0 million (€1,206.1 million) Senior Secured Term Loans maturing in November 2027. The new Term Loans were used to partially redeem €1,492.5 million of the euro and US dollar denominated Term Loans maturing on 31 March 2024 as well as increasing the liquidity of the Group. The Group paid associated debt issue costs of €82.8 million in relation to the new loans during the year ended 31 December 2022. During the year ended 31 December 2023 the Group paid further debt issue costs of €0.2 million in relation to these loans.

The Group made scheduled repayments of €24.7 million (31 December 2023: €25.4 million, 31 December 2022: €46.1 million) on the Senior Secured Term Loans during the year ended 31 December 2024.

In December 2022, the Group entered into project financing agreements in connection with Project ONE to borrow loans of up to €3.5 billion under the Project ONE Facilities to fund the majority of the capital expenditure plus associated financing costs during construction. In February 2023, the Group received certain guarantees which meant it could start drawing under the Project ONE Facilities. During the year ended 31 December 2024 the Group made drawdowns under the Project ONE Facilities of €1,366.8 million (€522.0 million in the year ended 31 December 2023). During the year ended 31 December 2023 the Group paid €202.4 million of debt issue costs relating to legal and advisory fees, upfront fees to banks, agency fees to the facilities agents and the upfront Export Credit Agency Guarantee premiums paid to UKEF, CESCE and SACE.

On 20 July 2023, the Group received a decision from the Council for Permit Disputes annulling the permit for Project ONE. As a result of the annulment of the permit, no further drawings could be made until such time as a new permit was reissued. In September 2023, the Group entered into the Project ONE Interim Facility providing for loans in an aggregate principal amount of up to €400.0 million under a facility partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government). During the year ended 31 December 2023 the Group made drawdowns under the Project ONE Interim Facility of €365.0 million and paid debt issue costs of €2.0 million. In January 2024, the Group made additional drawdowns of €35.0 million. Also in January 2024, a new permit was issued for Project ONE, following completion of the required procedural process, by the Environmental Minister, and construction works on the Antwerp site were able to resume. In



February 2024, the Group repaid the entire drawn balance of the Project ONE Interim Facility of €400.0 million from borrowings under the Project ONE Facilities.

As part of a Köln, Germany project to replace part of the site's incineration and cogeneration unit, the Group entered into a €120.0 million loan facility. The Group made scheduled loan repayments of €30.0 million on the Köln CoGen Facility during the year ended 31 December 2024 (31 December 2023: €18.0 million, 31 December 2022: €24.0 million). As part of this project the Group also entered into an additional loan facility of €60.0 million in May 2021. The first repayments under this additional loan facility started in September 2022. During the year ended 31 December 2024 the Group made scheduled repayments of €18.8 million (31 December 2023: €11.3 million, 31 December 2022: €7.5 million) on the additional loan facility.

In November 2019, following the repayment of the initial Rafnes Facility, the term loan was amended and restated with a new amount of €250.0 million. During the year ended 31 December 2022, the Group made scheduled repayments of €35.7 million under the loan agreement and paid associated debt issue costs of €3.1 million in relation to the amend and extend of the facility. In November 2022, the Group amended and extended the existing Rafnes Facility to €305 million, resulting in an additional drawdown of €126.4 million. The new Rafnes Facility is to be repaid in six equal semi-annual instalments commencing in May 2025, with the Rafnes Facility maturing in November 2027.

In August 2020, the Group entered into a bank loan agreement to fund capital expenditure on a freight rail car fleet covering North America for the Oligomers business. During the year ended 31 December 2024, the Group made scheduled loan repayments of €0.5 million (31 December 2023: €0.3 million, 31 December 2022: €0.9 million) under the loan agreement.

As part of the Group's purchase of the remaining 50% interest in the Gemini HDPE plant in Texas, United States, from Sasol Chemicals on 31 December 2020, the Group amended and upsized the existing Term Loan facility within the acquired Gemini HDPE LLC legal entity. The Group has made scheduled loan repayments of €23.9 million during the year ended 31 December 2024 (31 December 2023: €23.5 million, 31 December 2022: €23.0 million).

In March 2019, the Group entered into a €141 million floating rate Schuldschein Loan facility, which was due to mature in March 2024. In December 2022, the Group repaid the Schuldschein Loan in full.

In November 2020, the Group entered into a separate bank loan agreement to fund specific capital expenditure on a new cumene unit at Marl, Germany for the Phenol business. During the year ended 31 December 2023 the Group repaid the loan in full after making scheduled repayments of €7.9 million (31 December 2022: €1.7 million).

During the year ended 31 December 2022, the Group acquired 50% of Shanghai SECCO Petrochemical Company Limited ("SECCO") from Sinopec. Total consideration was RMB 10,870 million (€1,460.7 million), which was partly funded by a new RMB 1,045 million (€140.8 million) and \$525.0 million (€507.0 million) term loan facility which matures in June 2026. The Group paid associated debt issue costs of €7.4 million in relation to these facilities loans during the year ended 31 December 2022. In April 2023, the Group successfully completed a syndication of the acquisition financing originally funded in December 2022. As part of the syndication the facility was increased to \$785 million and RMB 1,045 million resulting in an inflow of €236.1 million. The Group made an equity cure repayment of €73.9 million (\$79.8 million) on the U.S. dollar term loan facility during the year ended 31 December 2024. During the year ended 31 December 2023 the Group paid further debt issue costs of €3.0 million in relation to these facilities.

As part of the Lavéra acquisition in April 2024, the Group acquired three revolving credit facilities. During the year ended 31 December 2024 the Group made net repayments of €9.6 million in respect of these facilities. During the year ended 31 December 2024 the Group paid debt issue costs of €0.1 million related to these facilities. In addition as part of the Lavéra acquisition the Group acquired INEOS Manufacturing Italia S.P.A which holds a senior term facility with the Banca Nazionale Del Lavoro S.P.A. Repayments of €3.0 million against this facility during the year ended 31 December 2024.

During the year ended 31 December 2022 the Group paid debt issue costs of €0.1 million after it entered an amendment agreement to extend the maturity of the Securitization Program.

During the year ended 31 December 2024 the Group made payments of €206.3 million (31 December 2023: €171.2 million, 31 December 2022: €163.3 million) in respect of the capital element of lease liabilities.



The Group made no dividend payments in the year ended 31 December 2024 (31 December 2023: paid €250.0 million, 31 December 2022: paid €200.0 million).

## Net debt

Total net debt as at 31 December 2024 was €10,624.6 million (31 December 2023: €8,534.2 million, 31 December 2022: €6,238.5 million). The Group held net cash balances of €2,477.0 million as at 31 December 2024 (31 December 2023: €1,774.1 million, 31 December 2022: €2,639.1 million) which included restricted cash of €136.0 million (31 December 2023: €139.4 million, 31 December 2022: €160.0 million) used as collateral against bank guarantees and letters of credit. The Group had availability under the undrawn Securitization Program of €561.4 million as at 31 December 2024 (31 December 2023: €532.3 million, 31 December 2022: €616.0 million).

The Group entered into three interest rate swap contracts effective June 2020 to hedge the variable interest rate exposure on \$1.2 billion of the U.S. dollar-denominated Senior Secured Term Loans. On a quarterly basis, the Group receives 3-month USD-SOFR CME Term and pays a fixed rate. The Group terminated two of these contracts totaling \$850 million in October 2023 in return for cash proceeds determined by the fair value of the derivatives at the time of the termination. The remaining \$350 million derivative instrument expires in June 2025. The Group entered into a further interest rate swap contract effective April 2023 to hedge the variable interest rate exposure on \$500 million of the U.S. dollar-denominated Senior Secured Term Loans. On a quarterly basis, the Group will receive 3-month USD-SOFR CME Term and pay a fixed rate. This derivative instrument expires in April 2025.

The Group entered into several interest rate swap contracts and zero-cost collar contracts with a hedge coordinating bank in advance of reaching financial close under the Project ONE Facilities. These derivative instruments are based on an accreting gross notional profile up to €2,450 million. At financial close effective February 2023, the Group novated these derivative instruments to the wider banking syndicate involved in the Project ONE Facilities. Under the interest rate swap contracts on a 6-month (bi-annual) basis the Group receives 6-month EURIBOR and pays a fixed rate. Under the zero-cost collar contracts on a 6-month (bi-annual) basis the Group receives 6-month EURIBOR and pays a fixed rate against the Cap and receives a fixed rate and pays 6-month EURIBOR against the floor. These derivative instruments expire in March 2028. As at 31 December 2024, the gross notional profile of these derivative instruments was €1,493.8 million (31 December 2023: €1,160.9 million).

## Quantitative and Qualitative Disclosures About Market Risk

In the ordinary course of our business, we are exposed to a variety of market risks arising from fluctuations in foreign currency exchange rates, interest rates and commodity prices. To manage these risks effectively, we may enter into hedging transactions and use derivative financial instruments, pursuant to established internal guidelines and policies, to mitigate the adverse effects of these market risks. We do not enter into financial instruments for trading or speculative purposes.

In the case of commodities, this exposure principally arises from movements in the prices of the feedstocks we require to make our products. To manage this exposure, we generally acquire raw materials and sell finished products at posted or market-related prices, which are typically set on a quarterly, monthly or more frequent basis in line with industry practice. We seek to minimize reductions in our margins by passing through feedstock cost increases to our customers through higher prices for our products.

Our cash flows and earnings are subject to exchange rate fluctuations. In our European petrochemical business, product prices, certain feedstock costs and most other costs are denominated in euro and British pounds. From time to time, we may enter into foreign currency exchange instruments to minimize the short-term impact of movements in foreign exchange rates.



## BUSINESS

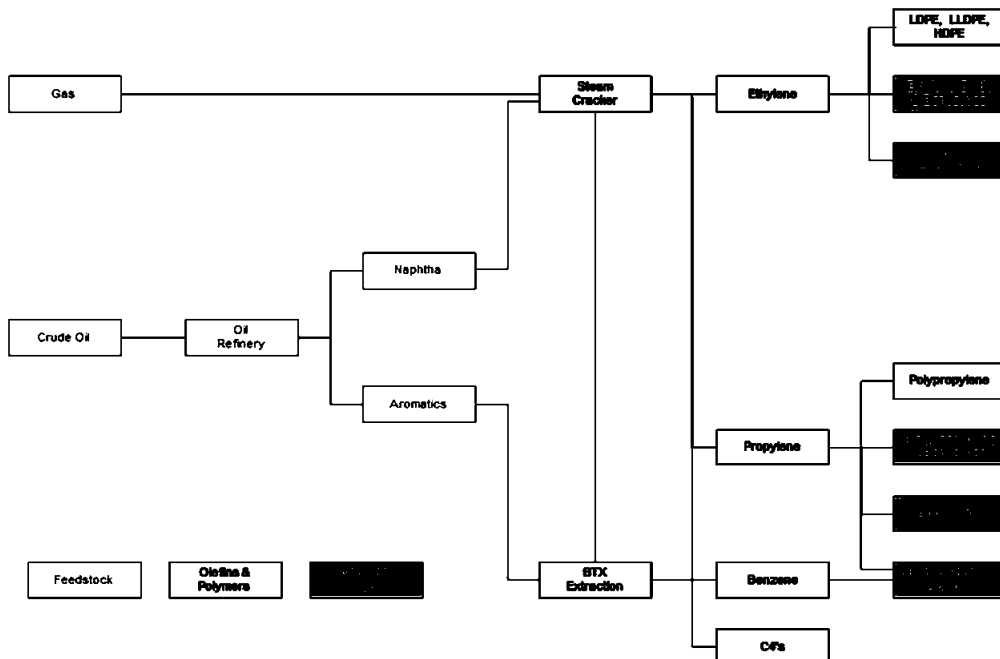
### Introduction

We are one of the world's largest chemical companies as measured by revenue. Our business has highly integrated, world-class chemical facilities and production technologies. We have leading global market positions for a majority of our key products and a strong and stable customer base. We operate 39 manufacturing sites in nine countries throughout the world. We are led by a highly experienced management team with, on a combined basis, over 100 years of experience in the chemical industry. As of 31 December 2024, our total chemical production capacity was approximately 29,600 kta, of which 56% was in Europe, 40% was in North America and 4% was in Asia.

We operate our business through three segments: Olefins & Polymers Europe, Olefins & Polymers North America and Chemical Intermediates. The products we manufacture are derived from crude oil and natural gas, and include olefins, polymers and various petrochemical products directly or indirectly derived from olefins. Our products serve a broad and diverse range of end markets, including packaging, construction, automotive, white goods/durables, agrochemicals and pharmaceuticals.

Our highly integrated, world class production facilities and technological know-how allow us to process raw materials into higher value-added products. In Europe, we own three sites integrated with crackers and polymer units, including, since the completion of the Lavéra Acquisition, the Naphtachimie steam cracker, which is one of Europe's largest with a capacity of 720 kta of ethylene. This cracker is integrated with the downstream derivative plants, making up the Lavéra Businesses. Typically, these three sites account for approximately 77% of our European olefin and polymer volumes. The polyolefins plants on our three major sites in Europe receive approximately 99% of their feedstock supply from our integrated crackers. Similarly, in the United States, much of our olefin feedstock requirements for our polymer business is supplied by either our Chocolate Bayou cracker in Texas or by integrated third-party facilities, such as the Tesoro facility in Carson, California. The Bayport Texas, United States, site is also integrated with third-party facilities. We believe that with our highly integrated facilities we are able to capture attractive margins across the value chain, enjoy greater certainty of feedstock supply, reduce logistical costs, improve energy management and optimize our product slate.

The extent of our business integration from upstream to downstream for our major products is summarized as follows:





We benefit from the cost advantages of operating large-scale, well-invested, highly integrated facilities strategically located near major transportation facilities and customer locations. Since 1 January 2007, we and our predecessors have invested almost €14.2 billion (including investments in divested assets) in our production facilities to ensure that they operate efficiently, resulting in integrated, and state-of-the-art production units. This includes significant investments of almost €4.1 billion in the last five years to further enhance our assets' capabilities. We believe these investments allow us to operate at lower cost and higher utilization rates than most of our competitors, and enable us to maintain positive margin and cash flows even during downturns in industry cycles or customer demand. For the year ended 31 December 2024, our revenue was €16.2 billion and our EBITDA before exceptionals was €2.0 billion.

Over the past several years, we have implemented a range of strategic initiatives designed to lower our operating costs, increase our profitability and further enhance our market position. These include fixed asset investments to expand our capacity in higher value products, to enhance productivity at our existing facilities, and to reduce our fixed cost structure through headcount reductions, production line closures and system upgrades. In addition, we have shifted our product portfolio to focus on more differentiated products, exited low-margin businesses and implemented premium pricing strategies designed to improve our margins. We are particularly focused on expanding our footprint in Asia to further access the high demand growth of that region, which may take the form of joint ventures and unrestricted subsidiaries. We believe these initiatives provide us with a strong platform to drive growth, create significant operating leverage and position us to benefit from volume recovery in our end markets.

Since April 1998, when INEOS was established with the acquisition of the Belgian "Oxide" assets from Inspec plc, we have significantly expanded, both through a series of strategic acquisitions of businesses and assets from major chemical companies, and through organic growth. The combination of INEOS and Innovene in December 2005 represented a transformational milestone for our company, providing global scale and further upstream integration.



The following table provides an overview of our capacity, global market position and leading regional market positions with respect to our key petrochemical products.

<b>Key products</b>	<b>Full-year capacity as of 31 December 2024<sup>(1)</sup> (Kilotonnes)</b>	<b>Selected market positions<sup>(1)</sup></b>
Ethylene .....	<b>6,707</b>	#1 in Western Europe #7 in U.S.
Propylene .....	<b>2,671</b>	#2 in Western Europe #11 in U.S.
Butadiene .....	<b>685</b>	#1 in Western Europe
Polyethylene .....	<b>4,238</b>	#1 in Western Europe #8 in U.S.
Polypropylene .....	<b>2,251</b>	#4 in Western Europe #6 in U.S.
Ethylene Oxide.....	<b>1,920</b>	#2 in Western Europe #2 in U.S. #4 Globally
Ethanolamines .....	<b>233</b>	#3 in U.S.* #3 Globally* #3 in Western Europe*
Phenol .....	<b>2,180</b>	#1 Globally #1 in Western Europe #1 in U.S.
Acetone .....	<b>1,344</b>	#1 Globally #1 in Western Europe #1 in U.S.
Acrylonitrile .....	<b>1,304</b>	#1 Globally #1 in Western Europe #1 in U.S.
Linear Alpha Olefins.....	<b>1,002</b>	#1 in Western Europe #3 Globally #3 in U.S.
Poly Alpha Olefins.....	<b>230</b>	#1 in Western Europe #1 Globally #1 in U.S.

Sources: NexantECA and Ineos – 2024

\* Merchant market sales

(1) The assets of INEOS Chemicals Grangemouth Limited and INEOS Commercial Services UK Limited were transferred out of IGH on 1 October 2013 in connection with the Grangemouth Divestiture, and the Lavéra Divestiture assets were transferred out of IGH on 1 July 2014; therefore, their capacity has been excluded from the full year capacity figures. However for the estimation of market ranking for IGH their capacities have been included since these assets remain within the broader INEOS family of companies and there has been no restriction to, or change in, the competitive dynamic that the assets exercise within the European market as a part of the INEOS family of companies. Therefore, in management's view, it is helpful to consider the Grangemouth and Lavéra assets in order to reflect the relative overall commercial strength of the INEOS family of companies, which is the same as that of O&P Europe within IGH.

### *Olefins & Polymers Europe and Olefins & Polymers North America*

In our olefins and polymers businesses, we produce olefins, other cracker products, such as butadiene and benzene, and a broad range of polyolefin polymers. We are among the largest producers of olefins and polymers in the world. The focus of our olefins business in Europe and North America is on ethylene and propylene, which are the two largest volume olefins globally and are key building blocks for polymers. The olefins we make are primarily used as feedstock for our derivatives businesses. In addition, we sell olefins to third-party customers for a variety of industrial and consumer applications, including the manufacture of plastics, rubber and fiber. In our polymers business, we focus on polyethylene and polypropylene.

We operate a total of 23 sites for olefins and polyolefins, including our large integrated olefins cracker and polyolefin facilities at Köln, Germany, Rafnes, Norway, Chocolate Bayou, Texas, United States and Lavéra, France and ten polyethylene pipe manufacturing sites within the United States. These facilities support our highly competitive proprietary polyolefin process technologies. The technologies include our cost-effective gas



phase polypropylene technology, our specialized technology for HDPE and our flexible proprietary “swing” technology for both linear low-density polyethylene (“LLDPE”) and HDPE.

The North American and European markets for olefins and polyolefins are quite distinct, with separate pricing structures and distribution channels. As a result, each market may experience different rates of growth and levels of return. Therefore, we operate these two businesses separately and report them as two distinct segments—INEOS Olefins & Polymers Europe and INEOS Olefins & Polymers North America. For the 12-month period ended 31 December 2024, our Olefins & Polymers Europe and Olefins & Polymers North America businesses contributed €7.9 billion and €4.2 billion of revenue (excluding intersegmental eliminations) and €470.2 million and €796.0 million of EBITDA before exceptionals, respectively (including, in each case, intersegmental eliminations).

We are also focused on expanding our presence in Asia with the development of a number of joint ventures with Sinopec in China (See “Business—Olefins & Polymers Asia”).

### *Chemical Intermediates*

Chemical intermediates are higher-value-added chemical products used as key components in a wide variety of consumer and industrial products. In our Chemical Intermediates business, we utilize olefins as key raw materials and produce a wide range of products, including phenol, acetone, alpha olefins, ethylene oxide and derivatives, acrylonitrile, ammonia and nitriles.

We have four main product groups within our Chemical Intermediates business: INEOS Nitriles, INEOS Oligomers, INEOS Oxide and INEOS Phenol. We have a total of 19 manufacturing sites globally, with many of our plants integrated either directly with their key raw materials on-site, or integrated via pipeline connection.

We are the world’s leading producer of phenol, which is an essential starting material for a wide range of applications in the electrical/electronics, automotive, construction and household/furniture industries. Our main product in the nitriles sector is acrylonitrile, which is used in the production of acrylic fibers and acrylonitrile butadiene styrene plastic. We are also among the largest volume suppliers of linear and poly alpha olefins in the world. According to NexantECA, we are the second largest producer of ethylene oxide in Western Europe, as measured by aggregate annual capacity for 2024. We have a range of associated products, including ethylene glycol, propylene oxide, propylene glycol and acetate esters. We manufacture and supply high-quality catalysts and additives in support of various technologies to major companies around the world, and also to our own manufacturing assets. For the 12-month period ended 31 December 2024, our Chemical Intermediates revenue and EBITDA before exceptionals were €7.2 billion and €782.2 million, respectively, excluding intersegmental eliminations.

### **Business Segments**

Set forth below is a discussion of our business along the segment lines of Olefins & Polymers Europe, Olefins & Polymers North America and Chemical Intermediates in the following areas: products, manufacturing, raw materials and energy, transportation, customers and contracts, research and intellectual property and competition.

### **Olefins and Polymers**

We operate two Olefins and Polymers businesses: Olefins & Polymers Europe and Olefins & Polymers North America. Set forth below is a general discussion of the products, manufacturing, research and intellectual property, transportation and competition, followed by a more detailed review of the products, manufacturing, raw materials and energy and customers and contracts, of our Olefins & Polymer Europe business and our Olefins & Polymers North America business.

### **Products**

The following table provides an overview of our key olefin and polymer products and their principal applications. All market positions are provided by NexantECA, as measured by average annual capacity assessed as at 31 December 2024.



Key products	Principal applications	Selected market positions <sup>(4)</sup>
<i>Olefins and related products</i>		
Ethylene <sup>(1)</sup> .....	Polyethylene, polyvinyl chloride, ethylene oxide and styrene	#1 in Western Europe #7 in U.S.
Propylene <sup>(2)</sup> .....	Polypropylene, acrylonitrile, cumene and propylene oxide	#2 in Western Europe #11 in U.S.
Butadiene .....	Synthetic rubbers and acrylonitrile, butadiene styrene	#1 in Western Europe
Benzene .....	Styrene, cumene and nylon	#6 in Western Europe
<i>Polymers</i>		
Polyethylene (high density polyethylene, low density polyethylene, linear low density polyethylene).....	Films for packaging, agricultural applications, molded products, pipes and coatings	#1 in Western Europe <sup>(3)</sup> #8 in U.S.
Polypropylene .....	Molded products, filaments, fibers and films	#4 in Western Europe #6 in U.S.

- (1) In Europe, we consume more ethylene than we produce, which allows us to operate our crackers in Europe at higher operating rates than the industry average. In North America, the olefin crackers at our Chocolate Bayou facility manufacture substantially more ethylene than is required by our polymers and derivatives units in the Gulf Coast region. As a result, we sell substantial amounts of the ethylene that we produce to customers in the Gulf Coast region of the United States.
- (2) In Europe and North America, we consume more propylene than we produce. Our propylene consumption is primarily related to the production of polypropylene, propylene oxide, oxo alcohols, phenol and acrylonitrile.
- (3) According to NexantECA, measured by average annual capacity, we are the second largest manufacturer of high-density polyethylene in Europe and the third largest manufacturer of linear low-density polyethylene in Europe.
- (4) The assets of INEOS Chemicals Grangemouth Limited and INEOS Commercial Services UK Limited were transferred out of IGH on 1 October 2013 in connection with the Grangemouth Divestiture, and the Lavéra Divestiture assets were transferred out of IGH on 1 July 2014. However for the estimation of market ranking for IGH their capacities have been included since these assets remain within the broader INEOS family of companies and there has been no restriction to, or change in, the competitive dynamic that the assets exercise within the European market as a part of the INEOS family of companies. Therefore, in management's view, it is helpful to consider the Grangemouth and Lavéra assets in order to reflect the relative overall commercial strength of the INEOS family of companies, which is the same as that of O&P Europe within IGH.

Source for market positions: NexantECA and INEOS.

- **Ethylene.** According to NexantECA, ethylene is the world's most widely used petrochemical in terms of volume, accounting for over one third of the global production of primary petrochemicals. It is the key building block used to produce a large number of higher value added chemicals, including polyethylene, polyvinyl chloride via ethylene dichloride and styrene via ethylbenzene. Ethylene is a flammable gas and is a primary olefin obtained in a cracking process as previously described. Because ethylene is a gas, it must be transported either by pipeline or in the form of a highly pressurized and refrigerated liquid, which is expensive.

While ethylene itself has no consumer applications, demand for ethylene is driven essentially by its use as feedstock for various thermoplastics, including polyethylene and other polymer derivatives. Thermoplastics are plastics that soften when heated and harden again when cooled. Aside from being the feedstock for polyethylene production, demand for ethylene is also driven by the manufacture of ethylene oxide and derivatives, ethylene dichloride and ethyl benzene. These products are in turn used mainly in the production of other thermoplastics; PET, PVC and polystyrene respectively. According to NexantECA, the global market for ethylene is forecast to grow at 3.8% per annum through 2028 versus forecast GDP growth of 3.5% during the same period, driven by polyethylene applications such as high-density polyethylene and linear low-density polyethylene.

- **Propylene.** Propylene is a flammable gas which is derived as a co-product either of the refinery fluid catalytic cracker process used to make gasoline or of the steam cracking process used to make ethylene. More recently, propylene is also being produced from processes such as propane dehydrogenation and metathesis. Propylene is an important feedstock for a significant number of



industrial products and is the main feedstock for polypropylene and acrylonitrile. Propylene is marginally easier to transport than ethylene and may be shipped by pipeline, road, rail or ship.

Global propylene demand is driven essentially by its use as feedstock for various thermoplastics and by the level of demand for propylene derivatives, particularly polypropylene, propylene oxide, acrylonitrile, oxo-alcohols, cumene and acrylic acid. Growth in the demand for polypropylene has stemmed from the substitution of non-polymers (paper, wood, glass and metal, etc.) for polypropylene due to its relative cost advantage and superior performance. According to NexantECA, the global market for propylene is projected to grow at 4.3% per annum through 2028, driven mainly by polypropylene demand.

- **Butadiene.** Butadiene is a gas and is one of the co-products of the steam cracking process used to manufacture ethylene and propylene. Butadiene is used primarily in the production of polymers, principally synthetic rubbers such as styrene-butadiene rubber, which is used to make tires and other rubber products. Other polymers made from butadiene include acrylonitrile-butadiene styrene and styrene-butadiene latex. Butadiene is also used to make ethylidene norbornene monomer.

Butadiene demand is driven primarily by growth in consumption of synthetic rubber. According to NexantECA, the global market for butadiene is projected to grow at an average of 3.5% per annum through 2028. Demand is tightly linked to the market for synthetic rubber, which is, in turn, mainly consumed in the automotive sector.

- **Benzene.** Benzene is used to produce a number of petrochemical intermediates, such as styrene, cumene for phenol and acetone, cyclohexane and nitrobenzene. It is mainly produced from refinery processes or as a co-product of steam cracker operations.

Styrene is the largest chemical outlet for benzene at around 48% of demand. The second largest outlet for benzene, accounting for 20% of demand, is cumene, which is nearly all consumed in phenol production with acetone formed as a co-product. For 2024, NexantECA estimated the global benzene demand to be 526 million tons, with 68% being consumed in the production of ethylbenzene for the styrenics industry and cumene for the phenolics industry. NexantECA forecasts an average global growth rate in demand of approximately 2.5% per year in the 2024-2028 period.

- **Polyethylene.** Polyethylene is the world's most widely used thermoplastic and is made by the polymerization of ethylene. Polyethylene is often classified by its density, because greater density corresponds with greater material rigidity.

Film is the largest single use of global polyethylene production and the primary driver of demand, representing approximately one half of worldwide polyethylene consumption. Film includes a myriad of end use applications, from food packaging to trash bags, stretch films and shrink films. Blow molding and injection molding are the next largest uses and are also important demand drivers. In the blow molded category, blow molded bottles are the single largest end use. NexantECA forecasts an average global growth rate in demand for polyethylene of approximately 4.1% per year in the 2024-2028 period.

- **Polypropylene.** Polypropylene is the world's second most widely used thermoplastic after polyethylene and is among the fastest growing categories of thermoplastics. It is manufactured by the polymerization of propylene. The rapid growth of polypropylene-based products reflects the superior cost and performance characteristics of this material. As one of the industry's most versatile polymers, polypropylene is achieving a portion of its growth by displacing other polymers, such as polyethylene and polystyrene.

According to NexantECA, the global polypropylene market is projected to grow at 4.3% per annum through 2028. NexantECA expects that the demand for polypropylene in Asia will continue to grow at higher rates than North America and Europe, primarily as a result of growth in the Chinese market.



## *Manufacturing*

Olefins are produced primarily by the steam cracking of hydrocarbon feedstocks. In steam cracking, a gaseous or liquid hydrocarbon feed, such as naphtha, liquefied petroleum gas or ethane, is diluted with steam and briefly heated in a furnace without the presence of oxygen. Typically, the reaction temperature is very high, at around 850°C, but the reaction is only allowed to take place very briefly. In modern cracking furnaces, the reaction time is further reduced to milliseconds, resulting in gas velocities faster than the speed of sound, to improve yield. After the cracking temperature has been reached, the gas is quickly quenched to stop the reaction in a transfer line heat exchanger. The products produced in the reaction depend on the composition of the feed, the hydrocarbon-to-steam ratio and on the cracking temperature and furnace residence time.

Light hydrocarbon feeds, such as ethane, liquefied petroleum gas or light naphtha, yield product streams rich in the lighter alkenes, including ethylene, propylene and butadiene. Heavier hydrocarbon feeds (full-range and heavy naphthas, as well as other refinery products) yield some of these products too, but also yield products rich in aromatic hydrocarbons and hydrocarbons suitable for inclusion in gasoline or fuel oil. Higher cracking temperatures (also referred to as higher levels of “severity”) favor the production of ethylene and benzene, whereas lower cracking temperatures (lower levels of “severity”) produce higher amounts of propylene, C4-hydrocarbons and liquid products.

Depending on feedstock, varying levels of ethylene, propylene and other by-products are achieved. Ethane produces the most ethylene but the least propylene. Naphtha produces substantially less ethylene, roughly one-third of that of ethane, but produces more propylene and significantly more by-products.

The main polyolefins are the thermoplastics, polyethylene and polypropylene, which are produced by the polymerization of the olefin monomers ethylene and propylene, respectively. While the majority of polyethylene and polypropylene are homopolymers (a combination of the same monomers), a growing proportion is copolymers (polymers that are produced from a combination of two or more monomers).

Polyolefins are produced using a number of different technologies that are widely available, including one high-pressure process and three low-pressure processes (Solution, Slurry and Gas Phase). All of the technologies are constantly being adapted to improve product qualities and reduce production costs. For commodity products, produced on modern scale technology, the cost structure of these technologies is similar. Increased cost structures for producing specialty products are typically justified by premium margins.

The following is a summary of the four processes:

### *High-Pressure Process*

This was the original process used to produce polyethylene and is still in use today. This process is a free radical polymerization that does not require the use of a catalyst, operating at pressures above 1,000 and up to 3,500 bar and temperatures from 150° to 340°C. Originally conducted in a high-pressure autoclave, current processes more commonly use a tubular reactor. This process is used to produce low-density polyethylene, characterized by long-chain branching, considerable flexibility and clarity. Because of the high pressures involved, this process involves higher risk than low-pressure processes and requires expensive and specialized equipment; consequently, fewer high-pressure processes have been constructed in recent years.

### *Low-Pressure Processes*

These processes typically operate below 200 bar and have lower capital intensity but require the aid of a catalyst. In addition, it is common to add a comonomer (butene or hexene in the case of polyethylene, and ethylene in the case of polypropylene) to tailor the resultant polymer properties.

- **Solution Process.** This process operates at temperatures above the melting point of the polyolefin (above 130°C for polyethylene and above 140°C for polypropylene) and employs metallocene or Ziegler-Natta catalysts and a solvent to dissolve the growing polymer chains. This process is best suited to make high-density polyethylene (having very few chain branches, and those branches that do exist are short, only a few carbon atoms in length) and linear low-density polyethylene (having many short-chain branches, which may be contrasted to low-density polyethylene with many long-chain branches). Solution processes have the ability to produce narrow molecular weight distribution polyolefins.



- **Slurry (or Suspension) Process.** This process is a continuous low temperature (60°-105°C, 20-35 bar for polyethylene or 60°-85°C, 35-50 bar for polypropylene) process in which polymer forms as a solid particle in the presence of a catalyst while suspended in a liquid slurry. In the case of polyethylene, the polymerization takes place in an inert liquid carrier such as isobutane. In the case of polypropylene, the polymerization takes place in liquid hexane, heptane, or even liquid propylene monomer. When propylene is utilized as the carrier liquid, the process is often referred to as “bulk slurry.” The carrier liquid serves to aid in the removal of heat as it carries the growing polymer particles through the reaction process. The catalyst may be chromium on silica (polyethylene only), Ziegler-Natta, or metallocene. The reactor may be a stirred tank or a pipe-loop reactor, in either case jacketed to aid in removal of the heat of reaction. One or more reactors may be placed in series to broaden the molecular weight distribution and produce bimodal polyolefins. This process is best suited to making high-density polyethylene and homopolymer polypropylene. One advantage of this process over other high-density polyethylene processes is the ability to make rapid grade transitions, which makes it particularly well suited to the manufacture of specialty polyethylene products.
- **Gas Phase.** As the name implies, polymerization occurs with the solid polymer particles produced on a heterogeneous catalyst in the gas phase. Like the slurry process, the catalyst may be chromium on silica (polyethylene only), Ziegler-Natta, or metallocene. In the reactor, the growing polyolefin particles are fluidized and cooled by the gaseous reactants and/or nitrogen, or sub-fluidized and mechanically agitated. Liquid monomer may be added and flashed to aid in the removal of heat. The reaction takes place at low temperature (80° – 100°C for polyethylene and about 60° – 85°C for polypropylene) and pressure (15 – 35 bar). A gas phase process has advantages over slurry and solution processes in that the heat of reaction is very effectively removed and operates with lower hydrocarbon inventories. In addition, high-ethylene content copolymers of polypropylene can be produced in this process. This process is best suited to the manufacture of linear low-density polyethylene, high-density polyethylene and all types of polypropylene, including homopolymer, random copolymer, impact copolymer and soft thermoplastic polyolefin.

Post polymerization, any catalyst is deactivated, the polyolefin is freed of any solvent, unreacted monomer or liquid diluent, and the resulting polyolefin flake or crumb is combined with additives and extruded into pellets prior to sale to downstream fabricators.

Several of these technologies have recently been adapted to run multiple reactions in series, yielding a product with a wider bi-modal molecular weight distribution that provides superior strength or unique characteristics such as high-impact resistance.

### **Research and Intellectual Property**

Our olefins and polymers businesses are supported by technology centers in Houston (United States), Brussels (Belgium), Rosignano (Italy) and Lavéra (France), which in turn support the following highly proprietary process technologies that we believe together form one of the most competitive technology platforms available in the olefins and polymers industry.

- **Gas phase polypropylene technology.** Our gas phase polypropylene technology enables the cost-effective production of high-performance polypropylene plastics.
- **High-density polyethylene technology.** We own specialized technology for the manufacture of high-density polyethylene that is characterized by low capital investments and low operating costs and is particularly well-adapted to the manufacture of high-performance materials such as high-pressure pipe, one of the fastest growing segments of the high-density polyethylene market.
- **Gas phase polyethylene technology.** This technology is designed to serve the linear low-density polyethylene and high-density polyethylene markets, which are the fastest growing segments of the commodity polyethylene markets. The technology is characterized by low capital investment, low operating cost, low emissions and waste, and no requirement for the use of additional solvents.



Historically, the Group has sold over 75 licenses to third parties across the three technologies. However, the Group no longer sells licenses, except to certain strategic joint venture partners, and instead focuses on development of value to its own businesses.

We continue to manufacture and sell polyolefin catalysts to third parties. Management believes that the polyolefin catalyst business is complementary to the polyolefins business, and does not adversely affect INEOS's competitive position in its polyolefin markets. The catalyst business is managed within the Olefins and Polymers business in Europe and has grown significantly over the last five years.

### **Transportation**

We have access to a comprehensive transportation network and associated logistics infrastructure through a combination of ownership and long-term contracts. We believe that this network enables us to move feedstocks and products at competitive rates and provides us with access to the merchant market, enabling us to manage demand and supply imbalances across the petrochemical value chain in response to market conditions.

Because pipelines are the most efficient and least expensive mode of transportation, we consider them to be of strategic importance. We own some of the pipelines we use, while others are consortium-owned pipelines in which we hold a stake or are provided to us by dedicated operators under long-term contracts. Other pipelines in Europe may be accessed without a contract as long as the appropriate tariff is paid.

Where we are reliant on access to shipping channels, we either own or hold stakes in the relevant terminals and storage facilities or have secured access to them through long-term contracts. We own several dedicated barges and also utilize an extensive network of third-party shipping companies which make capacity available to us on a spot- or term-contract basis that is managed by our own in-house Marine Assurance Service.

### **Competition**

We face intense competition in the olefins and polymers markets in which we compete. Given that most of the products are commodities, the main competitive criterion is price. In certain segments of the polyethylene and polypropylene markets, where products must satisfy specified technical performance criteria, competition is also based on performance, quality and customer service. A key competitive factor is the ability to manage costs successfully, which requires management focus on reducing unit costs and improving efficiency. The main drivers in this respect include technology, scale, feedstock access, asset utilization, logistics and the ability to execute capital projects efficiently.

Because polymers are easily transported in bulk shipping containers or rail cars, there is significant trade between regions. Globally we compete against a large number of polymer companies, many of which have capacity in multiple regions and who market their products in Europe, Asia and North America. Our competitors include LyondellBasell, Sabic, Dow and ExxonMobil.

### **Olefins & Polymers Europe**

Set forth below is a discussion of the products, manufacturing, raw materials and energy, transportation and customers and contracts, for our Olefins & Polymers Europe business.

#### **Overview**

The following table provides a breakdown of the revenues and EBITDA before exceptionals for the Olefins & Polymers Europe business for the dates indicated:

	For the year ended		
	31 December		
	2024	2023	2022
	(€ in millions)		
Revenue <sup>(1)</sup> .....	7,851.4	6,233.9	9,177.7
EBITDA before exceptionals <sup>(2)</sup> .....	470.2	411.6	655.6

(1) Revenue excludes revenue from discontinued operations. Excludes inter-segmental eliminations.

(2) For more information on how we calculate EBITDA before exceptionals, see "Presentation of Financial and Non-GAAP Information—Use of Non-GAAP Financial Measures."



## *Products*

In our olefins business, we manufacture ethylene, propylene, butadiene, raffinate 1, benzene, toluene and gasoline blending components. The majority of our ethylene and propylene is either used for polyolefins production or sold to other INEOS businesses as feedstock. Our butadiene, raffinate 1, benzene, toluene and gasoline blending components are sold to other INEOS businesses as well as other producers of synthetic rubber, ABS plastics, oligomers, cumene, styrene and polyurethanes and are traded on the open markets. Olefins & Polymers Europe is one of the largest olefin and polyolefin producers in Europe.

In our polymers business we manufacture High Density Polyethylene (HDPE), Low-Density Polyethylene (LDPE), Linear Low-Density Polyethylene (LLDPE) and Polypropylene (PP).

In HDPE we are active in car fuel tank, milk bottle, high performance pipe and blow moulding applications, most of which require lengthy customer approval processes. Sales from our HDPE asset have grown significantly since 2013.

Our low-density polyethylene products are particularly well-suited to specialty applications in the wire and cable, medical and coatings sectors which also require lengthy customer approval processes. Our coating customers form the backbone of our LDPE business and we also have a significant volume of medical product sales and other specialty grades which generate high margins.

Our linear low-density polyethylene production is primarily sold to customers in the film sector, and, thanks to the use of our proprietary metallocene technology, we have sales of both commodity and specialty grades into film applications like super-tough and sealable films.

In polypropylene our focus has been in high modulus pipe and related applications, highly reinforced impact copolymers for injection moulding, medical and heat sealable BOPP films, where we have a strong global position in sealant material.

## *Manufacturing*

Olefins & Polymers Europe operates large integrated olefins cracker and polymer sites with a total capacity of 7,925 kilotonnes per annum for the production of ethylene, propylene, butadiene, benzene, polyethylene and polypropylene. We own and operate a large naphtha cracker complex in Köln, Germany, a large gas cracker in Rafnes, Norway and a large naphtha cracker in Lavera, France. Until the end of 2015, the gas cracker at Rafnes, received all of its feedstock from gas sources in the North Sea but from 2016 the majority of Rafnes feedstock is ethane sourced from U.S. shale gas fields. The naphtha cracker complex at Köln includes two naphtha crackers and a small integrated ethane cracker which consumes ethane produced by the naphtha crackers. The naphtha crackers are also able to consume butane as part of their feed-slate and this flexibility enables the management of feedstock mix in response to changes in economic and market conditions, resulting in the maximization of margins. All of these cracker sites are either co-located with, or connected by pipeline to, polyolefin plants and to other olefin-derivative units, with market leading economies of scale and operational optionality that permits us to maximise our margins across a broad portfolio of olefin-derivatives.

The cracker complex in Köln, Germany, benefits from being located in the centre of one of the key industrial clusters of Germany, whilst also being able to access feedstocks by pipeline and barge from the Antwerp and Rotterdam area in the Netherlands; one of the world's most competitive naphtha supply regions. It is the third largest cracker complex in Europe, and largest in Germany. With a proven track record of operational excellence, this very reliable asset benefits from considerable downstream integration with a wide portfolio of olefin derivatives on- and off-site, including polyethylene, ethylene oxide, nitriles, oligomers, ABS engineering plastic and synthetic rubber. It can also sell its excess ethylene and propylene to the merchant market via pipelines and the site can also sell propylene by barge using its own jetties on the river Rhine and by rail. In particular, the Köln site is connected to Europe's largest ethylene pipeline network owned by ARG, a company jointly owned by INEOS and four other European petrochemical companies.

The Noretyl gas cracker in Rafnes has been modernized and expanded to its present annual capacity of 645,000 tonnes of ethylene. It is also co-located with on-site derivatives assets, namely O&P Europe's LDPE plant and EDC/VCM plants owned by INOVYN, a related company. In addition, the cracker is connected to dedicated, wholly owned ethylene liquefaction and export terminals from which it exports products to INEOS derivatives and the merchant market in North West Europe.



The Lavera naphtha cracker, is located in the South of France with on-site derivatives of polyethylene, polypropylene, ethylene oxide and propylene oxide. It is supplied feedstock via pipeline from refineries in the local region and via imports through the port of Marseilles.

While our two standalone polyethylene and polypropylene sites in Lillo and Geel in Belgium are not co-located on cracker sites, they are connected to major olefin pipelines. Our Lillo site also benefits from connection to INEOS' ethylene terminal, which is Europe's largest, at the INEOS Oxide site in Zwijndrecht, Antwerp and indirectly with the greater ARG pipeline. In both cases, this infrastructure provides these facilities with flexibility in sourcing feedstock. Both of these sites benefit from easy access to large polyolefin markets.

Since acquiring Olefins & Polymers Europe, we have undertaken a significant improvement and restructuring program across our assets to enhance their long-term cost-competitiveness. In general, cost efficiencies have been substantially improved across all aspects of the business. The asset base has also been added to via the acquisition in 2007 of a 50% share in the Noretyl gas cracker at Rafnes and full ownership of the associated polyolefins at Bamble in Norway. On 1 July 2015, we acquired the other 50% share in the Noretyl gas cracker from INOVYN, a related party.

Significant investments have been made to enhance our assets' capabilities, including the building of a swing furnace on the Köln cracker and the conversion of its linear low density polyethylene unit to highly differentiated metallocene production (a proprietary catalyst technology that permits the production of super-tough film grades). A key improvement theme of our polyolefins business has been to creep capacities and reduce plant costs. We aim to run our downstream assets as close to their maximum capacity as is operationally prudent while seeking to constantly improve the sales portfolio by focusing on products that can command sustainably higher margins in bottom of cycle conditions over commodity grades, which we refer to as "differentiated" products. We take advantage of our proprietary process technologies, such as at Lillo (Innovene S), at Geel (Innovene P) and at Köln and Lavera (Innovene G). These state of the art advanced technologies allow us to manufacture distinctive resins.

The most substantial recent investment that was made in our assets was in 2015 at Rafnes, with the completion of a new ethane import tank and new ethane furnace. These investments were timed to coincide with the commission of NGL/LPG export facilities in the U.S. through which we have secured long-term, advantaged U.S. gas feedstock, associated with the shale oil and gas developments in that country. This new source of ethane complements our existing local sources of feedstocks. In 2020, the butane tank in Antwerp was completed which, along with dedicated barges, allows the Köln cracker to increase the proportion of butane used in its feedstock thereby increasing the feedstock flexibility.

In April 2024 we bought the other half of the Naphthachemie, Appryl and Gexaro assets along with a number of pipelines which have allowed easier access to supply olefins to our other assets. Along with the newly acquired share of assets we also acquired all the Lavera assets (olefin and polyolefin), Sarralbe (North eastern France) & Rosignano (Italy) polyolefin assets to O&P Europe. The Sarralbe & Rosignano assets, whilst not directly on a site with an INEOS cracker, are able to be supplied by our own manufactured olefins through pipelines / rail cars for Sarralbe or by sea via an ethylene tank for Rosignano.

Our manufacturing facilities are periodically shut down for scheduled turnarounds, to carry out necessary inspections, testing to comply with industry regulations and any maintenance activities that may be necessary. Olefins crackers typically undergo major turnarounds every five to six years, with each turnaround usually lasting four to six weeks. Our Rafnes gas cracker is on a seven to nine year turnaround cycle. Polymers units are subject to more frequent maintenance shutdowns, typically one turnaround every one or two years, but in this case each turnaround lasts only seven to 10 days. A significant focus in prior years was placed on enhancing process safety and further improving reliability by initiating a series of process safety audits and reliability reviews to give assurance about the adequacy of our critical safety management systems and that the necessary plans are in place to drive very high levels of reliability.

### **Raw Materials and Energy**

The primary feedstocks for our olefin crackers are naphtha and natural gas liquids, namely ethane, propane and butane. The use of naphtha results in the production of a significant amount of co-products such as propylene, butadiene and benzene, as well as Raffinate 1 and gasoline blending components. The use of natural gas liquids results in the production of a smaller amount of these co-products. From 2016, our Köln naphtha requirements have been sourced from several external suppliers under contract, with the balance being purchased in the open market.



We continue to look for sources of attractive feedstock and in 2012 we announced the completion of supply and infrastructure agreements that secured a significant volume of ethane feedstock from the U.S. for use in our Norwegian cracker. Since then, further ethane and LPG supply agreements have been secured from these advantaged US shale gas sources to complement our existing local sources. In addition, a new infrastructure contract was signed in 2015 which allowed us to export feedstocks from the Enterprise facility at Morgan's Point on the Texas coast. Contracts for eight "Dragon" vessels to transport these feedstocks to Europe were signed in 2013, with all ships having now been delivered and fully operational.

The first shipment of ethane from the Marcus Hook Facility in Pennsylvania was exported from the U.S. in March 2016 on the JS INEOS Intrepid, and the first ethane cargo from Morgan's Point was exported in September 2016 on the JS INEOS Insight.

Although energy is generated at several of our sites, including as part of petrochemical manufacturing processes, we are a significant net purchaser of both electricity and gas. In the past we have typically procured our requirements from local producers or utilities at local market prices, however, we are increasingly moving to a more integrated process to take more advantage of our scale and changing energy markets across the wider INEOS Group, including our ultimate parent company and its other subsidiaries.

### *Trading and Shipping*

Within the Olefins & Polymers Europe segment, the Trading & Shipping business is responsible for the procurement, trading and transportation of approximately 10 million tonnes of gas and liquid feedstocks each year, including ethane, propane, butane and naphtha. These feedstocks are utilized in several ways: for usage within the Köln and Rafnes crackers within Olefins & Polymers Europe, for usage in other businesses within the wider INEOS group and for trading with third parties.

The majority of these feedstocks are sourced from United States NGL/LPG export terminals and are transported to our European sites or third-party customers using our fleet of ships, allowing us to create a 'virtual pipeline' that enables our European sites to benefit from price-advantaged feedstocks from the United States.

### *Customers and Contracts*

In total, we had approximately 1,151 customers worldwide, during the twelve-month period ended 31 December 2024, who are serviced by an in-house team of business, sales and technical service personnel. Customers of our olefins business tend to be major European petrochemical companies, who use our products to make a wide range of polymers, synthetic rubber, intermediates and specialty chemicals. In our downstream business we sell to a large number of companies in a variety of plastic conversion industries involving rigid and flexible packaging, pipe, car fuel systems, rotomoulding, wire and cable, medical and other industrial and consumer products. In Olefins & Polymers Europe as a whole, in the twelve-month period ended 31 December 2024, no single customer accounted for more than 7% of our annual revenues and our top 10 customers accounted for 35% of our annual revenues.

In our olefins business the majority of our ethylene, propylene, raffinate 1 and benzene production is sold to other INEOS olefin-derivative businesses at market-related transfer prices. For the year ended 31 December 2024, approximately 71% of the olefin requirements of our downstream polyolefin business was satisfied by internal supply from our own crackers, while the rest was sourced from the open market. Our remaining production of ethylene, propylene, butadiene, raffinate 1, benzene, toluene and gasoline blends are sold directly to customers predominately via contracts of one to three years duration, with pricing either freely negotiated, cost-plus or market-referenced such as ICIS or Platts. Product pricing can therefore change daily or monthly.

In our polymers business sales are mainly conducted under contract. The majority of these contracts are annual with longer durations by exception. Pricing in these contracts is cost plus or based on market references, such as ICIS or Platts, or negotiated on a monthly basis.

In April 2020, our polymer business announced a collaboration with Plastic Energy on the construction of a new plant to convert waste plastic into the raw material to make new plastic. Advanced recycling technology converts waste plastic back to its basic molecules. The resulting material is then used in INEOS crackers to replace traditional raw materials derived from oil.



In July 2022, we announced our joining of the Digital Watermarks Initiative HolyGrail 2.0 to significantly improve the sorting and recycling of plastic packaging waste. The initiative aims to address and improve how plastic waste is sorted into different types, making the recycling of household plastic waste far more efficient. Although plastic packaging collection rates are improving across Europe, challenges in sorting mean that recycled plastics are often a mix of types and grades, making the recycled product difficult for plastics converters to re-use.

## Olefins & Polymers North America

Set forth below is a discussion of the products, manufacturing, new materials and energy and customers and contracts, for our Olefins & Polymers North America business.

### Overview

The following table provides a breakdown of the revenues and EBITDA before exceptionals for the Olefins & Polymers North America business for the dates indicated:

	For the year ended 31 December		
	2024	2023	2022
	(€ in millions)		
Revenue <sup>(1)</sup> .....	4,232.2	4,133.2	5,723.9
EBITDA before exceptionals <sup>(2)</sup> .....	796.0	720.0	1,204.4

(1) Revenue excludes revenue from discontinued operations. Excludes inter-segmental eliminations.

(2) For more information on how we calculate EBITDA before exceptionals, see “Presentation of Financial and Non-GAAP Information.”

### Products

Our olefin products—ethylene, propylene, butadiene, mixed butenes, and crude benzene—are the basic building blocks for a vast family of petrochemicals produced by our chemical manufacturing customers. A significant portion of our olefin output serves as feedstock for our polymers production, while the remaining output is sold to affiliates and third parties.

The type of polyethylene we currently manufacture in Olefins & Polymers North America is slurry loop high-density polyethylene. Our high-density polyethylene products are sold to customers for use in manufacturing food packaging, household chemical containers, pipe, injection-molded products such as caps and closures, and crates and pails. Our polypropylene is transformed into crates and trays, roofing membranes, food packaging, carpets, automotive products, , rope and toys. During the twelve-month period ended 31 December 2024, consumables such as caps, closures, film and packaging represented a majority of our polymer sales volume.

Along with Olefins and Polyethylene, Polypropylene is a major product, with manufacturing lines at Chocolate Bayou, Battleground and the Carson manufacturing facilities. Polypropylene is produced with a combination of produced raw materials (Propylene from the Olefins crackers) as well as third party purchased propylene. Polypropylene is then shipped by rail and truck to various end-users in North America and abroad.

O&P North America also manufactures Polyethylene pipe through our subsidiary, WL Plastics. WL Plastics is solidly positioned as a leader in the North American plastic pipe industry. WL Plastics is a leading manufacturer and distributor of HDPE tubular products for fluid and material transfer applications primarily for energy and industrial infrastructure applications with a deep product mix of pipe diameters of 1/2 inch to 54 inches. In December of 2021, WL Plastics acquired the Polyethylene assets of Charter Plastics in Titusville, Pennsylvania. The Titusville site and associated assets have the capability of producing a broad range of polyethylene pipe for numerous end-uses including potable water, reclaimed water, sewer, geothermal, gas, irrigation, and industrial applications.

O&P North America is a fully integrated business from the production of hydrocarbons through to fabrication of polyethylene pipes.



## *Manufacturing*

The key assets of Olefins & Polymers North America include the following:

- the Chocolate Bayou, Texas, facility, one of the largest cracker installations in North America as well as two on-site polypropylene units (PP3 & PP4).
- the Battleground, Texas, facility, one of the largest North American high-density polyethylene facilities, inclusive of the Gemini and heritage Polyethylene assets, integrated with the Chocolate Bayou site through a company-owned pipeline system as well as the BMC Line 3 polypropylene unit;
- a 50% ownership interest in the Horizon high-density polyethylene plant located at Chevron Phillips' Cedar Bayou, Texas, site;
- the Carson polypropylene plant—integrated with the Marathon refinery at Carson, California;
- the Hobbs fractionation unit, which can process 1,455 kta of natural gas liquids feedstock for our Chocolate Bayou cracker;
- the WL Plastics fabrication and distribution locations include Mills, Wyoming; Rapid City, South Dakota; Cedar City, Utah; Elizabethtown, Kentucky; Statesboro, Georgia; Snyder, Bowie and Lubbock, Texas; and as of January 2022 Titusville, Pennsylvania- an asset acquisition from Charter Plastics with a production capacity of 45 kta, as well as a new plant at Lubbock, Texas (Lubbock 2) built in 2024 with a production capacity of 45kta.

All of the olefins crackers are either co-located with, or connected by pipeline to, polymers units, enabling them to realize economies of scale, improve their facilities' energy management and minimize logistics costs.

In North America, our olefins and polymers business comprises five sites including major facilities in Chocolate Bayou, Texas, and Battleground, Texas. As of 31 December 2023, the Chocolate Bayou and Battleground facilities (including the 100% share of the Gemini HDPE output) had total production capacity of approximately 4,606 kilotons inclusive of olefins, polyethylene and polypropylene finished goods.

Chocolate Bayou is one of the largest cracker installations in the Gulf Coast region and, according to NexantECA, is the fifth largest site by ethylene capacity in the United States. The site has access to cavern storage, rail service, and approximately 500 miles of pipeline, either owned or leased by us. This allows integration to our polymer assets and our Hobbs fractionation unit, and permits the site to place its surplus ethylene and other products either directly in the local merchant market or in storage to bridge time lags between production and consumption. The scale of the Chocolate Bayou crackers should also enable the leveraging of the facility's infrastructure and workforce. Another key strength of the facility is the crackers' flexible design. While their main feedstock is natural gas liquid gas-based feedstock, which is obtained from various sources, including a significant amount from our natural gas liquid fractionator near Hobbs, New Mexico, the commodity markets and Marathon's refinery in Texas City, Texas, the facility also has the ability to process naphtha. This flexibility enables management of feedstock mix in response to changes in economic and market conditions. All of our polymers facilities in North America are either connected with the Chocolate Bayou crackers or are adjacent to facilities operated by third parties with whom we have feedstock arrangements.

For our North American polymers business, our key facility is the site at Battleground, Texas, which hosts both polypropylene and high-density polyethylene production. As of 31 December 2020, the previous 50/50 Gemini HDPE joint venture between the Group and Sasol Limited, was purchased and it became 100% owned by Group. Our high-density polyethylene site is one of the largest high-density polyethylene complexes in North America. Battleground is integrated with Chocolate Bayou by way of a pipeline system owned by INEOS. Complementing our Battleground polymers production is our Carson polypropylene unit and our 50% ownership interest in the Cedar Bayou Horizon high-density polyethylene line. The Horizon line, which is operated by Chevron Phillips, is one of the largest single slurry loop high density polyethylene lines in North America.



## **Raw Materials and Energy**

Our procurement efforts remain focused on expanding access to low cost materials, services and equipment and creating independence from sole or limited sources of supply. We are connected via pipeline to multiple hydrocarbon suppliers at Chocolate Bayou Works and Battleground Manufacturing Complex to ensure a secure supply at reasonable costs.

We, together with our North American affiliates, have centralized the purchasing of energy, natural gas, rail routes, ethylene, and propylene (including refinery-, chemical- and polymer-grades), providing scale, common voice in the market and, in the cases of ethylene and propylene, flexibility to manage our supply and demand. Our olefins and polymers business primarily uses naphtha and NGLs as the basic feedstocks for our olefins crackers.

Although most external feedstock supplies of the business are available from a variety of third parties, our Carson polypropylene plant depends on raw materials from the Marathon refinery located on the same site. Most of the petrochemical feedstocks purchased from Marathon are part of a long-term contractual agreement. In addition, a substantial proportion of our feedstock requirements is also obtained on the commodity markets. We manage the procurement and trading of our feedstocks internally.

Although energy is generated at several of our sites, including as part of petrochemical manufacturing processes, we are a significant net purchaser of gas. Typically, we procure our requirements from local producers or utilities at local market prices.

## **Customers and Contracts**

We work with customers to meet evolving market requirements. We market our products both directly—business to business—and through authorized distributors. We have a small base of olefins customers and approximately 350 polymer customers worldwide. Our industrial customers include a large number of companies in a variety of downstream industries involving rigid packaging, fibers and flexible packaging.

Most of our olefins sales are by multi-year contracts, with prices subject to monthly industry pricing. Our polymer sales are to customers in the merchant market and are made either on contract or spot terms. Some contracts are based on negotiated prices, while others are based on pricing formulas or refer to spot market rates.

WL Plastics has a premium value proposition to their approximately 150 domestic customers with industry leading response times, scalable low-cost manufacturing with longer run times and a reputation for reliability.

## **Chemical Intermediates**

### **Overview**

Set forth below is a discussion of the products, manufacturing, raw materials and energy, customers and contracts, research and intellectual property and competition for our Chemical Intermediates activities. This includes the following key businesses: INEOS Nitriles, INEOS Oligomers, INEOS Oxide and INEOS Phenol.

The following table provides a breakdown of the revenue and EBITDA before exceptionals of the Chemical Intermediates business for the periods and as of the dates indicated:

	<b>For the year ended 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
	(€ in millions)		
Revenue <sup>(1)</sup> .....	7,190.2	6,860.2	9,802.9
EBITDA before exceptionals <sup>(2)</sup> .....	782.2	553.6	980.6

(1) Excludes inter-segmental eliminations.

(2) For more information on how we calculate EBITDA before exceptionals, see "Presentation of Financial and Non-GAAP Information."



## Products

The following table provides an overview of our key chemical intermediate products and their principal applications:

<b>Business</b>	<b>Key Products</b>	<b>Principal Applications</b>
<b>INEOS Nitriles</b>	Acrylonitrile	Acrylic fibers, acrylamide and acrylonitrile butadiene styrene and styrene acrylonitrile polymers
	Acetonitrile	Performance solvent for pharmaceuticals industry
	Hydrogen Cyanide	Gold extraction, perspex manufacture and animal feeds
	Acetone Cyanohydrin	Chemical intermediates and perspex manufacture
	Ammonium Sulphate	Fertilizers
	Acrylonitrile catalysts Ammonia	Used in the manufacture of acrylonitrile Intermediate used to produce a range of products, including nitric acid, polymer resins and textiles
	Nitric Acid	Polyurethanes
<b>INEOS Oligomers</b>	Linear alpha olefins	Co monomers for high performance polyethylene, plastomers and elastomers, feedstock for synthetic lubricants, surfactants, detergents, lubricant additives, paper sizing chemicals and various other specialty chemicals, base stock for drilling fluids
	Poly alpha olefins	Base stock and blending component for the production of high performance synthetic lubricants, gear oils and greases.
	Polybutenes	Versatile liquid polymers used for lubricant additives, adhesives and sealants, tackified films, synthetic lubricants, personal care and cosmetics
	Isoolefins, Isoparaffins and Specialties	Base stock and intermediates for the manufacture of tires, compressor oils, agrochemicals, fragrances, cosmetics, high purity solvents, specialty chemicals, and blowing agents
	GAS/SPEC specialty amine solvents & additives	Customizable solvents for natural gas processing, various refining applications, tail gas treating, LNG, hydrogen and ammonia production, ethane cracker feed treatment, and coal degasification.



<b>Business</b>	<b>Key Products</b>	<b>Principal Applications</b>
	GAS/SPEC process technology packages	Process technology packages for design of new specialty amine treatment systems and revamp/optimization of existing systems
<b>INEOS Oxide</b>	Ethylene oxide and derivatives, including ethylene glycol, ethanolamines, alkoxyates, glycol ethers	Polyester resins, fibers, film, antifreeze/coolants, industrial detergents, agrochemicals, surfactants, cosmetics, construction chemicals, glyphosates, pharmaceuticals, synthetic lubricants
	Propylene oxide and derivatives, including propylene glycols	Polyurethane foam, polyester resins and de-icing
	Ethylidene norbornene monomer	Ethylene propylene diene monomer rubber
	Oxo-Alcohols and Acetate Esters	Surface coating, inks, paints, process solvents
<b>INEOS Phenol</b>	Phenol	Bisphenol A for the production of polycarbonates and epoxy resins, phenolic resins, pharmaceuticals and nylon intermediates
	Acetone	Methylmethacrylate, polymethylmethacrylate, bisphenol A, pharmaceuticals, solvents, coatings, personal care products and agrochemicals
	Bisphenol A	Polycarbonate, Epoxy Resins
	Cumene	Primary raw material for the production of phenol and acetone
	Alphamethylstyrene	Heat resistant thermoplastics, tackifiers, coatings and antioxidants
<b>Other businesses</b>	Catalyst and Additives	Polymers and vinyls

*INEOS Nitriles.* Our main product in the nitriles sector is acrylonitrile. According to NexantECA, measured by expected average annual capacity for 2024, we are the largest manufacturer of acrylonitrile in the world. The primary applications for acrylonitrile are acrylic fiber and acrylonitrile butadiene styrene plastics. We employ safeguards to ensure the safe handling of Nitriles' products including the use of specially designed railcars and pipelines for transportation to nearby customers. We believe that our competitive position in the worldwide acrylonitrile market is strengthened by our proprietary fluid bed acrylonitrile process and related catalysts.

In addition, the Nitriles business produces acetonitrile, hydrogen cyanide, acetone cyanohydrin and ammonium sulphate and also produces catalysts used in the manufacture of acrylonitrile. In 2019, the ammonia and nitric acid business was transferred to INEOS Nitriles from INEOS Enterprises. Ammonia production finds major application in the fertilizer industry, but in the case of INEOS Nitriles is used in the production of acrylonitrile, nylon and other non-fertilizer applications. Nitric acid is similarly used in the fertilizer industry but for INEOS Nitriles is primarily used in the manufacture of polyurethanes. In this highly competitive market, we benefit from an advantaged location within our Köln integrated petrochemical site and supplying more than 80% of our customer volume directly by pipeline.

*INEOS Oligomers.* According to Nexant ECA, INEOS Oligomers is the second largest producers of linear alpha olefins and one of the largest producers of poly alpha olefins worldwide. As a "full range" linear alpha olefins producer, we manufacture a broad range of co-produced linear alpha olefins and manage production levels consistent with our ability to utilize or sell the entire product slate. As different segments of the linear alpha olefins market tend to grow at different rates, the business has developed a variety of internal



and external outlets for the key products, which allow the plants to operate with minimal constraints. Our unique technology does allow some flexibility to adjust our product slate, to emphasize certain linear alpha olefins products and deemphasize others as demand fluctuates. Linear alpha olefins are used primarily as comonomers in the production of polyethylene, as feedstock in the production of poly alpha olefins, detergents, paper sizing chemicals and lubricant additives and as drilling fluids.

Poly alpha olefins are primarily used in synthetic motor oils, transmission fluids, immersion coolants and other demanding lubricant applications such as wind turbines.

Polybutenes are produced by polymerization of C4 olefins (primary isobutene) and are available in a wide range of viscosities. Polybutenes are useful in a large variety of applications ranging from the synthesis of lubricant additives to their addition as a formulation component in adhesives, sealants, tackified polyethylene film for agricultural use, lubricants such as 2-stroke oils and metal working fluids and emollients in cosmetics.

Specialty Oligomers products are manufactured from crude C4 and C5 olefinic streams and are used as base stock or intermediates in a variety of high margin applications such as the manufacture of tires, compressor oils, agricultural chemicals, plastic additives, specialty chemicals, fragrances, and cosmetics.

Our GasSpec™ specialty amines, which are high performance specialty chemical formulations, often patent protected, are used to remove hydrogen sulfide and carbon dioxide from natural gas, various refinery streams, ethane cracker feed gas, and ammonia, hydrogen, renewable diesel, & renewable jet fuel production streams. GasSpec™ operates a fully equipped laboratory in Freeport, Texas, that provides comprehensive analytical support to our customers.

*INEOS Oxide.* We are a global leader in the production of ethylene and propylene based chemicals. Our strong and successful businesses focus on ethylene and propylene oxides from which we produce a range of derivatives including ethylene glycol, propylene glycol, EO and PO alkoxyates and glycol ethers. In addition, we are a major European producer of oxo-alcohols and one of only three commercially viable producers of ethylidene norbornene in the world. According to NexantECA, we are the second largest producer of ethylene oxide and the largest producer of ethylene glycol in Western Europe as measured by aggregate annual capacity for 2024. While the recent acquisition of our Bayport site in Texas, United States, strengthens our position as a global leader in the production of ethylene oxide and ethylene oxide derivatives.

Ethylene oxide is a highly reactive, flammable and toxic molecule. As a consequence, ethylene oxide producers typically use a significant proportion of their ethylene oxide for captive production or sell it to third parties located reasonably close to, or on, their ethylene oxide production sites. At INEOS Oxide, we use the majority of our ethylene oxide production for the captive production of ethylene glycol, ethylene oxide derivatives and sales to third parties on our sites in Antwerp, Köln, Lavera and Bayport.

Our ethylene oxide derivatives include ethanolamine, a broad range of alkoxyates, and glycol ethers. We are a world leader in the manufacture of ethanolamines with our global manufacturing facilities being located in Plaquemine and in Lavera. Both sites produce a family of molecules that are used in applications such as agrochemicals, surfactants (used in personal care products and detergent formulations), cement additives, textile chemicals, metal working fluids, electronics and pigments. We have six alkoxyate reactors based in Antwerp and three in Lavera, which we use to make a broad range of alkoxyates used in household detergents, herbicides, industrial cleaners, petroleum production, cosmetics, pharmaceuticals, synthetic lubricants and surface coating. We are also a global leader in the production of glycol ether products with our three production assets located in Bayport, Lavera, and Antwerp, manufacturing a wide range of methyl, ethyl and butyl glycol ethers used as solvents in surface coatings and inks, and as jet fuel de-icers.

In addition, we are a major European producer of oxo-alcohols. The world-scale production unit in Lavera, produces n-butanol, isobutanol and 2-ethylhexanol. We use n-Butanol mostly as a chemical intermediate in the manufacturing of acetate esters in our units in Antwerp and Lavera and can also be used as a solvent in coatings. 2-Ethyl Hexanol is a versatile solvent featuring excellent reactivity as a chemical intermediate in the manufacturing of acrylic monomers and plasticizers.



INEOS Oxide, we also produce propylene oxide and propylene glycols in Koln, with a high degree of integration into a larger petrochemical site. Propylene oxide is primarily used as a chemical intermediate for the production of derivatives such as propylene glycols, acrylates, UV curing resins, isopropanolamines and in the production of polyether polyols and other alkoxylates. INEOS Oxide's propylene glycol unit in Koln produces mono-, di- and tri-propylene glycols as well as smaller quantities of higher glycols. Propylene oxide glycols can be found in a wide range of applications ranging from de-icing formulations to paints, inks and pharmaceuticals.

We are one of only three commercially viable suppliers of ethylidene norbornene (ENB) monomer globally and the only producer in Europe. Ethylidene norbornene monomer is used in the production of ethylene propylene diene monomer (EPDM) rubber, a high performance rubber that is both wear and weather resistant and is increasingly used in place of conventional rubbers in automobiles, roofing materials and household appliances.

Ethylene glycol is used primarily as a feedstock to produce polyethylene terephthalate for film, fiber and resin and in a variety of other industrial applications including antifreeze/coolants for automotive vehicles.

According to NexantECA we have the largest ethyl acetate plant in Europe with the product being primarily used as a solvent and diluent, favored because of its low cost, low toxicity and agreeable odor. For example, it is commonly used to clean circuit boards and as nail varnish remover. Coffee beans and tea leaves are decaffeinated with this solvent. It is also used in paints as an activator or hardener and is present in confectionery, perfumes and fruits.

*INEOS Phenol.* According to NexantECA, measured by average annual capacity in 2024, we are the largest producer of phenol in the world. Our global manufacturing capacity is two times that of our closest competitor. Phenol is a primary material for a large number of chemical products. In recent years, the use of phenol for the production of bisphenol A, an intermediate product used to produce polycarbonate and epoxy resins, has increased substantially and is now the largest phenol application. Polycarbonate is an engineering thermoplastic material which, due to its superior optical qualities, structural strength and weight, has a wide range of uses, including; CDs and DVDs, optic-fibers, optical lenses, bulletproof glass and other ballistic resistant materials, structural parts in cars and trucks and housings for electrical household appliances and office equipment. Epoxy resins are used in a wide variety of applications including coatings, adhesives and composite materials, such as carbon fiber.

Phenol is also combined with formaldehyde to produce phenolic resins, which represent the second largest commercial use of phenol. Phenolic resins are used in a wide range of applications, including plywood and oriented strand board, furniture, insulation materials, laminates, foundry molds and adhesives.

The next largest application for phenol is as the raw material for caprolactam and adipic acid for the production of nylon intermediates. Major uses include engineering thermoplastics and synthetic fibers for clothing and carpeting.

Since phenol and acetone are produced together in a fixed ratio, we are also the largest producer of acetone in the world with more than twice as much capacity as the next largest competitor. The largest commercial use of acetone is for solvents, either through the use of acetone itself as a solvent or through the acetone-based production of solvents. The second largest commercial use of acetone is the manufacture of methylmethacrylate. Methylmethacrylate is used to manufacture polymethylmethacrylate resins, including acrylic sheets and compounds for molding and extrusion. Acrylic sheets and compounds are used in a wide range of architectural and industrial applications, ranging from point of sale retail displays to glazing and decorative light panels. The third major use of acetone is in the production of bisphenol A.

Bisphenol A (BPA) is a chemical produced in large quantities and used primarily in the production of polycarbonate plastics and epoxy resins. BPA is utilized in many end-use consumer products to increase their durability and toughness. While polycarbonate and epoxy resins are the major applications for BPA, other uses include flame retardants, unsaturated polyester resins, polysulfone resins, polyetherimide resins, and polyarylate resins. BPA is becoming more important because of the rising investment into downstream integration. Demand for PC is driven by the electronics/electrical sector.

Epoxy resins are the second-largest end use with leading applications in coatings. Other epoxy resin demand sectors include electrical/electronics, adhesives, construction, and composites.



Alphamethylstyrene is formed as an intermediate product during the phenol and acetone production process. It is used in heat resistant thermoplastics, tackifiers, coatings and antioxidants.

## **Manufacturing**

*INEOS Nitriles.* Our main product in the nitriles sector is acrylonitrile. According to NexantECA, measured by expected average annual capacity for 2024, we are the largest manufacturer of acrylonitrile in the world. The primary applications for acrylonitrile are acrylic fiber and acrylonitrile butadiene styrene plastics. We employ safeguards to ensure the safe handling of Nitriles' products including the use of specially designed railcars and pipelines for transportation to nearby customers. We believe that our competitive position in the worldwide acrylonitrile market is strengthened by our proprietary fluid bed acrylonitrile process and related catalysts.

In addition, the Nitriles business produces acetonitrile, hydrogen cyanide, acetone cyanohydrin and ammonium sulphate and also produces catalysts used in the manufacture of acrylonitrile. In 2019, the ammonia and nitric acid business was transferred to INEOS Nitriles from INEOS Enterprises. Ammonia production finds major application in the fertilizer industry, but in the case of INEOS Nitriles is used in the production of acrylonitrile, nylon and other non-fertilizer applications. Nitric acid is similarly used in the fertilizer industry but for INEOS Nitriles is primarily used in the manufacture of polyurethanes. In this highly competitive market, we benefit from an advantaged location within our Köln integrated petrochemical site and supplying more than 80% of our customer volume directly by pipeline.

INEOS Oligomers operates from six sites split across North America and Europe. Joffre, in Alberta, Canada produces linear alpha olefins from low-cost ethylene derived from Canadian and North Dakota gas. The other North American assets are located in Texas, USA. The LaPorte site manufactures poly alpha olefins starting from certain cuts of linear alpha olefin. The high viscosity poly alpha olefins facility at La Porte is currently being expanded to respond to growing demand for wind turbine gear oils. The Chocolate-Bayou site produces linear alpha olefins, primarily using ethylene supplied from the adjacent O&P Chocolate-Bayou crackers. A 120,000 tons poly alpha olefins plant is also located at Chocolate Bayou, Texas. It is the largest poly alpha olefins plant in the world. In Europe, production of linear alpha olefins and poly alpha olefins occurs in Feluy, Belgium. Polybutenes are manufactured at Lavera, France and Specialty oligomers are produced in Köln, Germany.

INEOS Oxide operates from five main sites, in Antwerp, Belgium; Plaquemine, Louisiana (US), Bayport, Texas (US); Köln, Germany; Hull, United Kingdom and Lavera, France. Our largest production facility is at the Antwerp complex in the second largest European harbor- and second largest chemical region in the world. This site has direct or indirect connections to three major ethylene pipelines linking it to most ethylene crackers in Northwest Europe as well as a deep-sea import terminal for Ethylene. It also has pipeline connections to pipelines for nitrogen, oxygen, natural gas and ship/rail logistic capabilities for sourcing bulk feedstock of propylene oxide, butadiene, acetic acid and alcohols. In addition, the site has its own jetty facility on the Schelde River which links it to the port of Antwerp and the Amsterdam Rotterdam Antwerp ("ARA") pipeline and with rail and road tanker loading facilities. In the United States, our Bayport site in Texas is a leading producer of ethylene oxide, glycol ethers, and ethylene glycols. The site is strategically located near the Houston ship channel with access to cost-advantaged feedstocks and with close proximity to our customer base.

INEOS Phenol operates phenol and acetone plants at sites in Gladbeck, Germany; Antwerp, Belgium; and Mobile, Alabama in the United States, as well as a fully integrated cumene-phenol-acetone plant with additional bisphenol A production in Singapore. All three phenol and acetone sites in Europe and in the United States use our own proprietary technology, which has significant advantages in energy consumption and other factors over competing technologies. The Singapore plant uses technology from Mitsui, Japan, with low energy consumption. This technology is mature and proven in practice. Our Gladbeck plant is located in the industrial heartland of Germany known as the Ruhrgebiet. It receives its raw materials by pipeline from an INEOS-owned cumene plant (Marl), as well as other suppliers, and the finished products go out by rail and truck with most customers situated within a 100 kilometer radius. It is the largest single train unit in the world. According to NexantECA, our Antwerp site is the largest capacity phenol site in the world. Our Antwerp site is located in the Antwerp industrial area with direct deepwater access. All of the cumene reaches the site via ship. The majority of the site's end-products are transported to customers by ship, with the balance being transported by road and rail. Our Mobile, Alabama, United States, plant is located on Mobile Bay on the Gulf of Mexico, close to several major consumers. All cumene is supplied via ship mainly from an INEOS-owned cumene plant (Pasadena, Texas) or from producers on the Gulf Coast or Asia. About half of the phenol and acetone produced is transported via ship and barge while the balance goes out by rail and road. Our Singapore plant is located in the heart of Jurong Island, Singapore's chemical park on an artificial island hosting, among others, refining and



chemical manufacturing. We are pipeline connected to key raw material suppliers as well as some end-product customers, but we also receive raw materials via ship. Our customers are spread over the majority of the Asian continent and are usually served by sea going vessels with some receiving the material via truck lorries. Besides the cumene integrated plant in Singapore, INEOS Phenol operates two cumene plants at sites in Marl, Germany and Pasadena, Texas.

## **Raw Materials and Energy**

Acrylonitrile is manufactured from propylene, ammonia and air with the use of a special catalyst. Acrylonitrile is toxic and flammable and, unless chemical stabilizers are added for storage and shipment, can undergo an explosive chemical reaction. We employ safeguards to ensure the safe handling of nitriles, including the use of specially designed railcars and pipelines for transportation to nearby customers. The key raw material for ammonia production is natural gas. Natural gas is supplied from utility companies via pipeline from the German natural gas grid to the Köln plant to manufacture ammonia.

Ethylene is the feedstock for the production of INEOS Oligomers' range of linear alpha olefins (Hexene-1 to C20+). At our Joffre plant in Alberta, Canada, ethylene is supplied from the neighboring, ethane Nova cracker complex. Ethylene is secured through a long-term supply agreement. In Europe, the Feluy alpha olefins plant is supplied with ethylene from Antwerp by pipeline connected to the ARG and via the INEOS deep sea Antwerp terminal. Ethylene supply is secured through long term supply agreements, customer tolls and spot purchases. The Chocolate Bayou alpha olefins plant is supplied in ethylene mainly from the adjacent INEOS O&P Chocolate Bayou ethane crackers but also third party contracts. INEOS Oligomers produces poly alpha olefins at the Chocolate Bayou, TX plant, the Laporte, TX and Feluy plants using selective INEOS Oligomers supplied alpha olefins cuts. The INEOS Cracker complex in Köln supplies Raffinate 1 and Crude C5 which are respectively the feedstocks for the C4 isoolefins/ isoparafins unit and for the Isoamylene and Cyclopentane units. The INEOS Cracker complex in Lavera supplies Raffinate 1 to the adjacent Oligomers Polybutenes plant. Feedstock can be supplemented from the C4FFC unit of the local Petroineos refinery.

INEOS Oxide's principal raw material is ethylene. In Europe, our supply flexibility is bolstered by access to multiple ethylene pipeline connections and by our ownership of a major deep sea ethylene import terminal, connected to the ARG ethylene pipeline network. We have short and medium-term contracts of one to five years that generally specify minimum and maximum volumes with several different suppliers. The cost of our key feedstock ethylene supply is largely based on a discount to the current Northwestern European contract price. We also have access to advantaged US ethylene via our ethylene import terminal. In the United States, we have access to cost-advantaged ethylene directly supplied to the site by pipeline.

Cumene, which is made from the combination of benzene and propylene, is INEOS Phenol's main raw material. INEOS owns cumene plants located in Marl, Germany, which is pipeline connected to the Gladbeck site, and in Pasadena, Texas, United States. We also make some incidental purchases of cumene in the open market. As a result of these arrangements, we are exposed to changes in the market contract and spot rates for benzene and propylene.

## **Customers and Contracts**

INEOS Nitriles has approximately 80 acrylonitrile customers in more than 180 locations worldwide, with the top 10 customers accounting for approximately 75% of revenue in 2024. Major acrylonitrile customers include Toray, Chi Mei, LG, Lotte and Synthomer in Asia, SNF and Sabic in the United States and INEOS Styrolution, Aksa, BASF, as well as SNF in Europe. We are the only acrylonitrile supplier to provide customers with the security of supply from capacity in the United States and in Europe and we service all key regions of the world: United States, Europe and Asia. Ammonia products are predominantly sold to on site internal customers for the production of acrylonitrile (INEOS Nitriles) and nitric acid (Covestro), but also supplied to external customers for a wide range of applications. Our catalyst products are used internally in our acrylonitrile plants as well as sold to a select number of customers around the globe.

INEOS Oligomers has approximately 350 worldwide customers with its top 10 customers accounting for approximately 43.9% of revenue. Major customers typically include large polyethylene and elastomer manufacturers, such as Dow, Nova, KNC, global lubricant producers such as Castrol and Fuchs and leading chemical intermediates, detergents, and drilling fluid companies.

INEOS Oxide sells most of its products to leading chemical manufacturers, including Arkema, Arlanxco, BASF, Bayer, Covestro, Proctor & Gamble and Wilmar. The majority of our sales are made pursuant to short- and medium-term market contracts of one to five years in duration. Under a long-term swap agreement entered into



with Dow Chemical as part of the ethanolamine and GasSpec™ gas treating amines acquisition in February 2001, we swap a significant proportion of our ethylene glycol production from our Antwerp facilities for an equivalent volume of ethylene oxide production from Dow Chemical's ethylene oxide plant in Plaquemine. We generally determine the prices for our chemicals on a monthly basis based on current market conditions, including raw material costs. Other than ethylene oxide prices, which are based on the European market price, our prices are generally based on the international market price.

INEOS Phenol sells to most of the major phenol and acetone consumers globally, including Covestro, Sabic, Mitsui, Bakelite, Fibrant, Roehm, Evonik, Ascend, Dow Chemical and SI Group. For the year ended 31 December 2024, we generated approximately 54% of our total sales from our 10 largest customers with whom we have developed strong relationships over more than 50 years of doing business. Many of our sales contracts include provisions whereby raw material price changes are passed through automatically insulating our margins from volatile changes in raw material markets.

### ***Research and Intellectual Property***

Our Chemical Intermediates businesses are also supported by a range of technologies, and each business carries out research and development to improve the different technology platforms, to enhance environmental performance and, where appropriate, to develop novel products, applications, catalysts and additives.

Our proprietary technologies include our fluid bed acrylonitrile process and related catalysts, and our oligomers technology which yields a unique mix of alpha-olefins. We believe that these technologies provide a significant competitive advantage from a cost and product perspective. Active management of our intellectual property rights allows us to preserve the advantages of the products we sell and the technologies we use, and helps us to maximize the return on our investment in research and development. We police our proprietary rights and enforce them against third party infringements or misappropriations. We own over 2,000 patents or patent applications, in the United States, Europe, China and various other commercially relevant regions. In addition, we own a number of registered trademarks. Strict control of our proprietary confidential technical information provides valuable complementary protection to our other intellectual property rights. In addition to our own intellectual property, we are party to licensing and other agreements authorizing us to use patents, trade secrets, confidential technical information and related technology owned by third parties.

While we believe that our portfolio of intellectual property rights provides significant competitive advantages, we do not regard our business as being materially dependent on any single patent family, trademark, trade secret or agreement.

### ***Competition***

Although INEOS Nitriles competes with numerous manufacturers of acrylonitrile, according to NexantECA, measured by expected average annual capacity for 2024, we are the largest producer in the world. In addition, we believe that a significant majority of the world's acrylonitrile capacity is based on our process technology. Our most significant competitor is Asahi Kasei Corporation, closely followed by Jiangsu Sailboat and PetroChina. Other competitors include Ascend and Cornerstone in North America and AnQore in Europe. In the global market for ammonia, we face over 150 competitive production units located in 50 countries. Thirty of these units are within Western Europe.

The main competitors for INEOS Oligomers in linear alpha olefins are Royal Dutch Shell, Chevron Phillips and Sasol Limited. For poly alpha olefins, major competitors include Chevron Phillips and Exxon Mobil.

The main competitors of INEOS Oxide in the ethylene glycol, antifreeze, ethylene oxide and ethylene oxide derivatives markets are BASF, Shell, Indorama and Dow Chemical, while those in oxo-alcohols and acetate esters include BASF and OQ. Our main competitor in the ethylidene norbornene monomer merchant market is ENEOS (previously known as JX Nippon Oil & Energy).

In Europe, the major competitors for INEOS Phenol are Cepsa, Novapex, Borealis and Versalis. In North America, our major competitors are AdvanSix, Shell and Sabic. In Asia, competition is spread throughout the continent, with major BPA competitors, among others, being LG, Kumho, Sinopec, PTT and MCI. On the Phenol/Acetone/AMS-side, our major competitors are LG, KPB, PTT, MCI, ZPC and Hengli.



## Refining Divestiture, Grangemouth Divestiture and Lavéra Divestiture

### *The Refining Divestiture*

On 1 July 2011, subsidiaries of Lux I disposed of (i) the Refining Business and the Entrepreneurial (Refining) Business to joint ventures formed between PetroChina and INEOS Investments and (ii) the Infrastructure Entity to a joint venture owned by INEOS Investments (50.0%) and the Refining Business JV (50.0%), herein referred to as the “Refining Divestiture.” The disposal of the Refining Business, the Entrepreneurial (Refining) Business and the Infrastructure Entity was principally a disposal of the Refining segment of the INEOS Group as reported on the financial statements of IGH.

The Refining Business and the Entrepreneurial (Refining) Business disposed of in connection with the Refining Divestiture consist principally of the crude oil refining operations carried out at the refineries located at Grangemouth, Scotland, and Lavéra, France, and related entrepreneurial activities. The Refining Divestiture also involved the transfer to the Infrastructure Entity of certain related infrastructure assets (principally a power station in Grangemouth, Scotland, and a terminal and other facilities). Following the Refining Divestiture, the INEOS Group and the Refining Business share certain assets and will continue to rely on each other for certain goods and services, which include the purchase of feedstock by the INEOS Group from the Refining Business JV, the sale by the INEOS Group of certain hydrocarbons to the Refining Business JV and the provision of certain administrative services to each other (such as security, emergency response, accounting, employee relations, procurement and site management). The Infrastructure Entity acquired the related infrastructure assets and provides certain infrastructure goods and services (such as power and access to terminals) to the INEOS Group and the Refining Business JV. The Infrastructure Entity was transferred by the INEOS Group as part of the Refining Divestiture and is jointly owned by INEOS Investments and the Refining Business JV. Upon the consummation of the Refining Divestiture, service and asset-sharing arrangements were executed to govern the ongoing use of the shared infrastructure and services. The indemnification provisions include the INEOS Group giving an uncapped non-time limited indemnity to the joint venture in respect of environmental liabilities not related to the Refining Business.

As a result of the Refining Divestiture and related transactions, on 1 July 2011, we received net cash proceeds (after expenses and agreed completion adjustments) equal to €658.0 million and 400 Ordinary Shares in INEOS Investments, subscribed for at an aggregate subscription price of \$1.015 billion. Until December 2022, the INEOS Group held these ordinary shares in INEOS Investments, and INEOS Investments was, until such date, consolidated into our financial statements. The ordinary shares have the right to receive an amount equal to all amounts received by INEOS Investments (net of a good faith estimate of its audit, company secretarial and other administrative expenses, as determined by the directors of INEOS Investments) in respect of its investments, including its equity interest in the Refining and Entrepreneurial JVs and the Infrastructure Entity, and INEOS Investments was obliged to distribute to the INEOS Group, subject to applicable legal requirements, in the form of dividends or as a return of capital, all amounts received by it in respect of such investments, less such audit, company secretarial and other administrative expenses. The holders of the ordinary shares are entitled to, in priority to any payment to holders of any other class of shares, \$1.015 billion of the total capital returned to the voting shareholders. The ordinary shares were sold to an affiliate that is not part of the Group in December 2022.

### *The Grangemouth Divestiture*

On 1 October 2013, the Group completed the Grangemouth Divestiture which comprised the disposal of its Grangemouth petrochemicals operations, including the assets and pension and other liabilities, to a newly created subsidiary of INEOS Holdings AG, our indirect parent company. The Grangemouth Divestiture was implemented pursuant to a restructuring designed to address concerns that the operations carried out by INEOS Commercial Services UK Limited and INEOS Chemicals Grangemouth Limited at the Grangemouth site had been loss-making for the last previous four years, primarily due to a high fixed costs base at the Grangemouth site and a decline in the suitable feedstock supplies. Accordingly, a survival plan was implemented to improve its cost base and to enable it to invest in new infrastructure to import U.S. ethane to the Grangemouth site which provides a low cost sustainable raw material supply for the business. The plan formulated for the survival of the Grangemouth operations required a significant investment. This investment included investment in infrastructure necessary to allow the site to import ethane gas from the U.S., including the construction of an import facility and ethane tank. These facilities were completed during 2016 and the first shipment of ethane gas arrived from the U.S. into Grangemouth in September 2016.



## ***The Lavéra Divestiture and the Lavéra Acquisition***

On 1 July 2014, our subsidiaries INEOS Group AG and INEOS Europe AG disposed of certain petrochemical assets and business in France and Italy to a subsidiary of INEOS AG, a company wholly owned by our ultimate parent INEOS Limited. The disposed businesses comprise a petrochemical business at the Lavéra site in France as well as certain other business and assets in France and Italy that were formerly part of our European Olefins & Polymers business unit (the disposed assets and businesses are together referred to as the “**Lavéra Businesses**”). The total consideration for the sale of the Lavéra Businesses amounted to €200 million and was initially provided in the form of vendor loans. As of 31 December 2015, all of the consideration was received by us in cash.

The disposal was part of a restructuring plan for the Lavéra Businesses with the objective of improving the reliability and cost base of the Lavéra site.

We continued to provide certain supporting services such as supply chain management, accounting or logistical services to the Lavéra Businesses following their disposal. Further, our subsidiary INEOS Europe AG entered into an offtake agreement for ethylene oxide with an entity that is part of the Lavéra Businesses. These services and agreements with the Lavéra Businesses are engaged in on an arm’s-length basis.

On 1 April 2024, the Group completed the Lavéra Acquisition and reintegrated the Lavéra Businesses back into the Group, upon which all of these arrangements are among Restricted Subsidiaries within the Group.

## ***Contractual Arrangements with the Refining and Entrepreneurial JVs***

To ensure that the companies in the INEOS Group retain access to the feedstocks provided by the Refining and Entrepreneurial JVs, we have entered into several contractual arrangements with the Refining Business JV and the Infrastructure Entity. Pursuant to these arrangements, the INEOS Group will retain access to the feedstocks that are essential to the retained business segments, thereby contributing to the long-term viability, security and profitability of our businesses.

Our Köln site within our Olefins & Polymers Europe business has entered into standard supply contracts buying naphtha with the Refining and Entrepreneurial JVs on an arm’s-length basis.

Contracts have been put in place to ensure that the companies in the INEOS Group retain access to the naphtha feedstock produced by the Refining Business JV at Grangemouth, following the separation of the Grangemouth petrochemicals business from the INEOS Group in the Grangemouth Divestiture.

## ***Contractual Arrangements with the Grangemouth Petrochemicals Business***

To retain flexibility on polymer sales, and thus optimization of value for the INEOS Group businesses, the polymer production at Grangemouth is sold to market through the INEOS Group Limited Risk Distributor companies (“**LRDs**”). The proceeds (less an agreed sales margin) of the sale of polymer production at Grangemouth through the LRD network are transferred back to INEOS Commercial Services UK Limited, one of the entities divested in the Grangemouth Divestiture.

## ***Contractual Arrangements with the Lavéra, Sarralbe & Rosignano Petrochemicals Business***

Historically, the majority of naphtha feedstock produced by the Lavéra refinery has been consumed by the petrochemicals business at Lavéra. Pursuant to the Lavéra Divestiture, contracts were executed in order to continue this arrangement. Following the completion of the Lavéra Acquisition these are intergroup transactions.

To retain flexibility on polymer sales, and thus optimization of value for the INEOS Group businesses, the polymer production at Lavéra, Sarralbe and Rosignano is sold to market through the INEOS Group LRDs. The proceeds of the sales through the LRD network sales are transferred back to INEOS Derivatives France Limited (“**IDFL**”) less an agreed sales margin. Prior to 1 January 2022, the contractual agreements were with INEOS Derivatives France Limited before being transferred to INEOS Olefins S.A. under the same terms and conditions. Following the completion of the Lavéra Acquisition these are intergroup transactions.



## Research and Technology (“R&T”)

We consider R&T to be a key contributor to both the short-term performance and the long-term growth of our business.

Our R&T work has four principal objectives:

- improve the environmental footprint of our products and processes, for example, by reducing greenhouse gas (“GHG”) emissions, and enhanced recyclability;
- minimize production costs with a view to increasing the margins that can be achieved in the manufacture and sale of our products;
- make better products in order to sustain or capture more margin or market share; and at the same time
- reduce capital costs to minimize the investments necessary to meet demand.

A substantial portion of our R&T expenditure is dedicated to the continuous improvement of our processes and products to reduce GHG emissions associated with our operations and increase the recyclability and recycled content of our products. This R&T work is carried out by a combination of site based teams and centrally located specialists and research teams in one of our R&T centers. R&T projects typically yield returns within one to five years. We protect our process technologies and products by seeking patents or retaining them as trade secrets.

Our R&T teams have comprehensive expertise in a variety of areas, including catalysis, process development, product and material science, modeling and project management. The project teams also possess the necessary commercial expertise to enable timely implementation of innovations. We consistently aim to improve the effectiveness of our R&T efforts by targeting our projects at the most valuable applications and using project management tools to monitor progress. To attract and retain highly-qualified scientists and engineers, we offer our employees challenging development opportunities and a competitive compensation package that is aligned with performance of the relevant business in both the short and long term.

We also draw on external resources to enhance the scope, depth and effectiveness of our internal R&T efforts. We proactively seek mutually beneficial partnerships with third parties, including other petrochemical companies, new technology companies, key customers, and leading universities.

## Facilities

We currently lease the office space for our principal executive offices, which are located in Rolle, Switzerland. We also lease administrative, technical and sales office space in various locations in the countries in which we operate.

Our production network comprises 39 manufacturing facilities in nine countries throughout the world (excluding the SECCO and Tianjin facilities in China, the Group’s 50% interests in which are held through Unrestricted Subsidiaries; the SECCO facilities have a capacity of 4,200 kta of petrochemicals including ethylene, propylene, polyethylene, polypropylene, styrene, polystyrene, acrylonitrile, butadiene, benzene and toluene and the Tianjin facilities have a capacity of 1,200 kta of ethylene). The following table provides information regarding these facilities:

Country	Location <sup>(1)</sup>	Business	Principal products manufactured	Capacity <sup>(2)</sup>
Belgium	Doel <sup>(3)</sup>	Phenol	Phenol, acetone	1,105 kta
	Feluy	Oligomers	Linear alpha olefins, poly alpha olefins	445 kta
	Geel	O&P Europe	Polypropylene	339 kta
	Lillo	O&P Europe	Polypropylene, high-density polyethylene	723 kta



Country	Location <sup>(1)</sup>	Business	Principal products manufactured	Capacity <sup>(2)</sup>
	Zwijndrecht	Oxide	Ethylene oxide, ethylene glycol, ethylene oxide derivatives, ethylidene norbornene monomer, buthyl acetate, alkoxyates	1,524 kta
Canada .....	Joffre	Oligomers	Linear alpha olefins	295 kta
France.....	Lavera	Oligomers	Polyiso-butylene	80 kta
		Oxide	Ethylene oxide, oxo-alcohols, glycol ethers, glycol ether acetates, ethanolamines, alkoxyates	669kta
		O&P Europe	Ethylene, propylene, benzene, butadiene, polypropylene, high-density polyethylene	2,281 kta
	Sarralbe	O&P Europe	Polypropylene, high-density polyethylene,	362 kta
Germany .....	Gladbeck	Phenol	Phenol, acetone, alpha methyl styrene	1,105 kta
	Köln	Nitriles	Ammonia, nitric acid <sup>(4)</sup> , acrylonitrile and related products	1,729 kta
		O&P Europe	Ethylene, propylene, butadiene, benzene, low-density polyethylene, linear low-density polyethylene	3,131 kta
		Oligomers	Isoolefins, isoparaffins, specialties	170 kta
		Oxide	Ethylene oxide and derivatives, ethylene glycol, propylene oxide, propylene glycol	915 kta
	Marl <sup>(5)</sup>	Phenol	Cumene	750kta
Italy.....	Rosignano	O&P Europe	High-density polyethylene	232 kta
Norway .....	Bamble	O&P Europe	Low-density polyethylene	158 kta
	Rafnes	O&P Europe	Ethylene, propylene	699 kta
Singapore.....	Singapore	Phenol	Phenol, acetone, alpha methyl styrene	516 kta
		Phenol	Cumene	410 kta
		Phenol	Bisphenol A	150kta



Country	Location <sup>(1)</sup>	Business	Principal products manufactured	Capacity <sup>(2)</sup>	
United Kingdom .....	Hull	Oxide	Ethyl acetate	280 kta	
United States .....	Battleground <sup>(5)</sup>	O&P North America	High density polyethylene, polypropylene	1,522 kta	
	Bayport	Oxide	Ethylene oxide, ethylene glycol, glycol ethers	960 kta	
	Carson	O&P North America	Polypropylene	231 kta	
	Cedar Bayou <sup>(6)</sup>	O&P North America	High density polyethylene	231 kta	
	Chocolate Bayou	O&P North America	Oligomers	Ethylene, propylene, butadiene, polypropylene	3,085 kta
			Oligomers	Linear alpha olefins	420kta
			Oligomers	Poly alpha olefins	120kta
	Freeport <sup>(7)</sup>	Oligomers	Gas treating amines	12 kta	
	Green Lake	Nitriles	Acrylonitrile and related products	711 kta	
	Hobbs	O&P North America	Ethane/propane mix, propane	1,455 kta	
	La Porte	Oligomers	Poly alpha olefins (low and high viscosity)	105 kta	
	Lima	Nitriles	Acrylonitrile and related products, acrylonitrile catalyst	230 kta	
	Mobile	Phenol	Phenol, acetone	875 kta	
	Pasadena	Phenol	Cumene	900 kta	
	Plaquemine	Oxide	Ethanolamines	186 kta	
	Mills	O&P North America	Polyethylene pipe	41 kta	
	Bowie	O&P North America	Polyethylene pipe	58 kta	
	Cedar City	O&P North America	Polyethylene pipe	44 kta	
	Elizabethtown	O&P North America	Polyethylene pipe	47 kta	
	Snyder	O&P North America	Polyethylene pipe	46 kta	
Rapid City	O&P North America	Polyethylene pipe	39 kta		



Country	Location <sup>(1)</sup>	Business	Principal products manufactured	Capacity <sup>(2)</sup>
	Statesboro	O&P North America	Polyethylene pipe	41 kta
	Lubbock	O&P North America	Polyethylene pipe	44 kta
	Lubbock 2	O&P North America	Polyethylene pipe	45 kta
	Titusville	O&P North America	Polyethylene pipe	45 kta

(1) We own all of the production facilities except where otherwise indicated.

(2) The unit kta is kilotonnes per annum.

(3) We own the production assets but lease the land under a long-term lease that expires in 2040.

(4) Nitric acid plant owned by third party, operated by INEOS.

(5) Battleground facility includes the entirety of the Gemini HDPE LLC, which is owned through Unrestricted Subsidiaries. A Restricted Subsidiary of the Group is the operator of the HDPE plant and has the exclusive right to supply Gemini with the required components necessary for the production of a specified quantity of the HDPE products and to take such quantity of the HDPE products and, as compensation, pays a toll fee.

(6) A 50:50 joint venture with Chevron Phillips, operated by Chevron Phillips. The capacities shown are the INEOS share of the activities.

(7) INEOS Oligomers has 100% rights until 2036.

## Project ONE

In addition to our existing facilities, we are currently developing a new large olefins plant in Antwerp, Belgium, known as Project ONE. Project ONE consists of an ethane steam cracker with a nameplate capacity of approximately 1,450 kta and associated utilities, tankage and infrastructure. Project ONE will be fully connected into the wider European olefins logistics network and will address wider market needs, which may include demand from INEOS derivative units across the region.

We believe that Project ONE is the largest investment to be made in the European chemical sector for the past 25 years and is expected to help stem the decline in the European chemical industry by supporting the growth and development of INEOS's European customers in the coming years. INEOS has secured long-term competitively priced ethane feedstock for Project ONE translating into a tangible and sustainable competitive advantage for INEOS against its peers in Europe.

Project ONE is also important from a sustainability perspective. From the outset, it is expected to emit less than half of the CO<sub>2</sub> of the average of the three current best-performing European plants for the same production. By switching from ethylene sourced elsewhere to ethylene produced by Project ONE, we expect that INEOS's customers will be able to significantly reduce the carbon footprint of their ethylene-based end products. With the cracker, we aim to achieve carbon neutrality in the future. This will be dependent on technical and economic feasibility, but is expected to be enabled by, amongst others, the development of hydrogen and/or carbon capture infrastructure in the local industrial area. Project ONE is targeting to be carbon neutral within 10 years of start-up and is aligned with the EU taxonomy Regulation 2020/852 for sustainable activities (EU Taxonomy), more specifically on substantial contribution to the 'climate change mitigation' objective.

Project ONE will be strategically located in the Port of Antwerp in Lillo's existing industrial area with deep sea access and already connected to major olefin pipelines in Northwest Europe. The project is expected to boost employment in the Antwerp region and strengthen the position of the chemical industry as one of the key sectors of the Belgian economy.

INEOS has selected Technip Energies to provide the operating technology for the new ethane cracker. Latest estimates suggest that the project will represent a capital investment of approximately €4.5 billion (of



which approximately €2.3 billion was invested by the end of 2024 and approximately another €1.8 billion is expected to be invested in 2025) largely funded by debt secured on the Project ONE assets. As of 31 December 2024, we have contributed approximately €1.1 billion in equity to Project ONE. See also “Description of Other Indebtedness—Project ONE Facilities.”

The project commenced construction on site in the summer of 2022 following issue of the Initial Integrated Permit on 7 June 2022. Initial site preparatory works were undertaken to remove vegetation, install temporary facilities and begin site levelling and soil remediation activities. The award of the Initial Integrated Permit was appealed by several NGOs and the Dutch Provinces of North-Brabant and Zeeland.

On 20 July 2023, IOB received a decision from the Council for Permit Disputes in Flanders annulling the Initial Integrated Permit based on the appeal from the Dutch Province of North-Brabant. As a result of the annulment, all construction on the Project ONE site in the Port of Antwerp had to be suspended. Works in other locations (for example in module yards around the world), however, continued during this period.

Following the annulment by the Council for Permit Disputes, IOB submitted an amended appropriate assessment for Project ONE on 4 October 2023. On 7 January 2024, following completion of the required procedural process, a new integrated permit was issued by the Environmental Minister. This permit became immediately effective from the date of issue and construction works on the Antwerp site were able to resume. Since then, construction of the project, mainly consisting of civil and underground works, has continued. The Dutch Provinces of North-Brabant and Zeeland and several NGOs have again lodged appeals against this new integrated permit.

On 30 July 2024, the Environmental Minister withdrew the integrated permit of 7 January 2024, and based on additional legal grounds immediately granted the New Integrated Permit. The Dutch Provinces of North-Brabant and Zeeland and several NGOs have again appealed against this new permit. The filing of these appeals has not impacted site activities, and works on the site are permitted to continue while the litigation is ongoing, absent an action by the relevant court.

On 26 August 2024, IOB submitted a new integrated permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted the requested permit. This new integrated permit is subject to an administrative appeal window and if so appealed, will become effective if the Environmental Minister approves the granting of the permit. Any such decision would be expected to be made in the summer of 2025. This new integrated permit has no impact on the procedures outlined above. In Flanders, until a project has a permit which can no longer be appealed, it is permissible to obtain multiple permits for the same project. This approach may reduce the risk of disruption to site activities should there be a future successful appeal of a previously issued permit. See also “Project ONE Permit Application” and “Risk Factors—Risks Relating to Our Businesses and Industries—Litigation—We are subject to certain risks related to litigation filed by or against us, and adverse results may harm our business.”

Due to the location of Project ONE (in an existing densely used industrial area), there is limited space for laydown. The design of the facility is based on a modular construction of the process units. These specialized modules are being constructed offsite in Thailand, the United Arab Emirates and the Philippines and are being transported to the site using specialist ships. During the permit annulment, these activities were able to continue offsite. The first shipments started to arrive in the third quarter of 2024 and will continue through to the third quarter of 2025. There are over 10,000 contractors working on the project across the world.

Detailed engineering for the facility is now substantially complete and all major equipment and bulks procurement are in the process of being delivered to either the site or yards to be incorporated into the modules. The last major site construction contracts for mechanical, electrical and instrumentation have now been awarded in preparation for receipt of the modules. The Project ONE furnaces are being built in Thailand and the first arrived in the port of Antwerp on 15 January 2025. On site in Antwerp, several buildings are now significantly advanced as well as erection of the ethane tank outer shell and roof. There are now upwards of 1,750 people regularly on site with no “Lost Time Injury” to date. Overall, the project is now estimated to be over 50% complete.

Project ONE is anticipated to achieve mechanical completion before the end of 2026 with operation in 2027 and we expect to create a total of 450 direct jobs.



## Health, Safety, Security and Environment

### Overview

Our facilities and operations are subject to a wide range of HSSE laws and regulations in all of the jurisdictions in which we operate. 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, operation and closure of landfills, human health and safety, process safety and risk management and the clean up of contaminated sites. Many of our operations require permits and controls to monitor or prevent pollution. We have 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 enforcement of such requirements.

Violations of HSSE requirements may result in substantial fines or penalties, the imposition of other civil or criminal sanctions, cleanup costs, claims for personal injury, health or property damages, requirements to install additional pollution control equipment, or restrictions on, or the suspension of, our operating permits or activities. At certain sites where we operate, regulators have alleged or we have otherwise identified potential or actual non compliance with HSSE laws and/or the permits which authorize operations at these sites. Some of these allegations or instances of non compliance are ongoing, and substantial amounts may need to be spent to attain and/or maintain compliance. In addition, we have in the past paid, and in the future may pay, penalties to resolve such matters. Our businesses and facilities have experienced, and in certain cases, are in the process of investigating or remediating, hazardous materials in the soil and groundwater at locations where we operate and/or adjacent properties and/or natural resources at public and private lands not owned by us. We are also in the process of investigating and remediating contamination at certain sites where our facilities disposed of hazardous wastes. In addition, HSSE laws and regulations can impose various financial responsibility requirements on us, and pursuant to these requirements we may be required to post bonds, create trust funds or provide other assurances that we will be able to address contamination at our sites and comply with our decommissioning obligations once our facilities reach the end of their useful lives.

Other HSSE laws and regulations may impose restrictions upon product or raw material use, import or sale by us or our customers. For example, it is possible that certain of our products or by products or the raw materials we use may, in the future, be classified as hazardous or harmful, which could impact our production or demand for our products and, in turn, could materially and adversely affect our business and/or results of operations.

We believe that our operations are nonetheless currently in material compliance with all HSSE laws, regulations and permits. We actively address compliance issues in connection with our operations and properties and we believe that we have systems in place to ensure that environmental costs and liabilities will not have a material adverse impact on us. Nevertheless, estimates of future environmental costs and liabilities are inherently imprecise, and the imposition of unanticipated costs or obligations could have a material adverse effect on our business, financial condition or results of operations in any period in which those costs are incurred.

### Major Regulatory Matters and Developments

#### *Air and Climate Change Regulations and Initiatives*

##### *EU Emissions Trading System*

Our operations in Europe are covered by the European Union Emissions Trading System (“EU ETS”), a EU-wide trading system for industrial GHG emissions. Industrial sites receive or purchase allowances to emit GHGs and must surrender one allowance for each ton of carbon dioxide emitted. Companies which emit less GHGs than their allowances cover are able to sell the excess allowances, whereas those which emit more must buy additional allowances through the EU ETS. The number of allowances to emit GHGs that are received by industrial facilities free of charge has been, and we expect will continue to be, reduced over time. Accordingly, in the future, we may be required to purchase more of the allowances we use, or to make emissions reductions at our facilities, which could cause us to incur additional compliance and/or capital costs and/or adversely impact our production and our results of operations.

On 14 July 2021, the European Commission adopted a set of proposals to make the EU's climate, energy, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030, compared to 1990 levels. Achieving these emission reductions will likely impact on INEOS operations in the



EU requiring further investments over this timeframe. The EU also introduces the Carbon Border Adjustment Mechanism (CBAM) which likely will have an impact on INEOS costs.

#### *EU Industrial Emissions Directive (IED)*

Our operations are also required to comply with the EU Industrial Emissions Directive (“IED”), which remains applicable during the Transition Period. The European Commission regularly publish new decisions aiming at reducing emissions to air and water from all chemical sites. We actively participate in the process to discuss those regulations to defend our interests and better anticipate the need for capital expenditures which could be required in order to comply with these new rules.

#### *U.S. Clean Air Act and Climate Change Regulations and other regions*

In the United States, the federal Clean Air Act (“CAA”) regulates air emissions from various sources and requires, among other things, monitoring of specified pollutants, including hazardous air pollutants, stringent air emission limits and technological controls to reduce emissions to air. Strict federal and state controls on ozone, carbon monoxide, benzene, sulphur dioxide, nitrogen oxide and other emitted substances impact our activities and increase our operational costs in the United States.

Growing concern about the sources and impacts of global climate change has led to a number of legislative and administrative measures, both proposed and enacted, to monitor, regulate and limit carbon dioxide and other GHG emissions. For example, we are required to monitor and report to USEPA annual GHG emissions from certain of our U.S. facilities. In addition, USEPA has taken steps to regulate GHG emissions under the CAA and other existing legislation as comprehensive climate change legislation has not yet been enacted by the U.S. Congress. We actively monitor state, regional, provincial and federal GHG initiatives and other regulatory developments in anticipation of any potential impacts on or costs to our operations. As of January 2021, the U.S. re-joined the Paris Agreement. The Paris Agreement's metric for tracking emissions targets is country specific "nationally determined contributions" (NDC's). The agreement mandates NDC targets change every five years and reflect each country's "highest possible ambition." NDCs are reported to the United Nations Framework Convention on Climate Change Secretariat and filed into an official public registry. As such, the U.S. Congress will need to consider comprehensive federal legislation regarding climate change, and as a consequence, various regional initiatives regarding emissions associated with climate change are in effect or proposed. Although we believe it is likely that GHG emissions will continue to be regulated in the U.S., and other countries (in addition to the E.U.) in the future, we cannot yet predict the form any such additional regulation will take in the chemical industry itself in various jurisdictions (such as a cap-and-trade program, technology mandate, emissions tax or other regulatory mechanism) or, consequently, to estimate any costs that we may be required to incur, for example, to install emissions control equipment, purchase emission allowances or address other regulatory obligations. We continue to monitor the situation closely.

In addition, USEPA has finalized or proposed several rules relating to emissions reporting and emissions reductions. We monitor rules within our industrial sector and rules in other sectors that may set a precedent for ours. Significant capital expenditures could be required for emissions control equipment in order to comply with these new rules.

In the United States, stringent controls on nitrogen oxides (NOx) and hydrocarbon “Volatile Organic Compound” (VOC) emissions, and/or the need to purchase emissions credits for certain facilities, impact our operations and, indirectly, the cost of our products. Credit pricing is subject to general economic conditions. NOx and VOC credits have been available and affordable in the markets where we have previously needed such credits, and have not been a deciding factor in growth. There are expected state-specific NOx reduction rules in an area in which we operate facilities that could affect availability and increase cost of NOx credits. These expected state NOx reductions rules are expected to also require installation of further NOx emissions controls within the next five years. EPA has finalized rules that will require states to restrict or prohibit emissions that “significantly contribute” to non-attainment of, or interference with a state’s ability to maintain, the revised ozone standard in other “downwind” states. Both of these developments may require additional NOx and VOC reductions at our facilities over the next decade and could cause us to incur additional compliance and/or capital costs and/or adversely impact our production and our results of operations. Federal NOx reduction rules and Provincial benzene reduction requirements are also expected in Canada that may require emissions controls or emission credit purchases.



***The Registration, Evaluation, and Authorization of Chemicals (“REACH”) Regulation, the Classification, Labelling and Packaging (“CLP”) Regulation, the Toxic Substances Control Act and the Canadian Environmental Protection Act, 1999 (“CEPA”)***

The EU regulates chemical products within the European Union by imposing on all affected industries the responsibility for ensuring and demonstrating the safe manufacture, use and disposal of chemicals. REACH requires the registration of all chemicals manufactured and imported into the European Union (either alone, in mixtures or in articles) with the European Chemicals Agency (“ECHA”). The regulation requires formal documentation of the relevant data required for hazard assessments for each substance registered as well as development of risk assessments for their registered uses. Most uses of high hazard substances, such as carcinogens, will require authorization by the ECHA. We manufacture, process, or use a number of substances classified as substances of very high concern under REACH. Some of the intermediates and monomers manufactured within some of our businesses are classified as carcinogenic, mutagenic, or reprotoxic. REACH requires extensive toxicological data, documentation and risk assessments for many of our chemical products and raw materials. As a corollary to REACH, the European Union has also adopted the CLP Regulation to harmonize the European Union’s system of classifying, labelling and packaging chemical substances with the United Nation’s Globally Harmonized System. The regulation is expected to standardize communication of hazard information of chemicals and to promote regulatory efficiency. It introduces new classification criteria, hazard symbols and labeling phrases, while taking account of elements that are part of the current EU legislation.

In the United States and Canada, our products and raw materials are subject to environmental, health and industrial hygiene regulations, including TSCA and CEPA, requiring the registration and safety analysis of the substances contained in them. The U.S. Congress passed the Frank R Lautenberg Chemical Safety for the 21st Century Act in 2016. EPA is currently undergoing adoption of the amended TSCA regulations to comply with the new law’s requirements. The full impact of these amendments to TSCA remains uncertain and it is possible that they could trigger risk evaluations of certain of our products by EPA, which may lead to new or more stringent regulatory obligations and/or restrictions, up to and including prohibitions on manufacture and sale of certain products. Since 19 December 2016, EPA designated 20 chemical substances as high-priority and 20 chemical substances as low-priority that are the subject of EPA’s initial chemical risk evaluations, as required by TSCA. This list includes multiple chemicals we manufacture, including carbon tetrachloride, methylene chloride and 1,3-butadiene. Work on the risk evaluations has already begun, following the mandatory requirement for the U.S. EPA to evaluate existing chemicals with clear and enforceable deadlines. The list of substances is expected to be extended over time. For example, in December 2024 it was announced that EPA begins risk evaluation under the Toxic Substances Control Act (TSCA) for several additional chemicals, including Acrylonitrile. In December 2024 EPA further announced the intention to do a risk evaluation on benzene, ethylbenzene and styrene.

Such regulations could result in a key raw material, chemical, or other substance being classified or reclassified as having a toxicological or health-related impact on the environment, users of our products, or our employees. Such reclassification of one or more of our raw materials or products could affect its availability and marketability, result in a ban on its purchase or sale, or require us to incur increased costs to comply with additional notification, labelling, or handling requirements.

***Risk Management—Prevention of Major Accidents and Process Safety***

Risks are inherent in the chemical and petrochemical businesses, particularly risks associated with safety, health and the environment, and each of our facilities actively assesses and manages such risks as required by law. Within the European Union, an EU directive on the control of major accident hazards (the “Seveso III Directive”), regulates facilities that present a risk of accidents involving dangerous substances and imposes specific plans and procedures on them, particularly for the storage of such substances. The Seveso III Directive, which replaced the previous Seveso II Directive on 1 June 2015, provides for control measures aimed at preventing and limiting the consequences of major accidents. All of our major production sites are in the top tier of regulation under the Seveso III Directive due to the quantity of dangerous substances stored at them. As such, we must establish a major accident prevention policy, safety reporting system, safety management system and emergency plan compliant with the requirements of the Seveso III Directive.

In the United States, our manufacturing facilities are subject to the U.S. EPA’s Risk Management Program (“RMP”), which requires facilities that produce, handle, process, distribute or store certain highly hazardous chemicals to develop a risk management plan and program in the event of an accidental release of such chemicals. RMP also requires facilities to assess potential impacts to off-site populations in the event of a credible worst-case release and to document the policies, procedures, equipment and work practices in place to



mitigate identified risks. Similar risk management requirements are imposed upon our facilities under the Emergency Planning and Community Right-to-Know Act, which contains chemical emergency response planning, accident release, and other reporting and notification requirements applicable to our U.S. manufacturing facilities. In December 2019, the U.S. EPA proposed further changes to the September 2018 RMP revised rule. The proposed changes were finalized in February 2024 and became effective May 2024. Some RMP requirements became immediately enforceable, with the other more difficult requirements providing for a three-year implementation window, effective March 2027. The challenging portions of the regulations require manufacturers to evaluate inherently safer technology and alternatives and develop a plan to implement these technologies if practicable. In addition, manufacturers are to follow the latest version of industry-recognized and generally accepted good engineering practices (RAGAGEP). Before this, many RAGAGEP standards were considered opinions of the industry's best practices or aspirational and allowed for manufacturer's interpretation. However, the revised RMP rule makes the RAGAGEP industry standards enforceable under the revised RMP rule. For example, industry standards such as ISA (International Society of Automation) 84/IEC (International Electrotechnical Commission) 61511 may no longer be acceptable to delay the implementation of these industry guidelines after May 2027. The impact of implementing ISA 84/IEC 61511 could be more manufacturing operations shutdowns for testing of safety instrumented systems (SIS) than is likely necessary and to employ more capital costs for SIS improvements.

Industry groups are arguing that the RMP new provisions create substantial compliance costs without necessarily enhancing safety, and they may challenge the rule's procedural aspects, such as the lack of opportunity for public comment on new provisions. There may be many legal challenges and delays in enforcing aspects of the 2024 RMP provisions.

In addition, our U.S. facilities are subject to standards, including the OSHA Process Safety Management ("PSM") standard, which requires the development of a program to manage workplace risks associated with highly hazardous chemicals. To better manage risks and process safety, we pursue certifications within OSHA's Voluntary Protection Program ("VPP"), and our Battleground (Houston) and Chocolate Bayou sites are certified to Star status, which is the highest level achievable. Star level means that the site has successfully implemented a safety and health management system and achieved a combined injury and illness rate that is below the industry rate nationwide. In addition, many of our U.S. sites also report PSM incidents as required by API 754 as part of the database maintained by the American Fuel and Petrochemical Manufacturers Association.

INEOS promotes personal leadership for the management of these risks and the Board of Directors for each business operates a "Letter of Assurance" process whereby each of the Operations Directors/Site Managers reviews compliance with local regulations and the effectiveness of the safety management system. They then formally inform their Executive Team and Chief Executive in writing about any issues about which they need to be concerned. This process is intended to provide assurance that all businesses are in compliance in all material respects with applicable health, safety and environmental laws in the countries in which they operate.

### ***Environmental Remediation and Closure Liabilities***

Many of our sites have an extended history of industrial chemical processing, storage and related activities, and sites with known or suspected contamination exist. We are currently, and from time to time have been or may be, required to investigate and remediate releases of hazardous materials or contamination at or migrating from certain of these sites, as well as properties we formerly owned, leased or operated. We could also be responsible for investigating and cleaning up contamination at off-site locations where our predecessors or we disposed of or arranged for the disposal or treatment of hazardous wastes. Under some environmental laws, liability can be imposed regardless of whether the owner or operator knew of or caused the contamination and regardless of whether the practices that resulted in the contamination were legal at the time they occurred. In connection with contaminated properties, as well as our operations generally, we also could be subject to claims by government authorities, individuals and other third parties seeking damages for alleged personal injury or property damage resulting from hazardous substance contamination or exposure caused by our operations, facilities or products.



Baseline surveys of soil and groundwater conditions were conducted at many of our sites in the European Union in connection with obtaining our Integrated Pollution Prevention and Control (“IPPC”) permits, and such data was reported to the relevant authorities. In addition, many of our other sites were the subject of intrusive investigations when they were acquired by us or in connection with historical activities or operational changes over the years. The process of investigation and remediation can be lengthy, varies from site to site and is subject to changing legal requirements and developing technologies. We are not currently aware of any additional sites as to which material claims or clean-up obligations exist. The discovery of previously unknown contamination, however, or the imposition of new obligations to investigate or remediate contamination at our facilities, could result in substantial unanticipated costs. We could be required to establish or substantially increase financial reserves for such obligations or liabilities and, if we fail to accurately predict the amount or timing of such costs, the related impact on our business, financial condition or results of operations in any period in which those costs need to be incurred could be material.

### ***Product Stewardship and Innovation***

Many of our products have some hazardous properties, and some of them require specialized handling procedures due to their acute and chronic toxicity. Our polymer products have widespread end uses in a variety of tightly regulated consumer industries, including in food packaging and medical applications. To manage these risks, our product stewardship team works closely with industry associations, government regulators and others to develop regulations, which are based in science and are commensurate with the magnitude of the risk.

### ***Security and Crisis Management***

The U.S. Department of Homeland Security (“DHS”) requires compliance by our facilities as defined in the Marine Transportation Security Act (“MTSA”), the Chemical Facilities Anti-Terrorism Standards (CFATS) and U.S. Department of Transportation Hazardous Materials regulations.

The DHS, the U.S. Federal Emergency Management Administration and individual state emergency management regulators require that all sites hosting emergency response teams train responders. It is required that the emergency response teams and incident management teams have the knowledge, skills and equipment to allow them to work in concert with local, state, and Federal agencies in a framework defined by the National Incident Management System (“NIMS”). NIMS or equivalent training is conducted at sites to meet the intent of NIMS requirements. This allows the site responders to join with the governmental group in cases of widespread emergencies, including pandemics, where multiple agencies and organizations are involved.

### ***HSSE Principles***

We remain very strongly committed to excellent HSSE performance and believe we are a top decile performer within the chemicals industry. In 2013, INEOS converted its safety performance monitoring to mirror the U.S. OSHA standard. This enabled a common platform for comparisons and increased the number and types of injury data collected and analyzed. INEOS’s OSHA rate for the combined INEOS and contractor workforce has decreased in recent years from a high of 0.52 injuries per 200,000 hours in 2013 to only 0.18 in 2021, 0.16 in 2022 and 0.19 in 2023 and 2024. We strive to operate throughout the world with a commitment to doing what is needed to protect the environment and to comply with all applicable regulations in the countries in which we operate. Our focus is on prevention of process safety incidents and we have developed internal HSSE audit programs (20 SHE principles) designed to monitor and correct any deviations from acceptable performance.

Our aim is to avoid injuries to the community, employees and contractors. We focus on reducing major plant losses of containment of chemicals with health and safety impact. Core to our HSSE standards is our HSSE policy, which promotes executive management and individual responsibility, adherence to operating procedures and training and requires our sites to be designed, operated and managed with the goal of preventing major incidents.

In 2023, Ineos Group Holdings is running two 50/50 Joint Ventures with Sinopec in China. One is in the Jinshan District (Shanghai), SECCO (Shanghai Ethylene Cracker Complex), and the other is in Tianjin, ISTPL (Ineos Sinopec Tianjin petrochemicals limited, a 1200k tons ethylene/year cracker and ethylene/propylene derivatives facility, the Complex plants except POE and ABS have been started up in the November of 2024, POE and ABS will be started up in the 2026. We believe that SECCO and ISTPL are compliant with the Law of the People’s Republic of China on Work Safety (as amended in 2021) which covers all major regulatory matters such as risk management, major accident and safety prevention, product stewardship and security and crisis management. The Chinese government recently issued regulation on “Management of Special Equipment”, which requires operators, supervisors, management and directors to



report on a weekly basis any deviation from normal working conditions for equipment essential to operate the plants in a safe manner.

## Employees

The monthly average number of employees during the year ended 31 December 2024 was approximately 9,100 employees (measured as full-time equivalents) in our operations around the world, excluding employees of our joint ventures. Approximately 66.1% of these employees were located in Europe, approximately 32.7% were located in North America and 1.2% were located in Asia/the rest of the world.

Historically, we have enjoyed good labor relations and we are committed to maintaining these relationships. Other than management and professional personnel, the majority of our employees are represented by local trade unions and are covered by collective bargaining agreements, including a European Employee Forum agreement under the European Council 94/45/EC, Article 6, which covers all European businesses and employees within INEOS Group and is designed to provide a formal mechanism for management and employee representatives to communicate on significant or potentially significant issues across the INEOS Group's European operations.

We value the diversity of our people and each of our employees is recognized as an important member of our team. Our goal is to attract a diverse range of the highest quality candidates for each available position, recruiting based on merit following the principles of equal opportunity. In each of our locations, we directly recruit local talent into our operations and business. These local opportunities are supplemented by group-wide initiatives such as our Core Graduate Engineering program and European Commercial Program (designed to attract high quality candidates who wish to pursue a commercial rather than technical career). In addition, our requirements and behavioral expectations for employees and businesses are outlined in our Code of Conduct which is regularly updated and communicated to all employees and external stakeholders. The code comprises the following sections: Health, safety, security and the environment; Competition and sanctions; Governance; Government and communities; Financial integrity and company assets; Human resources; Digital system use and security; and Violations of the code.

## Insurance

INEOS purchases insurance on an all risk basis, including business interruption (including consequential loss) and property damage on a replacement cost basis. In addition, we purchase third party liability insurance, directors & officers, marine cargo, protection & indemnity insurance and life insurance for all of our employees. We believe our policies are in accordance with customary industry practices, including deductibles and coverage amounts. Our broker, lead insurers and underwriters perform risk engineering surveys and routinely inspect all assets. We have an ongoing program to regularly revalue our assets. The insurance replacement value of our assets (excluding the Project ONE Facilities and the Rain Facilities) property damage is approximately €39 billion as of 31 December 2024.

## Legal Proceedings

As is the case with many companies in the chemical industry, we are and may from time to time become a party to claims and lawsuits incidental to the ordinary course of our business. We cannot predict with certainty the cost of defense, the cost of prosecution or the ultimate outcome of litigation and other proceedings filed by or against us, including remedies or damage awards, and adverse results in any litigation and other proceedings may materially harm our business. Litigation and other proceedings may include, but are not limited to, actions (including class actions) relating to intellectual property, commercial arrangements (including disputes with contractors, suppliers and customers), HSSE, permits, joint venture agreements, mergers and acquisitions, restructuring and insolvencies, construction, labor, real estate and employment, anti-trust, anti-corruption regulations or tax laws and regulations, tort or other harms, including claims resulting from the actions of individuals or entities outside of our control and in certain instances including claims that could result in criminal proceedings. Such proceedings could also result in preliminary or permanent injunctions and the suspension of our operations. For example, appeals contesting our first full environmental permit for Project ONE were filed with the Council for Permit Disputes in Flanders, Belgium, resulting in the annulment of the permit in July 2023. Although a second permit was granted by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism (the "**Environmental Minister**") on 7 January 2024, and on 30 July 2024, the Environmental Minister issued Project ONE a new permit on additional legal grounds, replacing the permit issued in January 2024. Appeals of the new permit have been filed by multiple non-governmental organizations and two Dutch provinces with the Council for Permit Disputes, and the matter is ongoing. Such appeals, if successful, could significantly delay the project and significantly increase



costs, or prevent completion of the project in its entirety. On 26 August 2024, we submitted a new integrated permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted the requested permit. This new integrated permit is subject to an administrative appeal window and if so appealed, will become effective if the Environmental Minister approves the granting of the permit. Any such decision would be expected to be made in the summer of 2025. This new integrated permit has no impact on the procedures outlined above. In Flanders, until a project has a permit which can no longer be appealed, it is permissible to obtain multiple permits for the same project. This approach may reduce the risk of disruption to site activities should there be a future successful appeal of a previously issued permit. If ultimately a permit cannot be retained, it is possible that the project may not be completed, which would require us to write off significant sunk costs and leave us with significant debt in connection with facility financing for Project ONE. We may receive similar legal challenges in the future at other sites, including in respect of permit renewals for existing operations, and other challenges to our permit for Project ONE which, if filed in the future, could have a material adverse effect on our business.

In addition, in March 2023, there was a fire and explosion at the INEOS Phenol cumene facility in Pasadena, Texas involving the ignition of liquid petroleum gas (“LNG”) during unloading. Following the incident, a lawsuit was filed against INEOS Americas LLC (and its shareholder, INEOS US I Inc., being an entity unconnected to the incident) in Harris County, Texas, by 42 plaintiffs alleging injuries as a result of the incident. The root cause of the incident is still under investigation. INEOS Americas, LLC has crossclaimed against other potentially responsible parties, including the supplier of the LNG and the trucking company. Potential damages cannot reasonably be estimated at this time; however, there is a risk that, if determined adversely to INEOS, the matter could have a material adverse effect on our financial position, business or reputation. At this time, claims by five plaintiffs remain pending.

Except as otherwise disclosed in this annual report, we are not currently involved in any legal or arbitration proceedings that are expected to have a material adverse effect on our financial position and, to our knowledge, no such legal or arbitration proceedings are currently threatened.

## **Sustainability**

Improving the sustainability of our business and operations is central to the way we work. It is of critical importance to our employees, to our partners and customers, to the communities in which we operate and to our investors. It drives innovation across all our businesses and sites.

Our sustainability strategy is to develop and safely manufacture the products needed to address the evolving challenges of climate change, public health, resource scarcity, urbanization and waste in a way which helps to drive our business and stakeholders a Net Zero Emissions Economy by 2050. Our strategy is built on six key pillars:

1. Excellence in Safety, Health and the Environment (SHE)
2. Climate Change—targeting a net zero business
3. Circular Economy—maximizing the re-use and recycling of our products
4. People—ensuring an equal opportunity environment in which a diverse team of people can flourish and deliver the innovations we need
5. Communities and the Natural Environment—enhance the communities in which we operate
6. Governance—rigorously sustaining the highest standards of ethics and compliance

Our efforts with respect to sustainability, including our GHG emissions reduction targets, our reporting of GHG and other emissions, energy and water usage and waste generation, are aligned with the framework described in the Global Reporting Initiative (“GRI”) and the United Nations Sustainable Development Goals. Two key priorities, Climate Change and the Circular Economy, are summarized below.

### ***Climate Change***

Following the Paris Climate Agreement of 2015, most nation states have recognized the threat posed by climate change and have set the goal to achieve a Net Zero Emissions Economy by 2050 and are adopting regulations and legislation to support this objective.



In response, INEOS has implemented policies to manage the risks posed by climate change and the transition to a Net Zero Economy to each of its businesses. It has also identified a number of potential new business opportunities arising from the transition. Internal climate change risk assessments will be regularly updated in the context of the Intergovernmental Panel on Climate Change (IPCC) climate change scenarios. These are scenarios in which temperature rise compared to the pre-industrial period temperature is limited to 2° C or less, 2-4.5° C, and 5-8.5° C, respectively. An INEOS-wide target has been set to achieve 33% reduction in GHG emissions by 2030 (compared to 2019) and net zero emissions by 2050. In line with this, the INEOS Group Holdings businesses have each developed a roadmap which outlines plans and key actions required to deliver the 2030 targets.

These actions include the following:

- Continuous improvement of energy and process efficiency
  - We are working across all our business and sites to make important reductions in energy use and associated GHG emissions.
- Exploring investment in green hydrogen and blue hydrogen for use as a fuel on sites and as a feedstock
- Increased purchase of renewable energy to substitute for fossil-derived energy
  - We have already agreed power purchase agreements for approximately 290 MW of renewable energy to reduce our dependence on fossil-based energy sources within the IGH Group.
- Investment in new assets and infrastructure to enable a step change in GHG emissions
  - For example, we are constructing the Project ONE new cracker complex in the Port of Antwerp for production of the olefin intermediates used to manufacture polymers and other high value products. When it starts up (currently scheduled for end 2026 / early 2027) it will emit less than half of the CO<sub>2</sub> emissions compared with the next best existing European steam cracker. Moreover, we have identified options to make this a net zero emissions cracker within 10 years of start-up.
- Use of bio-based feedstocks to reduce dependency on fossil-based materials and deliver bio-based products
  - We have launched certified bio-attributed olefins with over 90% GHG savings when compared with conventional materials
- Investment in carbon capture for selected assets and testing of carbon storage in the North Sea. Carbon dioxide captured from an IGH Group asset has been stored in the North Sea as part of the first phase of Project Greensands, a consortium of Danish and international partners, including INEOS, working towards enabling Denmark to use CO<sub>2</sub> storage to combat climate change. This project has now proceeded to Final Investment Decision

## Products & the Circular Economy

We believe that our products already make a critical contribution to society by providing some of the most sustainable options for a wide range of societal needs. Examples of segments we supply include preservation of food and clean water, manufacture 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, and 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 emissions in Europe would increase by more than 50%.



It is generally accepted 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 economy. For example, in Europe and the UK, legislation is being developed to incentivize recycling of materials, especially for packaging products. We have updated our targets in this area and aim to incorporate 825 kt of recycled or bio-sourced material into INEOS products by 2030, which is an INEOS-wide target.

In line with these objectives, and working with our customers, we have designed and launched a new range of Recycl-IN polyolefin products which incorporate up to 50% of post-consumer recycled polymer in materials that meet the same exacting specifications as virgin material. We are also seeking to invest in advanced recycling technologies that will enable waste polymers to be broken down to their constituent components then reformed back into polymers. Such technologies will enable a much wider range of waste materials to be re-incorporated into polymer manufacturing. This move towards a circular economy will increase resource efficiency, reduce GHG emissions in the value chain, and provide an improved outlet for waste polymers.

### *Sustainability Governance*

The Chief Executive of each Business Division is accountable for development of a strategy and plans to ensure that the business remains sustainable in the longer term. The strategy is reviewed annually with the shareholders. Each business sets targets annually based on its business plan. Progress against targets is reported and reviewed at Executive Committee (EXCO) meetings with the shareholders, typically six times per year.

In addition, there is also an INEOS-wide ESG committee comprising the CEOs and functional Group Directors to provide functional governance of sustainability. It oversees the activity of cross-business networks on climate-related matters and issues recommendations to INEOS' businesses and shareholders. The shareholders ultimately sanction group-wide targets and policies that are enforced through INEOS' federal reporting structure once approved.

These INEOS-wide targets include Health & Safety performance, GHG emissions reductions, and, for the Polymers businesses, recycling targets.

In addition to formal governance processes, INEOS operates a Climate and Energy Network (CEN) which helps ensure coordination across all INEOS businesses on carbon, energy and resource matters. Cross-business CEN teams share information and best practices on policy, advocacy and external developments. The network also assembles data from the different businesses to provide business and INEOS-wide views on GHG emissions, energy usage, water usage, and waste.

In addition, we have developed a methodology to calculate emissions footprints and prepare consistent emission reduction roadmaps. Our methodology account for carbon dioxide equivalents ("CO<sub>2</sub>e") and is aligned with the Greenhouse Gas Protocol. The data collection is managed centrally through the CEN, using a shared online platform. Our reporting is in line with the Global Reporting Initiative ("GRI") guidelines, which are set by an international independent standard organization and which aim to enable third parties to assess environmental impacts from the activities of the company and its supply chain.

Our efforts are aligned with 10 of the United Nations Sustainable Development, with particular emphasis on the following areas: good health and well-being, clean water and sanitation, affordable and clean energy, decent work and economic growth, industry, innovation and infrastructure, sustainable cities and communities, responsible consumption and production, climate action, life below water and partnerships for the goals. In addition to the United Nations SDGs, we also support the 10 principles of the United Nations Global Compact.

We also engage with key stakeholders to understand sustainability topics relating to the business that are important to them. To inform our sustainability strategy and reporting, INEOS identifies topics that are material for the Group by undertaking materiality assessments. For our 2023 sustainability report, this was conducted in accordance with the Global Reporting Initiative GRI 3 standard, where materiality is defined in terms of impact on the economy, environment and people.



We are also a signatory to the International Council of Chemical Associations’ (ICCA) Responsible Care Global Charter. By following the guidelines and measures of Responsible Care, we commit to safely conducting our business in an ethical and environmentally responsible manner and providing the foundation for development and capital investments. We are committed to fulfilling the Registration, Evaluation, Authorisation and Restriction of Chemicals (“REACH”) obligations, which ensure that companies manage the risks associated with their products and provide customers with the information they need to handle them in a safe and sustainable way. We are also a signatory of Operation Clean Sweep, a voluntary stewardship program of the Plastics Industry Association (PLASTICS) and the American Chemistry Council. We aim to achieve zero pellet, flake and powder loss across our sites and supply chain.

Safe handling and containment of our chemicals and products is of critical importance to us. To monitor our performance, we have developed a measure to give us early warning of any risks and opportunities to improve. Each of the materials we use has a maximum legally permitted level at which its leakage into the environment is tolerated. However, leakage of materials to that level is rare. Our processes, operating procedures and working practices are all designed to secure containment of all products and raw materials. The loss of containment of any materials is extremely rare, but each has a level that is legally reportable to the authorities. We closely monitor all systems and we have internal reporting systems that trigger internal investigation and reporting where there is any loss of containment that is 10% of the reportable level (“LOC(10)”). The frequency of LOC(10) across wider INEOS has decreased significantly over the last 10 years.

**Summary of Risks**

Management has in place a number of actions to assess and mitigate against climate and climate related risks, as well as other risks associated with developing legislation on sustainability and reporting. A summary of responses to key risks is summarized below.

INEOS is also working to ensure that it is compliant with the emerging reporting requirements in Europe, the UK and elsewhere.

PERCEIVED RISKS	ACTIONS
Transition to net zero risks	<ol style="list-style-type: none"> <li>1. Management has established net zero and intermediate targets based on business roadmaps which contain actions to reduce GHG emissions while sustaining business profitability.</li> <li>2. Management has identified new business opportunities, e.g. hydrogen, biobased products and recycled products.</li> <li>3. Management is investing in technologies for new products such as recycled products, more recyclable products, and bio-based products to meet consumer demand for these lower carbon materials.</li> <li>4. Management is acquiring more renewable energy and is investing in new assets, technologies, and infrastructure to reduce the carbon footprint of its products in line with evolving customer and consumer demands.</li> </ol>



PERCEIVED RISKS	ACTIONS
Policy and legal transition risks	<ol style="list-style-type: none"><li>1. Management monitors evolving government policies and regulations, both independently and through its membership in industry associations, with an aim to ensure that plans and actions stay ahead of developing legislation.</li><li>2. Management has in place strict policies on ethical and legislative matters, and has implemented the appropriate governance and training mechanisms intended to ensure full compliance.</li></ol>
Market transition risks e.g. changing consumer trends resulting in products and services becoming obsolete	<ol style="list-style-type: none"><li>1. Management believes that its current chemical and polymer portfolio provides products which are essential to support the transition to a net zero economy by providing sustainable options for a wide number of industrial and consumer applications.</li><li>2. Management has set business wide targets intended to be consistent with legislation aiming to drive the development of a circular economy.</li><li>3. Management is investing in technologies for new products such as recycled products and bio-based products with an aim to meet growing consumer demand for these materials.</li><li>4. Management has a policy for sustainable procurement with an aim to ensure that it acquires feedstocks and other materials of increasingly lower carbon footprint.</li><li>5. Management is acquiring more renewable energy and is investing to reduce the carbon footprint of its products in line with evolving customer and consumer demands.</li></ol>



PERCEIVED RISKS	ACTIONS
Financing risks	<ol style="list-style-type: none"><li>1. Management has established net zero and intermediate targets based on practical business roadmaps which combine GHG emissions reduction with sustainment of business profitability and addition of new business opportunities, e.g. hydrogen, biobased products and recycled products.</li><li>2. Management has incorporated the forward cost of carbon in Europe and potentially elsewhere into its capital investment decision-making.</li><li>3. Management aspires to zero accidents in the workplace and has in place the policies targets, controls and audit systems intended to achieve the highest possible standards with regards to safety and the environment.</li><li>4. Management has increased public disclosure on ESG issues, including provision of a detailed and public sustainability report, and has attained favorable ESG assessments from both Sustainalytics and EcoVadis relative to peers.</li></ol>
Acute physical risks, e.g. extreme weather events causing damage to equipment and supply chain disruption	<ol style="list-style-type: none"><li>1. Management is assessing risks to operations against three IPCC developed climate change scenarios high, intermediate and low temperature rises.</li><li>2. Management aims to ensure that equipment and plant is designed to withstand extreme weather conditions as currently expected, and will continue to do so in the future.</li><li>3. Management has developed multiple feedstock and sales options to provide resilience to supply chain disruptions.</li></ol>



PERCEIVED RISKS	ACTIONS
Reputation transition risks, e.g. damage to reputation through failure to transition effectively to a lower-carbon economy	<ol style="list-style-type: none"><li>1. Management has announced a target to achieve net zero and is developing intermediate targets based on practical business roadmaps which contain actions to reduce GHG emissions and aim to stay ahead of evolving regulations.</li><li>2. Management aspires to zero accidents in the workplace and has in place the policies targets, controls and audit systems intended to achieve the highest possible standards with regards to safety and the environment.</li><li>3. Management has worked to increase public communication and disclosure on targets, progress against targets, and ESG issues, including provision of a detailed and public sustainability report.</li><li>4. Management has endeavored to establish links with communities around INEOS sites to communicate plans and progress against objectives and invite feedback.</li><li>5. Management has submitted the business to a detailed ESG assessment from Sustainalytics which assesses the INEOS Group Holdings S.A. group as low risk and in the top few commodity chemical companies assessed.</li></ol>
The market environment and prevailing economic conditions restrict our ability to invest in the transition and in recycling at a rate required to meet our targets whilst remaining profitable, a key requirement for sustainable development.	<ol style="list-style-type: none"><li>1. Management ensures that investments are affordable under the prevailing economic environment and updates as needed the timing for achievement of stated emissions reduction and recycling targets aims.</li></ol>

#### *Sustainalytics Rating*

As of 12 October 2023, INEOS Group Holdings S.A. received an ESG Risk Rating of 16.7 from Sustainalytics, and was assessed to be at low risk of experiencing material financial impacts from ESG factors. This was updated independently by Sustainalytics to a Risk Rating of 17.2 and 5<sup>th</sup> best of 288 commodity chemical companies assessed. We believe that this ESG Risk Rating is evidence that we are seen as a leader in implementing sustainable practices in our industry. Our ESG Risk Rating is subject to change and the current rating can be found on the Sustainalytics website.



## MANAGEMENT

### Executive officers and directors of INEOS Limited

INEOS Limited, a company incorporated in the Isle of Man, is our ultimate parent undertaking. INEOS Limited was incorporated on 24 March 2016 and became the ultimate parent undertaking on 1 December 2016.

The following table sets forth the name, age (as of 31 December 2024) and principal position of each of our directors and officers:

Name	Age	Position
James A. Ratcliffe .....	72	Chairman
Andrew Currie .....	69	Member of the Board
John Reece .....	67	Member of the Board
Jonathan Ginns.....	51	Member of the Board
Simon Morland .....	39	Member of the Board

**James A. Ratcliffe** has been the Chairman of INEOS Capital since 1998. Mr. Ratcliffe, who has over 30 years of experience in the chemical industry, is experienced in managing buyouts of chemical companies. In 1992, he led the successful buyout of Inspec Group plc. In 1998, he left Inspec to lead the acquisition of INEOS plc (now INEOS Oxide) from Inspec. Mr. Ratcliffe started his career with Exxon Chemicals before moving to Courtaulds. He then completed his MBA at London Business School before joining Advent International and then Inspec.

**Andrew Currie** has been a director of INEOS Capital since 1999. He was previously Managing Director, Laporte Performance Chemicals, having served as a director of the Inspec Group from 1994 until the Laporte acquisition of Inspec in 1998. Mr. Currie has a degree in natural sciences from Cambridge University and spent the first 15 years of his career with BP Chemicals in various technical and business management functions.

**John Reece** joined INEOS Capital as Finance Director in January 2000. He was previously a partner with PricewaterhouseCoopers, where he advised companies in the chemical industry. Mr. Reece has a degree in economics from Cambridge University and is a Chartered Accountant.

**Jonathan Ginns** became a director of INEOS Limited in 2023. Jonathan Ginns is Head of Mergers & Acquisitions, and Group General Counsel, for INEOS. Jonathan joined INEOS in 2006 having worked for INEOS as an external lawyer for a number of years before that. He has experience across a wide range of fields, including mergers & acquisitions, disposals, joint ventures, antitrust, litigation and finance. He is a director of a large number of INEOS entities, as well as representing INEOS on various joint venture Boards. Education: University of Nottingham, Nottingham Law School, University of Texas School of Law.

**Simon Morland** became a Director of INEOS Limited in 2023. Mr. Morland joined INEOS in 2019 and is part of the Group Finance team. Prior to joining INEOS, Mr. Morland held the positions of CFO and Director of Corporate Development at a technology business. He previously worked at Deloitte, where he provided tax and M&A advice to a range of individuals and corporates across the UK, Europe and US. Mr. Morland has a degree in history from the University of York and is a Chartered Tax Advisor.

INEOS Limited, provides operational management services to us.

All of the members of the board of directors and officers of INEOS Limited have their business address at First Names House, Victoria Road, Douglas, IM2 4DF, Isle of Man.

### Executive Officers and Directors of INEOS Group Holdings S.A.

INEOS Group Holdings S.A. is an indirect wholly owned subsidiary of INEOS AG. The directors of INEOS Group Holdings S.A. are Peter Huyck, Florence Bardot and Natalina Arena. The business address of Mr. Huyck is Nieuwe Weg 1, Haven 1053, 2070 Zwijndrecht, Belgium. The business address for Ms. Bardot is 3, Avenue des Uttins, CH 1180 Rolle, Switzerland. The business address of Ms. Arena is 310, Ransbeekstraat, B 1120 Bruxelles, Belgium. The principal executive offices of INEOS Group Holdings S.A. are located at: at 62 Avenue de la Liberté L-1930, Luxembourg, Grand-Duchy of Luxembourg.



## **Compensation of Directors and Executive Officers**

An aggregate of €1.8 million was paid to our executive officers and directors in their capacity as directors and officers of INEOS Group Holdings S.A. in 2024.

### ***Board Practices***

Our board meets on a regular basis to review performance and our business plans. In addition, the board has established policies for the conduct of our business, including delegations of board authority to directors and members of senior management. The board has appointed committees to ensure appropriate oversight of our companies' operations. None of the members of the board of directors has a service contract that provides for benefits upon his termination as a director.

The audit committee meets at least twice a year. The committee is responsible for appointing auditors and reviewing the suitability and effectiveness of internal control systems and the application of corporate policies.

The remuneration committee meets at least once a year. The primary function of the remuneration committee is to determine remuneration and other terms of employment for the directors and senior employees of the company, having due regard for performance. We anticipate that, in setting the remuneration policy, the committee will consider a number of factors, including the salaries and benefits available to senior management in comparable companies and the need to ensure senior management commitment to the continued success of the business by means of incentive schemes.



## PRINCIPAL SHAREHOLDERS

As at 31 December 2024, all of the issued share capital of INEOS Group Holdings S.A. was held directly by INEOS Holdings Luxembourg S.A. All of the issued voting and non-voting share capital of INEOS Holdings Luxembourg S.A. is held by INEOS Holdings AG. INEOS AG holds all of the issued share capital of INEOS Holdings AG. In turn, all of the issued share capital of INEOS AG is held by INEOS Limited. INEOS Limited became the ultimate parent undertaking of the Group on 1 December 2016. See also “Management” and “Certain Relationships and Related Party Transactions.”

The following table sets forth information regarding the ownership of INEOS Limited’s share capital, as of 31 December 2024, by the following:

- each person or group known by us to be the owner of 5% or more of the share capital of INEOS Limited; and
- all directors of INEOS Limited.

	<b>Number of Ordinary Shares</b>	<b>Number of Preferred Tracker Shares</b>	<b>Percentage of Total INEOS Limited Share Capital</b>
James Ratcliffe.....	2,295,391,680	92,849,063	61.73%
Andrew Currie.....	711,501,880	31,037,139	19.19%
John Reece .....	707,106,440	31,019,176	19.08%
Jonathan Ginns.....	-	-	-
Simon Morland .....	-	-	-
<b>TOTAL</b> .....	<b>3,714,000,000</b>	<b>154,905,378</b>	<b>100.00%</b>



## CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

### Relationship with INEOS Limited and INEOS AG

INEOS Limited, provides operational management services to the Group through a management services agreement. During the year ended 31 December 2024 management fees of €122.4 million (2023: €111.1 million, 2022: €98.5 million) were charged to the income statement. During December 2022 the Group disposed of its non-voting ordinary shares in INEOS Investments (Jersey) Limited to INEOS Limited, a related party for €420 million. As at 31 December 2024 €30.0 million (2023: €34.8 million, 2022: €25.1 million) was owed to INEOS Limited and €nil (2023: €nil million, 2022: €410.3 million) was owed by INEOS Limited. As at 31 December 2024 there was €nil owed to INEOS AG (2023: nil, 2022: €2.2 million) and €44.2 million owed by INEOS AG (2023: €42.9 million, 2022: €23.9 million). As at 31 December 2024 amounts owed by INEOS Holdings AG, a wholly owned subsidiary of INEOS AG were €102.2 million (2023: €102.5 million, 2022: €99.5 million). As at 31 December 2024 amounts owed by INEOS Holdings Luxembourg S.A., a wholly owned subsidiary of INEOS Holdings AG were €nil (2023: €14.6 million, 2022: €13.2 million). As at 31 December 2024 amounts owed to INEOS Holdings Luxembourg S.A. was €28.7 million (2023: nil, 2022: nil).

### Relationship with other INEOS subsidiaries

INEOS Limited owns and controls a number of operating subsidiaries that are not included in the INEOS Group Holdings S.A. group, including INEOS Industries Limited, INEOS Enterprises Holdings Limited and before the acquisition by the Group on 1 April 2024, the Lavéra petrochemical assets and businesses together with other French and Italian assets of INEOS O&P South.

During the year ended 31 December 2024 the Group has made sales to these subsidiaries of €1,320.8 million (2023: €1,447.8 million, 2022: €2,036.7 million), recovered net costs of €42.4 million (2023: €136.3 million, 2022: €360.5 million) and made purchases of €828.7 million (2023: €1,405.3 million, 2022: €2,095.6 million). As at 31 December 2024, €861.9 million (2023: €684.0 million, 2022: €596.7 million) was owed by and €97.9 million (2023: €197.6 million, 2022: €283.2 million) was owed to these subsidiaries (excluding the INEOS Upstream Limited loan).

In January 2023 the Group provided a loan of €309.3 million via INEOS Industries Holdings Limited to INEOS Grangemouth Limited, a related party, to facilitate the repayment of its Senior Term and Revolving Loan Facilities. The loan facility is unsecured, matures in January 2028 and bears interest at 5.75% per annum. As at 31 December 2024 €309.3 million (2023: €309.3 million) was outstanding under the facility.

In April 2023 the Group provided a loan of €811.9 million via INEOS Industries Holdings Limited to INEOS Upstream Holdings Limited, a related party, to partly fund its acquisition of US onshore oil and gas assets in the Eagle Ford shale field from Chesapeake Energy. The loan facility is unsecured, matures in April 2028 and bears interest at 8.5% per annum. As at 31 December 2024, €811.9 million (31 December 2023: €811.9 million) was outstanding under the facility.

During 2015 the Group provided a loan of \$623.7 million to INEOS Upstream Limited, a related party, in connection with its acquisition of natural gas assets in the North Sea. The loan facility is unsecured and matures in June 2024 and bears interest at 7% per annum. On 29 September 2017, INEOS Upstream Limited, a related party, acquired further natural gas assets in the North Sea through its acquisition of the entire oil and gas business of DONG Energy A/S. In connection with the DONG Acquisition, the Group advanced a loan of \$376.2 million (€315.7 million) to INEOS Upstream Limited, the proceeds of which were on lent to certain of its subsidiaries. The loan is unsecured and matures in June 2024 and bears interest at 7% per annum. There were no loan repayments during 2024 (2023: nil, 2022: nil). As at 31 December 2024 \$617.1 million (€594.5 million) (2023: \$617.1 million (€555.6 million), 2022: \$617.1 million (€578.5 million)) was outstanding under the facility.

### Relationship with other joint ventures

INEOS Limited owns interests in a number of joint ventures that are not included in the INEOS Group Holdings S.A. group, including the French joint ventures associated with the Lavera petrochemical assets and businesses which were divested by the Group on 1 July 2014 before most were reacquired on 1 April 2024 and the refining joint ventures between PetroChina and INEOS Investments (Jersey) Limited, a related party.



On 1 April 2024, the Group acquired the Lavera group of companies from INEOS Holdings Luxembourg S.A. and INEOS Chemicals Holdings Luxembourg S.A. for a total consideration of €250.0 million (see Note 3).

During the year ended 31 December 2024 and before the acquisition, the Group made sales of €nil million (2023: €0.1 million, 2022: €nil), recovered net costs of €23.7 million (2023: €7.6 million, 2022: €13.1 million) and made €9.3 million of purchases (2023: €nil, 2022: €nil) from the French joint ventures. As at 31 December 2024, €2.4 million (2023: €0.1 million, 2022: €0.1 million) was owed by the French joint ventures and €0.6 million (2023: €0.2 million, 2022: €0.2 million) was owed to the French joint ventures.

The Refining joint ventures are between PetroChina and INEOS Investments (Jersey) Limited, a related party. During the year ended 31 December 2024 the Group made sales to the Refining joint ventures of €162.6 million (2023: €5.8 million, 2022: €3.8 million), recovered costs of €4.9 million (2023: €10.8 million, 2022: €23.0 million) and made €607.5 million of purchases (2023: €nil, 2022: €40.8 million). As at 31 December 2024, €19.8 million (2023: €0.9 million, 2022: €0.9 million) was owed by the Refining joint ventures and €78.0 million (2023: €1.5 million, 2022: €1.6 million) was owed to the Refining joint ventures.

The Group has entered into a number of derivative contracts with INEOS UK SNS Limited and INEOS Energy Trading Limited, both related parties. The net fair value loss on these derivatives during the year ended 31 December 2024 was €nil (2023: €nil, 2022: €14.3 million). As at 31 December 2024, the mark to market derivative asset was €52.5 million (2023: €58.1 million, 2022: €10.4 million) and the mark to market liability was €52.5 million (2023: €45.1 million, 2022: €10.2 million) in respect of these related party derivative financial instruments.

In general, any trading balances with related parties are priced based on contractual arrangements and are to be settled in cash. The transactions are made on terms equivalent to those that prevail in arm's length transactions.

None (2023: none, 2022: none) of the related party balances are secured and no guarantees have been given or received. There were no provisions for doubtful debt related to any related parties as at 31 December 2024 (2023: nil, 2022: nil).



## DESCRIPTION OF CERTAIN INDEBTEDNESS

The following summary of certain provisions of the documents listed below governing certain of our indebtedness does not purport to be complete and is subject to, and qualified in its entirety by reference to, the underlying documents.

### Senior Secured Term Loans

#### Overview

The Group has outstanding term loans (the “**Senior Secured Term Loans**”) under a credit agreement dated as of 27 April 2012 (as amended and restated, amended, restated, supplemented or otherwise modified from time to time, the “**Senior Secured Term Loans Agreement**”) among INEOS US Finance LLC and INEOS Finance plc as borrowers, each of the guarantors named therein, the lender parties thereto and Barclays Bank PLC as administrative agent and security agent. The Senior Secured Term Loans Agreement was amended and restated as of 3 November 2017 and was amended thereafter as of 29 October 2020, 8 November 2021, 8 November 2022, 16 February 2023, 7 February 2024, 21 June 2024, 19 December 2024 and 10 February 2025. The Senior Secured Term Loans are denominated in both euro and U.S. dollars. Unless defined otherwise, capitalized terms used in this section “—Senior Secured Term Loans” have the meaning assigned to them in the Senior Secured Term Loans Agreement.

The aggregate principal amount of Senior Secured Term Loans outstanding at 31 December 2024 before issue costs were €6,316.1 million (31 December 2023: €5,108.8 million) of which €40.1 million (31 December 2023: €33.0 million) is due within one year. The total amounts outstanding under the euro-denominated Senior Secured Term Loans were €2,710.1 million (31 December 2023: €2,213.8 million) and the U.S. dollar-denominated Senior Secured Term Loans were €3,606.0 million (31 December 2023: €2,895.0 million). For additional information about the Senior Secured Term Loans, please see Note 18 “Interest-Bearing Loans and Borrowings” to the 2024 Audited Consolidated Financial Statements.

On 29 October 2020, we borrowed €375.0 million aggregate principal amount of euro-denominated term loans due October 2027 (the “**2027 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement.

On 8 November 2021, we borrowed euro-denominated term loans due 2028 in an aggregate principal amount of €350.0 million (the “**2028 Euro Senior Secured Term Loans**”), and U.S. dollar-denominated term loans due 2028 in an aggregate principal amount of \$845.0 million (the “**2028 Dollar Senior Secured Term Loans**”) and, together with the 2028 Euro Senior Secured Term Loans, the “**2028 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement.

On 8 November 2022, we borrowed euro-denominated term loans due November 2027 in an aggregate principal amount of €800.0 million (the “**2027-II Initial Euro Senior Secured Term Loans**”) and U.S. dollar-denominated term loans due November 2027 in an aggregate principal amount of \$1.2 billion (the “**2027-II Dollar Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement, which we used to repay €1,507.3 million (equivalent) aggregate principal amount of euro-denominated term loans due 2024 (the “**2024 Euro Senior Secured Term Loans**”) and U.S. dollar-denominated term loans due 2024 (the “**2024 Dollar Senior Secured Term Loans**”) and, together with the 2024 Euro Senior Secured Term Loans, the “**2024 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement. In February 2023, we purchased €44.8 million and \$9.9 million aggregate principal amount of 2024 Senior Secured Term Loans in open market transactions.

On 16 February 2023, we borrowed €700.0 million aggregate principal amount of euro-denominated term loans due November 2027 (the “**2027-II Additional Euro Senior Secured Term Loans**”) and, together with the 2027-II Initial Euro Senior Secured Term Loans, the “**2027-II Euro Senior Secured Term Loans**”; the 2027-II Euro Senior Secured Term Loans and the 2027-II Dollar Senior Secured Term Loans are collectively referred to as the “**2027-II Senior Secured Term Loans**”) and \$1.2 billion aggregate principal amount of U.S. dollar-denominated term loans due February 2030 (the “**Original 2030 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement. The proceeds of the 2027-II Additional Euro Senior Secured Term Loans and the Original 2030 Senior Secured Term Loans were used to fully redeem the remaining 2024 Senior Secured Term Loans outstanding under the Senior Secured Term Loans Agreement as well as to increase the liquidity of the Group.



On 7 February 2024, we borrowed \$500.0 million aggregate principal amount of U.S. dollar-denominated term loans due 2031 (the “**Original 2031 Dollar Senior Secured Term Loans**”) and €425.0 million aggregate principal amount of euro-denominated term loans due 2031 (the “**Original 2031 Euro Senior Secured Term Loans**”) and, together with the Original 2031 Dollar Senior Secured Term Loans, the “**Original 2031 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement which we used to partially repay the 2025 Senior Secured Notes, the March 2026 Senior Secured Notes and the May 2026 Senior Secured Notes and to provide funding for the Group’s planned acquisitions and development projects.

On 21 June 2024, the Group incurred Senior Secured Term Loans maturing in June 2031 in an aggregate principal amount of €1,500 million (the “**2031-II Senior Secured Term Loans**”) and Senior Secured Term Loans maturing in February 2030 in an aggregate principal amount of \$2,379 million (the “**Repriced 2030 Senior Secured Term Loans**”). Proceeds were used to fully repay the 2027-II Euro Senior Secured Term Loans, the 2027-II Dollar Senior Secured Term Loans and the Original 2030 Senior Secured Term Loans.

On 19 December 2024, we borrowed \$550 million aggregate principal amount of U.S. dollar-denominated Senior Secured Term Loans due February 2031 (the “**Repriced 2031 Dollar Senior Secured Term Loans**”) and €500 million aggregate principal amount of euro-denominated Senior Secured Term Loans due February 2031 (the “**Repriced 2031 Euro Senior Secured Term Loans**”) and, together with the Repriced 2031 Dollar Senior Secured Term Loans, the “**Repriced 2031 Senior Secured Term Loans**”) under the Senior Secured Term Loans Agreement which we used (together with cash on hand) to repay (including by way of a cashless roll) the Original 2031 Senior Secured Term Loans and redeem the March 2026 Senior Secured Notes in full and the 2025 Senior Secured Notes in part.

On 10 February 2025 we (i) borrowed \$440 million aggregate principal amount of additional Repriced 2031 Dollar Senior Secured Term Loans due 2031 (the “**Additional Repriced 2031 Dollar Senior Secured Term Loans**”) and €425 million aggregate principal amount of additional Repriced 2031 Euro Senior Secured Term Loans due 2031 (the “**Additional Repriced 2031 Euro Senior Secured Term Loans**”) and, together with the Additional Repriced 2031 Dollar Senior Secured Term Loans, the “**Additional Repriced 2031 Senior Secured Term Loans**”) and (ii) made certain amendments to the Senior Secured Term Loans Agreement to reflect the Additional Repriced 2031 Senior Secured Term Loans and the evolving needs of the Group.

## ***Interest and Fees***

As of 31 December 2024, the U.S. dollar-denominated Senior Secured Term Loans bore interest at a rate determined by reference to the applicable Term SOFR plus, (i) in the case of the 2028 Dollar Senior Secured Term Loans, 0.10% per annum (subject to a 0.50% floor per annum) and (ii) 0% per annum (subject to a 0% floor per annum) in the case of the other U.S. dollar-denominated Senior Secured Term Loans, in each case plus the Applicable Margin specified below for such loans (“**Term SOFR Loans**”) or the ABR plus the Applicable Margin specified below for such loans (“**ABR Loans**”). As of 31 December 2024, the euro-denominated Senior Secured Term Loans bore interest at a rate determined by reference to EURIBOR (subject to a 0.50% floor per annum in the case of the 2027 Senior Secured Term Loans and the 2028 Euro Senior Secured Term Loans and to a 0% floor per annum in the case of the other euro-denominated Senior Secured Term Loans) plus the Applicable Margin specified below for such loans (“**EURIBOR Loans**”).

The ABR is a rate per annum determined as the highest of (a) the rate of interest quoted on such day in the print edition of The Wall Street Journal, Money Rates Section as the “prime rate” (subject to a 1.50% floor per annum in case of the 2028 Dollar Senior Secured Term Loans and to a 1.00% floor in the case of the other U.S. dollar-denominated Senior Secured Term Loans), (b) the Federal Funds rate plus 0.50% and (c) Term SOFR for an interest period of one month plus, (i) in the case of the 2028 Dollar Senior Secured Term Loans, 0.10% per annum (subject to a 0.50% floor per annum) and (ii) 0% per annum (subject to a 0% floor per annum) in the case of the other U.S. dollar-denominated Senior Secured Term Loans, plus 1.00%.

As of 31 December 2024, the Applicable Margins for the 2028 Senior Secured Term Loans, the 2027 Senior Secured Term Loans, the Repriced 2030 Senior Secured Term Loans and the Repriced 2031 Senior Secured Term Loans were:

- in the case of the 2028 Dollar Senior Secured Term Loans that are ABR Loans, 1.50% per annum, in the case of the Repriced 2030 Senior Secured Term Loans that are ABR Loans, 2.25% per annum and, in the case of the Repriced 2031 Dollar Senior Secured Term Loans that are ABR Loans, 2.00% per annum;
- in the case of the 2028 Dollar Senior Secured Term Loans that are Term SOFR Loans, 2.50% per annum, in the case of the Repriced 2030 Senior Secured Term Loans that are Term SOFR



Loans, 3.25% per annum and, in the case of the Repriced 2031 Dollar Senior Secured Term Loans that are Term SOFR Loans, 3.00% per annum;

- in the case of the 2027 Senior Secured Term Loans, 3.00% per annum, if the Consolidated Net Senior Secured Leverage Ratio as of the last day of the applicable Test Period is greater than 2.50 to 1.00, and 2.75% in all other cases; and
- in the case of the 2028 Euro Senior Secured Term Loans, 2.75% per annum, in the case of the 2031-II Senior Secured Term Loans, 3.50% per annum and, in the case of the Repriced 2031 Euro Senior Secured Term Loans, 3.25% per annum.

All of the 2028 Dollar Senior Secured Term Loans, the Repriced 2030 Senior Secured Term Loans and the Repriced 2031 Dollar Senior Secured Term Loans were Term SOFR Loans as of 31 December 2024.

Overdue amounts owing under the Senior Secured Term Loans Agreement bear interest (a) in the case of overdue principal, at the interest rate that would otherwise be applicable plus 2% per annum and (b) in the case of overdue interest, fee or premium amount at the rate that would apply to ABR Loans of such class of term loans (or, if in respect of the 2027 Senior Secured Term Loans, the 2028 Euro Senior Secured Term Loans, the 2031-II Senior Secured Term Loans or the Repriced 2031 Euro Senior Secured Term Loans (including the Additional Repriced 2031 Euro Senior Secured Term Loans), at the rate that would apply to EURIBOR Loans of such class of term loans) plus 2% per annum.

The Senior Secured Term Loans Agreement contains certain benchmark replacement provisions to establish an alternate rate of interest to EURIBOR or SOFR, as applicable, in certain circumstances such as when the administrative agent determines that EURIBOR or SOFR is not available or if the supervisor for the administrator of EURIBOR or SOFR or a governmental authority having jurisdiction over the administrative agent publicly announces a specific date after which EURIBOR or SOFR shall no longer be used for determining interest rates for loans denominated in the applicable currency.

Certain of the Senior Secured Term Loans were issued with original issue discount.

### ***Security and Guarantees***

The Senior Secured Term Loans share the same security package as the Senior Secured Notes, certain hedging liabilities and certain cash management liabilities.

The obligations under the Senior Secured Term Loans are jointly and severally guaranteed on a senior basis by the Guarantors (the “**Senior Secured Term Loans Guarantors**”). The obligations under the Senior Secured Term Loans are secured by the same collateral securing the Senior Secured Notes, including, subject to certain exceptions, substantially all of the assets of the Senior Secured Term Loans Guarantors.

No later than 150 days after the end of each financial year (or such longer period as the administrative agent may agree to), (i) the Consolidated EBITDA (as defined in the Senior Secured Term Loans Agreement) of the Senior Secured Term Loans Guarantors must be at least 85% of the Consolidated EBITDA of the Financial Group (defined in the Senior Secured Term Loans Agreement as IGH, Lux I and the Restricted Subsidiaries (as defined in the Senior Secured Term Loans Agreement) of Lux I) and (ii) the total assets of the Senior Secured Term Loans Guarantors must be at least 85% of the consolidated total assets of the Financial Group, in each case subject to certain exceptions.

### ***Covenants***

Subject to certain agreed exceptions, the Senior Secured Term Loans Agreement contains negative covenants similar to the negative covenants applicable to the Senior Secured Notes, including covenants restricting the ability of Lux I, the Borrowers and the other restricted subsidiaries of Lux I to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- layer debt;
- make restricted payments (including dividends and other distributions, investments and the repayment or redemption of subordinated debt or equity);
- create or incur certain liens;



- transfer, lease or sell certain assets;
- enter into arrangements that impose restrictions on the ability of restricted subsidiaries of Lux I to pay dividends or make other payments to Lux I;
- engage in certain transactions with affiliates;
- designate Unrestricted Subsidiaries (as defined in the Senior Secured Term Loans Agreement);
- consolidate, merge or transfer all or substantially all assets; and
- impair the security interests for the benefit of the Senior Secured Term Loan lenders.

IGH is also subject to more stringent restrictions upon its activities (for example, in relation to the assets it may own and the business activities in which it may engage).

The Senior Secured Term Loans Agreement also contains customary affirmative covenants, including covenants relating to:

- the provision of financial statements and certain other information and notices;
- inspections;
- maintenance of certain insurance;
- payment of taxes;
- preservation of existence and consolidated corporate franchises;
- compliance with laws (including environmental laws);
- anti-corruption laws and applicable sanctions;
- certain ERISA and pension matters;
- maintenance of certain properties;
- changes in fiscal years and fiscal quarters;
- additional guarantors and security;
- use of proceeds;
- further assurances;
- use of commercially reasonable efforts to maintain certain ratings;
- auditors, books and records; and
- certain other covenants, including agreements relating to the Intercreditor Deed (as defined below).

The Senior Secured Term Loans Agreement does not contain any financial maintenance covenants.

### ***Repayment***

The 2027 Senior Secured Term Loans are to be repaid in equal quarterly installments, in aggregate amounts equal to 0.25% of the original principal amount of the 2027 Senior Secured Term Loans (subject to certain adjustments). The 2028 Dollar Senior Secured Term Loans are to be repaid in equal quarterly installments, in aggregate amounts equal to 0.25% of the original principal amount of the 2028 Dollar Senior Secured Term Loans (subject to certain adjustments). The Repriced 2030 Senior Secured Term Loans are to be repaid in equal quarterly installments, in aggregate amounts equal to 0.25% of the original principal amount of



the 2030 Senior Secured Term Loans (subject to certain adjustments). The Repriced 2031 Dollar Senior Secured Term Loans are to be repaid in equal quarterly installments, in aggregate amounts equal to 0.25% of the original principal amount of the Repriced 2031 Dollar Senior Secured Term Loans (subject to certain adjustments). The 2028 Euro Senior Secured Term Loans, the 2031-II Senior Secured Term Loans and the Repriced Euro 2031 Senior Secured Term Loans do not amortize.

The balance of any Senior Secured Term Loans outstanding will be payable on the maturity date therefor.

No amounts repaid by the Borrowers in respect of the Senior Secured Term Loans may be reborrowed.

### ***Prepayments***

Mandatory prepayments of the Senior Secured Term Loans are required in an amount equal to:

- in each financial year, 50% (reduced to 25% when the ratio of consolidated total net debt to consolidated EBITDA is less than or equal to 3.75 to 1.00 but greater than 3.25 to 1.00 and 0% when the ratio of consolidated total net debt to consolidated EBITDA is less than or equal to 3.25 to 1.00) of annual excess cash flow (subject to certain adjustments); and
- 100% of the net cash proceeds from any issuance or incurrence of debt, other than debt permitted under the Senior Secured Term Loans Agreement.

All mandatory prepayments of the Senior Secured Term Loans will be made without premium or penalty (except for reimbursement of breakage and redeployment costs in the case of Term Benchmark Loans) and will be applied to scheduled amortization installments of principal of the Senior Secured Term Loans in such order as the applicable Borrower may specify (or, absent such specification, in direct order of maturity).

Voluntary prepayments of the Senior Secured Term Loans (other than the Repriced 2031 Senior Secured Term Loans) are permitted without premium or penalty (except as set forth below and except for reimbursement of breakage and redeployment costs in the case of Term SOFR Loans) and will be applied to the remaining scheduled amortization installments of principal of the Senior Secured Term Loans in such order as the applicable Borrower may specify (or, absent such specification, in direct order of maturity). Voluntary prepayments or repricing amendments of the Repriced 2031 Senior Secured Term Loans (including the Additional Repriced 2031 Senior Secured Term Loans) made on or prior to the date that is 180 days after the date of the initial borrowing of the Additional Repriced 2031 Senior Secured Term Loans as a result of certain refinancing or repricing transactions with a lower All-In Yield (as defined in the Senior Secured Term Loans Agreement) are subject to an early prepayment premium or fee, as applicable, equal to 1% of the amount of the Repriced 2031 Senior Secured Term Loans prepaid or mandatorily assigned pursuant to the applicable refinancing or repricing transaction.

### ***Events of Default***

The Senior Secured Term Loans Agreement sets out certain events of default, the occurrence of which would allow the lenders to accelerate all outstanding loans, including, among other events and subject in certain cases to agree to grace periods, thresholds and other qualifications:

- non-payment of amounts due under the Senior Secured Term Loans or under the other Senior Finance Documents (as defined in the Senior Secured Term Loans Agreement);
- breach of covenants;
- inaccuracy of representations and warranties in any material respect;
- certain cross defaults and certain judgment defaults;
- invalidity of the Senior Secured Term Loans Agreement and other Senior Finance Documents;
- certain bankruptcy and insolvency events;
- the occurrence of certain ERISA-related events;



- the occurrence of a change of control; and
- certain breaches of the Intercreditor Deed.

### *Subsequent Modifications*

The lenders of the Additional Repriced 2031 Senior Secured Term Loans have pre-approved certain modifications to the Senior Secured Term Loans Agreement, which modifications are principally intended to align certain provisions of the Senior Secured Term Loans Agreement with the corresponding provisions of the 2030 Senior Secured Notes Indenture (as defined below), and include certain other modifications to the Senior Secured Term Loans Agreement as pre-approved by the lenders of the Additional Repriced 2031 Senior Secured Term Loans, and such modifications will become effective at a future date when the required consents from the lenders of the Senior Secured Term Loans are obtained in accordance with the Senior Secured Term Loans Agreement.

### *Miscellaneous*

The Senior Secured Term Loans Agreement permits the Borrowers to request the establishment of one or more additional tranches of term loans in principal amounts of not less than \$50,000,000 individually, subject to certain conditions specified in the Senior Secured Term Loans Agreement.

The Senior Secured Term Loans Agreement permits the Borrowers to request extensions of the final maturity of all or a portion of the Senior Secured Term Loans and, in that connection, there may be an increase in the interest rates and/or fees payable with respect to the extended Senior Secured Term Loans. Such extensions shall be subject to certain conditions described in the Senior Secured Term Loans Agreement.

The Senior Secured Term Loans Agreement contains customary “yank a bank” provisions allowing the Borrowers to replace a non-consenting lender in connection with (1) amendments and waivers requiring the consent of all lenders or all affected lenders (or all the lenders or all affected lenders of a particular class of lenders) so long as the required lenders (or, where the consent of the required lenders is not required, a majority in interest of the lenders of the relevant class) have consented to such amendments or waivers, (2) any lender becoming a Defaulting Lender or Disqualified Institution (each, as defined in the Senior Secured Term Loans Agreement), (3) any lender failing to consent to any Extension/Modification Request (as defined in the Senior Secured Term Loans Agreement) made to such lender and (4) requests by lenders for compensation for increased costs, taxes and similar items.

The Senior Secured Term Loans Agreement contains customary loan buyback provisions, which permits the Borrowers to purchase Senior Secured Term Loans from lenders pursuant to open-market transactions or an auction, subject to certain conditions, including a requirement that the loans purchased are automatically and permanently cancelled.

The Senior Secured Term Loans Agreement is governed by New York law.

### **Senior Secured Notes due 2030**

#### *Overview*

In February 2025, the Group issued €400.0 million aggregate principal amount of 5% Senior Secured Notes due 2030 (the “**2030 Senior Secured Notes**”), under an indenture dated as of 10 February 2025 (the “**2030 Senior Secured Notes Indenture**”), among INEOS Finance plc, as issuer (the “**Issuer**”), the guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon,



London Branch, as paying agent, The Bank of New York Mellon SA/NV, Dublin Branch, as Registrar and Transfer Agent and Barclays Bank PLC, as security trustee.

## **Ranking**

The 2030 Senior Secured Notes are the general senior secured obligations of INEOS Finance plc and rank equally in right of payment with its existing and future indebtedness that is not expressly subordinated to the 2030 Senior Secured Notes (including, without limitation, the 2029 Senior Secured Notes, the 2028 Senior Secured Notes, the Senior Secured Term Loans and certain hedging obligations and cash management liabilities), are guaranteed on a senior secured basis by the 2030 Senior Secured Notes Guarantors (as defined below), rank effectively senior to all existing and future indebtedness of INEOS Finance plc that is unsecured or that is secured by liens ranking behind the liens securing the 2030 Senior Secured Notes to the extent of the value of the collateral and rank senior in right of payment to all existing and future obligations of INEOS Finance plc that are expressly subordinated in right of payment to the 2030 Senior Secured Notes. In addition, the 2030 Senior Secured Notes are effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of, including trade payables and letters of credit issued by, Lux I's non-guarantor subsidiaries.

## **Interest Rates, Payment Dates and Maturity**

The 2030 Senior Secured Notes bear interest at a rate of 5% per annum. Interest on the 2030 Senior Secured Notes is payable semi-annually in arrear on 15 February and 15 August of each year, beginning 15 August 2025. The 2030 Senior Secured Notes will mature on 15 August 2030.

## **Guarantees**

The 2030 Senior Secured Notes are jointly and severally guaranteed on a senior secured basis by the Guarantors (other than the Issuer) (the "2030 Senior Secured Notes Guarantors").

The guarantee of each 2030 Senior Secured Notes Guarantor is its general senior secured obligation and (i) ranks equally in right of payment with all existing and future obligations of such 2030 Senior Secured Notes Guarantor that are not expressly subordinated in right of payment to such guarantee, including its guarantee of the 2029 Senior Secured Notes, its guarantee of the 2028 Senior Secured Notes and its obligations under the Senior Secured Term Loans, (ii) ranks effectively senior to all existing and future obligations of such 2030 Senior Secured Notes Guarantor that are unsecured or secured by liens ranking behind the liens securing the 2030 Senior Secured Notes to the extent of the value of the collateral, (iii) ranks senior in right of payment to all existing and future obligations of such 2030 Senior Secured Notes Guarantor that are expressly subordinated in right of payment to such guarantee and (iv) is effectively subordinated to any existing and future obligations of such 2030 Senior Secured Notes Guarantor that are secured by liens senior to the liens securing such guarantee, or secured by property and assets that do not secure such guarantee, to the extent of the value of the property and assets securing such indebtedness and other liabilities. In the event of a bankruptcy or insolvency, each such secured lender of each 2030 Senior Secured Notes Guarantor will have a prior secured claim to any collateral of such 2030 Senior Secured Notes Guarantor securing the debt owed to them.

## **Security**

The 2030 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 Senior Secured Term Loans, the 2029 Senior Secured Notes, the 2028 Senior Secured Notes, certain hedging liabilities and certain cash management liabilities.

## **Optional Redemption and Change of Control**

At any time prior to 15 February 2027, INEOS Finance plc may redeem all or part of the 2030 Senior Secured Notes at a redemption price equal to 100% of the principal amount of the 2030 Senior Secured Notes redeemed plus the greater of (1) 1.0% of the principal amount of such 2030 Senior Secured Notes; and (2) the excess of (a) the present value at such redemption date of the redemption price of such 2030 Senior Secured Notes at 15 February 2027, plus all required interest payments that would otherwise be due to be paid on such 2030 Senior Secured Notes during the period between the redemption date and 15 February 2027, excluding accrued but unpaid interest, computed using a discount rate equal to the Bund rate at such redemption date plus 50 basis points, over (b) the principal amount of such 2030 Senior Secured Notes.



The 2030 Senior Secured Notes are subject to redemption at any time on or after 15 February 2027, at the option of INEOS Finance plc, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning on 15 February of the year indicated below:

<b>Year</b>	<b>Redemption Price</b>
2027.....	102.8125%
2028.....	101.4063%
2029 and thereafter.....	100.000%

together with certain additional amounts, if applicable, and 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).

At any time prior to 15 February 2027, INEOS Finance plc or any Parent Holdco (as defined in the 2030 Senior Secured Notes Indenture), at its option, may redeem up to 40% of the sum of the initial aggregate principal amount of the 2030 Senior Secured Notes originally issued and any additional 2030 Senior Secured Notes issued under the 2030 Senior Secured Notes Indenture (the “**Additional 2030 Senior Secured Notes**”) with the net cash proceeds of certain public equity offerings at 105.625% of the aggregate principal amount of the 2030 Senior Secured Notes originally issued and the initial aggregate principal amounts of any Additional 2030 Senior Secured Notes, plus certain additional amounts, if applicable, and accrued and unpaid interest, if any, to the redemption date, if at least 50% of the sum of the originally issued aggregate principal amount of the 2030 Senior Secured Notes and any Additional 2030 Senior Secured Notes remain outstanding.

In connection with any tender offer for, or other offer to purchase, all of the 2030 Senior Secured Notes, if holders of not less than 80% of the aggregate principal amount of the then-outstanding 2030 Senior Secured Notes validly tender and do not validly withdraw such 2030 Senior Secured Notes in such tender offer and INEOS Finance plc, or any other Person making such tender offer in lieu of INEOS Finance plc, purchases all of the 2030 Senior Secured Notes validly tendered and not validly withdrawn by such holders, INEOS Finance plc will have the right, subject to certain notice requirements, to redeem all (but not less than all) 2030 Senior Secured Notes that remain outstanding following such purchase at a price equal to the highest price (excluding any tender premium or similar payment) paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest thereon and certain additional amounts, to, but not including, the date of such redemption (subject to the rights of holders of record on the relevant record dates to receive interest due on an interest payment date).

Upon the occurrence of certain change of control events, each holder of 2030 Senior Secured Notes may require INEOS Finance plc to repurchase all or a portion of its 2030 Senior Secured Notes at a purchase price equal to 101% of the principal amount of such 2030 Senior Secured Notes, plus accrued and unpaid interest thereon and certain additional amounts to, but not including, the date of purchase.

If INEOS Finance plc sells assets under certain circumstances, it is required to make an offer to purchase the 2030 Senior Secured Notes at 100% of the principal amount of the 2030 Senior Secured Notes, plus accrued and unpaid interest to, but not including, the date of purchase, with the excess proceeds from the sale of the assets.

In addition, in the event that INEOS Finance plc becomes obligated to pay Additional Amounts (as defined in the 2030 Senior Secured Notes Indenture) to holders of the 2030 Senior Secured Notes as a result of changes affecting withholding taxes applicable to payments on the 2030 Senior Secured Notes, it may redeem the 2030 Senior Secured Notes in whole but not in part at any time at 100% of the principal amount of the 2030 Senior Secured Notes plus accrued and unpaid interest to, but not including, the redemption date.

### **Covenants**

The 2030 Senior Secured Notes Indenture contains covenants that, among other things, limit the ability of our subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;



- make restricted payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create or permit to exist certain liens;
- transfer, lease or sell certain assets;
- enter into arrangements that impose restrictions on the ability of Lux I's Restricted Subsidiaries to pay dividends or make other payments to Lux I and its Restricted Subsidiaries;
- engage in certain transactions with affiliates;
- consolidate, merge or transfer all or substantially all of the assets (in each case, on a consolidated basis with the relevant entity's Restricted Subsidiaries) of IGH, Lux I, any holding company of Lux I that is a subsidiary of IGH, the Issuer or any Subsidiary Guarantor;
- impair the security interests for the benefit of the holders of the 2030 Senior Secured Notes; and
- amend certain documents.

These covenants are subject to a number of important limitations and exceptions. Currently, all of IGH's subsidiaries are Restricted Subsidiaries (as defined in the 2030 Senior Secured Notes Indenture), except INEOS Real Estate GmbH & Co. KG, INEOS Investments (Shanghai) Company Limited, INEOS China Holdings Limited, INEOS China Holdings II Limited, INEOS China Holdings III Limited, INEOS Tianjin Holdings Limited, INEOS Investment (Tianjin) Company Limited and INEOS Nitriles (UK) Limited.

### *Events of Default*

The 2030 Senior Secured Notes Indenture contains customary events of default, including, among others, the non-payment of principal or interest on the 2030 Senior Secured Notes, certain failures to perform or observe any other obligation under the 2030 Senior Secured Notes Indenture or security documents, the failure to pay certain indebtedness or judgments and the bankruptcy or insolvency of IHL, Lux I, INEOS Finance plc or any Significant Restricted Subsidiary (as defined in the 2030 Senior Secured Notes Indenture). The occurrence of any of the events of default would permit or require the acceleration of all obligations outstanding under the 2030 Senior Secured Notes.

### **Senior Secured Notes due 2029**

#### *Overview*

In February 2024, the Group issued €850.0 million aggregate principal amount of 6¾% Senior Secured Notes due 2029 and \$725.0 million aggregate principal amount 7½% Senior Secured Notes due 2029 (the "2029 Senior Secured Notes") under an indenture dated as of 7 February 2024 (the "2029 Senior Secured Notes Indenture"), among INEOS Finance plc, as issuer, the guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon, London Branch, as paying agent, The Bank of New York Mellon SA/NV, Dublin Branch, as registrar and transfer agent and Barclays Bank PLC, as security trustee. As of 31 December 2024, there were €850.0 million and \$725.0 million aggregate principal amount of the 2029 Senior Secured Notes issued and outstanding.

#### *Ranking*

The 2029 Senior Secured Notes are the general senior secured obligations of INEOS Finance plc and rank equally in right of payment with its existing and future indebtedness that is not expressly subordinated to the 2029 Senior Secured Notes (including, without limitation, the 2030 Senior Secured Notes, the 2028 Senior Secured Notes, the Senior Secured Term Loans and certain hedging obligations and cash management liabilities), are guaranteed on a senior secured basis by the 2029 Senior Secured Notes Guarantors (as defined below), rank effectively senior to all existing and future indebtedness of INEOS Finance plc that is unsecured or secured by liens ranking behind the liens securing the 2029 Senior Secured Notes to the extent of the value of



the collateral and rank senior in right of payment to all existing and future obligations of INEOS Finance plc subordinated in right of payment to the 2029 Senior Secured Notes. In addition, the 2029 Senior Secured Notes are effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of, including trade payables and letters of credit issued by, Lux I's non-guarantor subsidiaries.

### ***Interest Rates, Payment Dates and Maturity***

The euro-denominated 2029 Senior Secured Notes bear interest at a rate of  $6\frac{3}{8}\%$  per annum. The U.S. dollar-denominated 2029 Senior Secured Notes bear interest at a rate of  $7\frac{1}{2}\%$  per annum. Interest on the 2029 Senior Secured Notes is payable semi-annually in arrear on 15 April and 15 October of each year, beginning 15 October 2024. The 2029 Senior Secured Notes will mature on 15 April 2029.

### ***Guarantees***

The 2029 Senior Secured Notes are jointly and severally guaranteed on a senior secured basis by the Guarantors (other than the Issuer) (the "**2029 Senior Secured Notes Guarantors**").

The guarantee of each 2029 Senior Secured Notes Guarantor is its general senior secured obligation and (i) ranks equally in right of payment with all existing and future obligations of such 2029 Senior Secured Notes Guarantor that are not expressly subordinated in right of payment to such guarantee, including with respect to its guarantee of the 2030 Senior Secured Notes, its guarantee of the 2028 Senior Secured Notes and its obligations under the Senior Secured Term Loans; (ii) ranks effectively senior to all existing and future obligations of such 2029 Senior Secured Notes Guarantor that are unsecured or secured by liens ranking behind the liens securing the 2029 Senior Secured Notes to the extent of the value of the collateral; (iii) ranks senior in right of payment to all existing and future obligations of such 2029 Senior Secured Notes Guarantor that are expressly subordinated in right of payment to such guarantee and (iv) is effectively subordinated to any existing and future obligations of such 2029 Senior Secured Notes Guarantor that are secured by liens senior to the liens securing such guarantee, or secured by property and assets that do not secure such guarantee, to the extent of the value of the property and assets securing such indebtedness and other liabilities. In the event of a bankruptcy or insolvency, each such secured lender of each 2029 Senior Secured Notes Guarantor will have a prior secured claim to any collateral of such 2029 Senior Secured Notes Guarantor securing the debt owed to them.

### ***Security***

The 2029 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 Senior Secured Term Loans, the 2030 Senior Secured Notes, the 2028 Senior Secured Notes, certain hedging liabilities and certain cash management liabilities.

### ***Optional Redemption and Change of Control***

At any time prior to 15 April 2026, INEOS Finance plc may redeem all or part of the 2029 Senior Secured Notes at a redemption price equal to 100% of the principal amount of the 2029 Senior Secured Notes redeemed plus the greater of (1) 1.0% of the principal amount of such 2029 Senior Secured Notes; and (2) the excess of (a) the present value at such redemption date of the redemption price of such 2029 Senior Secured Notes at 15 April 2026, plus all required interest payments that would otherwise be due to be paid on such 2029 Senior Secured Notes during the period between the redemption date and 15 April 2026, excluding accrued but unpaid interest, computed using a discount rate equal to the Bund rate (in the case of the euro-denominated 2029 Senior Secured Notes) or the Treasury rate (in the case of the U.S. dollar-denominated 2029 Senior Secured Notes) at such redemption date plus 50 basis points, over (b) the principal amount of such 2029 Senior Secured Notes.

The 2029 Senior Secured Notes are subject to redemption at any time on or after 15 April 2026, at the option of INEOS Finance plc, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning on 15 April of the year indicated below:



<b>Year</b>	<b>Euro Notes Redemption Price</b>	<b>Dollar Notes Redemption Price</b>
2026 .....	103.1875%	103.750%
2027 .....	101.594%	101.875%
2028 and thereafter .....	100.000%	100.000%

together with certain additional amounts, if applicable, and 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).

At any time prior to 15 April 2026, INEOS Finance plc or any Parent Holdco (as defined in the 2029 Senior Secured Notes Indenture), at its option, may redeem up to 40% of the initial aggregate principal amount of each series of the 2029 Senior Secured Notes and any additional 2029 Senior Secured Notes of such series issued under the 2029 Senior Secured Notes Indenture (the “**Additional 2029 Senior Secured Notes**”) with the net cash proceeds of certain public equity offerings at 106.375% (in the case of the euro-denominated 2029 Senior Secured Notes) or 107.50% (in the case of the U.S. dollar-denominated 2029 Senior Secured Notes) of the aggregate principal amount of such series of 2029 Senior Secured Notes originally issued and the initial aggregate principal amounts of any Additional 2029 Senior Secured Notes of such series, in each case, plus certain additional amounts, if applicable, and accrued and unpaid interest, if any, to the redemption date, if at least 50% of the sum of the originally issued aggregate principal amount of the 2029 Senior Secured Notes of such series and any Additional 2029 Senior Secured Notes of such series remains outstanding.

In connection with any tender offer for, or other offer to purchase, all of the 2029 Senior Secured Notes, if holders of not less than 90% of the aggregate principal amount of the then-outstanding 2029 Senior Secured Notes validly tender and do not validly withdraw such 2029 Senior Secured Notes in such tender offer and INEOS Finance plc, or any other Person making such tender offer in lieu of INEOS Finance plc, purchases all of the 2029 Senior Secured Notes validly tendered and not validly withdrawn by such holders, INEOS Finance plc will have the right, subject to certain notice requirements, to redeem all (but not less than all) 2029 Senior Secured Notes that remain outstanding following such purchase at a price equal to the highest price (excluding any tender premium or similar payment) paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest thereon and certain additional amounts, to, but not including, the date of such redemption (subject to the rights of holders of record on the relevant record dates to receive interest due on an interest payment date).

Upon the occurrence of certain change of control events, each holder of 2029 Senior Secured Notes may require INEOS Finance plc to repurchase all or a portion of its 2029 Senior Secured Notes at a purchase price equal to 101% of the principal amount of such 2029 Senior Secured Notes, plus accrued and unpaid interest to, but not including, the date of purchase.

If INEOS Finance plc sells assets under certain circumstances, it is required to make an offer to purchase the 2029 Senior Secured Notes at 100% of the principal amount of the 2029 Senior Secured Notes, plus accrued and unpaid interest to, but not including, the date of purchase, with the excess proceeds from the sale of the assets.

In addition, in the event that INEOS Finance plc becomes obligated to pay Additional Amounts (as defined in the 2029 Senior Secured Notes Indenture) to holders of the 2029 Senior Secured Notes as a result of changes affecting withholding taxes applicable to payments on the 2029 Senior Secured Notes, it may redeem the 2029 Senior Secured Notes in whole but not in part at any time at 100% of the principal amount of the 2029 Senior Secured Notes plus accrued and unpaid interest to, but not including, the redemption date.

### **Covenants**

The 2029 Senior Secured Notes Indenture contains covenants that, among other things, limit the ability of our subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- layer debt;
- make restricted payments, including dividends or other distributions;



- prepay or redeem subordinated debt or equity;
- make certain investments;
- create or permit to exist certain liens;
- transfer, lease or sell certain assets;
- enter into arrangements that impose restrictions on the ability of Lux I's Restricted Subsidiaries to pay dividends or make other payments to Lux I and its Restricted Subsidiaries;
- engage in certain transactions with affiliates;
- consolidate, merge or transfer all or substantially all of the assets (in each case, on a consolidated basis with the relevant entity's Restricted Subsidiaries) of IGH, Lux I, any holding company of Lux I that is a subsidiary of IGH, the Issuer or any Subsidiary Guarantor;
- impair the security interests for the benefit of the holders of the 2029 Senior Secured Notes; and
- amend certain documents.

These covenants are subject to a number of important limitations and exceptions. Currently, all of IGH's subsidiaries are Restricted Subsidiaries (as defined in the 2029 Senior Secured Notes Indenture), except INEOS Real Estate GmbH & Co. KG, INEOS Investments (Shanghai) Company Limited, INEOS China Holdings Limited, INEOS China Holdings II Limited, INEOS China Holdings III Limited, INEOS Tianjin Holdings Limited, INEOS Investment (Tianjin) Company Limited and INEOS Nitriles (UK) Limited.

### *Events of Default*

The 2029 Senior Secured Notes Indenture contains customary events of default, including, among others, the non-payment of principal or interest on the 2029 Senior Secured Notes, certain failures to perform or observe any other obligation under the 2029 Senior Secured Notes Indenture or security documents, the failure to pay certain indebtedness or judgments and the bankruptcy or insolvency of IHL, Lux I, INEOS Finance plc or any Significant Restricted Subsidiary (as defined in the 2029 Senior Secured Notes Indenture). The occurrence of any of the events of default would permit or require the acceleration of all obligations outstanding under the 2029 Senior Secured Notes.

### **Senior Secured Notes due 2028**

#### *Overview*

In February 2023, the Group issued €400.0 million aggregate principal amount of 6<sup>5</sup>/<sub>8</sub>% Senior Secured Notes due 2028 and \$425.0 million aggregate principal amount 6<sup>3</sup>/<sub>4</sub>% Senior Secured Notes due 2028 (the "2028 Senior Secured Notes") under an indenture dated as of 16 February 2023 (the "2028 Senior Secured Notes Indenture"), among INEOS Finance plc, as issuer, the guarantors named therein, BNY Mellon Corporate Trustee Services Limited, as trustee, The Bank of New York Mellon, London Branch, as paying agent, The Bank of New York Mellon SA/NV, Luxembourg Branch, as registrar and transfer agent and Barclays Bank PLC, as security trustee. As of 31 December 2024, there were €400.0 million and \$425.0 million aggregate principal amount of the 2028 Senior Secured Notes issued and outstanding.

#### *Ranking*

The 2028 Senior Secured Notes are the general senior secured obligations of INEOS Finance plc and rank equally in right of payment with its existing and future indebtedness that is not expressly subordinated to the 2028 Senior Secured Notes (including, without limitation, the 2030 Senior Secured Notes, the 2029 Senior Secured Notes, the Senior Secured Term Loans and certain hedging obligations and cash management liabilities), are guaranteed on a senior secured basis by the 2028 Senior Secured Notes Guarantors (as defined below), rank effectively senior to all existing and future indebtedness of INEOS Finance plc that is unsecured or secured by liens ranking behind the liens securing the 2028 Senior Secured Notes to the extent of the value of the collateral and rank senior in right of payment to all existing and future obligations of INEOS Finance plc subordinated in right of payment to the 2028 Senior Secured Notes. In addition, the 2028 Senior Secured Notes



are effectively subordinated in right of payment to all existing and future indebtedness and other liabilities of, including trade payables and letters of credit issued by, Lux I's non-guarantor subsidiaries.

**Interest Rates, Payment Dates and Maturity**

The euro-denominated 2028 Senior Secured Notes bear interest at a rate of 6% per annum and the U.S. dollar-denominated 2028 Senior Secured Notes bear interest at a rate of 6% per annum. Interest on the 2028 Senior Secured Notes is payable semi-annually in arrear on 15 May and 15 November of each year, beginning 15 November 2023. The 2028 Senior Secured Notes will mature on 15 May 2028.

**Guarantees**

The 2028 Senior Secured Notes are jointly and severally guaranteed on a senior secured basis by the Guarantors (other than the Issuer) (the "2028 Senior Secured Notes Guarantors").

The guarantee of each 2028 Senior Secured Notes Guarantor is its general senior secured obligation and (i) ranks equally in right of payment with all existing and future obligations of such 2028 Senior Secured Notes Guarantor that are not expressly subordinated in right of payment to such guarantee, including its guarantee of the 2030 Senior Secured Notes, its guarantee of the 2029 Senior Secured Notes and its obligations under the Senior Secured Term Loans; (ii) ranks effectively senior to all existing and future obligations of such 2028 Senior Secured Notes Guarantor that are unsecured or secured by liens ranking behind the liens securing the 2028 Senior Secured Notes to the extent of the value of the collateral; (iii) ranks senior in right of payment to all existing and future obligations of such 2028 Senior Secured Notes Guarantor that are expressly subordinated in right of payment to such guarantee and (iv) is effectively subordinated to any existing and future obligations of such 2028 Senior Secured Notes Guarantor that are secured by liens senior to the liens securing such guarantee, or secured by property and assets that do not secure such guarantee, to the extent of the value of the property and assets securing such indebtedness and other liabilities. In the event of a bankruptcy or insolvency, each such secured lender of each 2028 Senior Secured Notes Guarantor will have a prior secured claim to any collateral of such 2028 Senior Secured Notes Guarantor securing the debt owed to them.

**Security**

The 2028 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 Senior Secured Term Loans, the 2030 Senior Secured Notes, the 2029 Senior Secured Notes, certain hedging liabilities and certain cash management liabilities.

**Optional Redemption and Change of Control**

The 2028 Senior Secured Notes are subject to redemption at any time, at the option of INEOS Finance plc, in whole or in part, at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning on 15 February of the year indicated below:

Year	Euro Notes Redemption Price	Dollar Notes Redemption Price
2025 .....	103.3125%	103.375%
2026 .....	101.6563%	101.6875%
2027 and thereafter .....	100.000%	100.000%

together with certain additional amounts, if applicable, and 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).

In connection with any tender offer for, or other offer to purchase, all of the 2028 Senior Secured Notes, if holders of not less than 90% of the aggregate principal amount of the then-outstanding 2028 Senior Secured Notes validly tender and do not validly withdraw such 2028 Senior Secured Notes in such tender offer and INEOS Finance plc, or any other Person making such tender offer in lieu of INEOS Finance plc, purchases all of the 2028 Senior Secured Notes validly tendered and not validly withdrawn by such holders, INEOS Finance plc will have the right, subject to certain notice requirements, to redeem all (but not less than all) 2028 Senior Secured Notes that remain outstanding following such purchase at a price equal to the highest price



(excluding any tender premium or similar payment) paid to each other holder in such tender offer, plus, to the extent not included in the tender offer payment, accrued and unpaid interest thereon and certain additional amounts, to, but not including, the date of such redemption (subject to the rights of holders of record on the relevant record dates to receive interest due on an interest payment date).

Upon the occurrence of certain change of control events, each holder of 2028 Senior Secured Notes may require INEOS Finance plc to repurchase all or a portion of its 2028 Senior Secured Notes at a purchase price equal to 101% of the principal amount of such 2028 Senior Secured Notes, plus accrued and unpaid interest to, but not including, the date of purchase.

If INEOS Finance plc sells assets under certain circumstances, it is required to make an offer to purchase the 2028 Senior Secured Notes at 100% of the principal amount of the 2028 Senior Secured Notes, plus accrued and unpaid interest to, but not including, the date of purchase, with the excess proceeds from the sale of the assets.

In addition, in the event that INEOS Finance plc becomes obligated to pay Additional Amounts (as defined in the 2028 Senior Secured Notes Indenture) to holders of the 2028 Senior Secured Notes as a result of changes affecting withholding taxes applicable to payments on the 2028 Senior Secured Notes, it may redeem the 2028 Senior Secured Notes in whole but not in part at any time at 100% of the principal amount of the 2028 Senior Secured Notes plus accrued and unpaid interest to, but not including, the redemption date.

#### **Covenants**

The 2028 Senior Secured Notes Indenture contains covenants that, among other things, limit the ability of our subsidiaries to:

- incur or guarantee additional indebtedness and issue certain preferred stock;
- layer debt;
- make restricted payments, including dividends or other distributions;
- prepay or redeem subordinated debt or equity;
- make certain investments;
- create or permit to exist certain liens;
- transfer, lease or sell certain assets;
- enter into arrangements that impose restrictions on the ability of Lux I's Restricted Subsidiaries to pay dividends or make other payments to Lux I and its Restricted Subsidiaries;
- engage in certain transactions with affiliates;
- consolidate, merge or transfer all or substantially all of the assets (in each case, on a consolidated basis with the relevant entity's Restricted Subsidiaries) of IGH, Lux I, any holding company of Lux I that is a subsidiary of IGH, the Issuer or any Subsidiary Guarantor;
- impair the security interests for the benefit of the holders of the 2028 Senior Secured Notes; and
- amend certain documents.

These covenants are subject to a number of important limitations and exceptions. Currently, all of IGH's subsidiaries are Restricted Subsidiaries (as defined in the 2028 Senior Secured Notes Indenture), except INEOS Real Estate GmbH & Co. KG, INEOS Investments (Shanghai) Company Limited, INEOS China Holdings Limited, INEOS China Holdings II Limited, INEOS China Holdings III Limited, INEOS Tianjin Holdings Limited, INEOS Investment (Tianjin) Company Limited and INEOS Nitriles (UK) Limited.



## *Events of Default*

The 2028 Senior Secured Notes Indenture contains customary events of default, including, among others, the non-payment of principal or interest on the 2028 Senior Secured Notes, certain failures to perform or observe any other obligation under the 2028 Senior Secured Notes Indenture or security documents, the failure to pay certain indebtedness or judgments and the bankruptcy or insolvency of IHL, Lux I, INEOS Finance plc or any Significant Restricted Subsidiary (as defined in the 2028 Senior Secured Notes Indenture). The occurrence of any of the events of default would permit or require the acceleration of all obligations outstanding under the 2028 Senior Secured Notes.

## **Project ONE Facilities**

### *Overview*

On 22 December 2022, INEOS Olefins Belgium NV (the “**Project ONE Borrower**”) entered into certain agreements (collectively, the “**Project ONE Finance Documents**”) providing for loans in an aggregate principal amount of €3,500 million under (i) facilities guaranteed by export credit agencies (UKEF, SACE and CESCE), (ii) a facility partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government) and (iii) a commercial facility (collectively, the “**Project ONE Facilities**”) to fund the construction of Project ONE, a 1,450 kta ethane cracker and olefins complex located in the Port of Antwerp. As of 31 December 2024, €1,888.6 million has been drawn under the Project ONE Facilities; we expect the remainder to be used to fund further expenses in stages throughout the Project ONE construction period to 2026.

During the construction phase, the Project ONE Facilities are supported by a debt service undertaking provided by IGH, IHL and INEOS US I Inc. (“**INEOS US I**” and, together with IHL, the “**Co-Sponsors**”), which will be released upon satisfaction of certain conditions at the completion of construction, including a lenders’ reliability test. In addition, the Project ONE Borrower entered into a long-term tolling agreement with INEOS Europe AG (“**IEAG**”), pursuant to which IEAG is required to pay the Project ONE Borrower, among other amounts, a tolling fee to cover all of the Project ONE Borrower’s operating costs (including financing costs) and enable the Project ONE Borrower to maintain a minimum debt service coverage ratio. The obligations under the Project ONE tolling agreement are guaranteed on an unsecured basis by IGH.

### *Interest and Fees*

The Project ONE Facilities bear interest at a rate determined by reference to EURIBOR plus the applicable margins for such loans.

The applicable margins for the Project ONE Facilities are:

- in the case of the UKEF covered facility, 0.90% per annum;
- in the case of the CESCE covered facility, 1.20% per annum;
- in the case of the SACE covered facility, 1.25% per annum;
- in the case of the commercial facility, from financial close until its seventh anniversary, 2.75% per annum; from the seventh anniversary of financial close until (and including) its tenth anniversary, 3.25% per annum; and from the tenth anniversary of financial close, 3.50% per annum; and
- in the case of the Gigarant covered facility, a variable margin that is commercially equivalent to 0.70% on the covered portion of facility (with such portion decreasing over time) and the applicable commercial facility margin on the uncovered portion of the Gigarant facility.

Overdue amounts owing under the Project ONE Facilities bear interest at a rate which is 1% per annum above the rate which would have been payable if the overdue amount had constituted a loan under the relevant facility.

From financial close until 31 January 2028, at least 70% and no more than 110% of the loan under the Project ONE Facilities are required to be hedged (or provided on a fixed rate basis).



## **Security**

The Project ONE Facilities are secured by first ranking perfected security over all or substantially all of the Project ONE Borrower's rights, title and interest in and to the assets and undertakings relating to all of its immovable assets, movable assets, receivables and bank accounts, insurances, investments, book debts, intragroup agreements, hedging agreements and certain key provision documents, including those rights, title and interest obtained after the execution of the security document creating such security interest. In addition, INEOS Olefins Belgium Holdings Limited (the "**Project ONE Shareholder**") has granted: (i) a Belgian Law pledge over all of its shares in the Project ONE Borrower; and (ii) an English Law assignment over shareholder loans made to the Project ONE Borrower.

The secured parties also benefit from the standstill and step-in rights pursuant to agreements entered into with the counterparties to the tolling agreement, a technology licensing agreement and certain concession documents relating to the land required for Project ONE within the Port of Antwerp.

## **Repayment**

The Project ONE Facilities are to be repaid in semi-annual instalments according to an amortization schedule with the first repayment instalment falling due on the earlier of (i) 30 June 2028 and (ii) the first 30 June or 31 December to occur after completion of the performance tests with respect to the ethane cracker. The balance of the Project ONE Facilities outstanding will be payable 108 months after the first repayment date. No amounts of the Project ONE Facilities repaid may be reborrowed.

## **Prepayments**

The Project ONE Finance Documents set out certain mandatory prepayment events, including, among other events and subject in certain cases to qualifications: illegality, sanctions, insurance and compensation, excess debt, material export contract changes (in respect of the covered facilities) and failure of the guarantee provided by the relevant credit export agency or Gigarant, as applicable (in respect of the covered facilities).

Voluntary prepayments of the Project ONE Facilities are permitted, provided that, prior to completion of construction, voluntary prepayments will be applied on a *pro rata* basis amongst all Project ONE Facilities and, after completion of construction, may be applied in prepayment of only the export credit agency covered loans (on a *pro rata* basis) and/or in prepayment of only the Gigarant covered facility and the commercial facility (on a *pro rata* basis between them).

## **Covenants**

Subject to certain agreed exceptions, the Project ONE Finance Documents contain negative covenants, including a negative pledge and restrictions on acquisitions, mergers and disposals, incurring financial indebtedness, making loans or granting third party guarantees, changing its name, business, constitutional documents or accounting year, establishing additional accounts, making distributions, settling claims, use of proceeds, surrendering tax credits and tax losses, entering into new material contracts, and amending or terminating material contracts (including the tolling agreement and related guarantees).

Subject to certain agreed exceptions, the Project ONE Finance Documents also contain affirmative covenants applicable to the Project ONE Borrower, including requirements to comply with applicable laws (including sanctions and anti-corruption laws and regulations), maintain a *pari passu* ranking for the Project ONE Facilities, use the proceeds from the Project ONE Facilities for their stated purposes, file, pay and discharge all taxes, maintain Belgian tax residence, maintain all required permits and consents, construct Project ONE in accordance with good industry practice and complete Project ONE on time, enforce rights under the relevant project documents, maintain site and cyber security, cooperate with the lenders and allow for inspections and audits, diligently operate and maintain Project ONE, acquire and safeguard intellectual property rights required for Project ONE, appoint and maintain auditors and provide customary information undertakings (including the provision of ratio statements, financial statements and project budgets and reports and maintenance of books and records).

Subject to certain agreed exceptions, the Project ONE Finance Documents contain positive covenants applicable to the Project ONE Shareholder, IGH and IEAG, including a requirement to maintain legal existence, obtain and maintain applicable consents, comply with applicable laws (including sanctions and anti-money laundering laws and regulations), file timely tax returns, provide customary information undertakings (including financial statements) and, only with respect to IGH, (i) use reasonable commercial efforts to facilitate the



transportation and supply of feedstock to Project ONE following an enforcement action and (ii) use commercially reasonable efforts to maintain a credit rating from at least one of S&P, Moody's or Fitch (but not to maintain a specific rating).

In addition, at all times prior to completion of construction and release of the debt service undertaking, IGH is required (i) to maintain (on a consolidated basis) a minimum liquidity balance (including cash, cash equivalents and unutilized liquidity facilities) of at least €1.0 billion and (ii) to post collateral (in the form of cash or letters of credit) and/or accelerate base equity in an amount equal to a percentage of unfunded base equity and projected cost overruns, if IGH's credit rating is downgraded by 2 out of 3 rating agencies (or 1 out of 2 agencies if IGH is only rated by 2 agencies).

Prior to completion of construction and release of the debt service undertaking, if IGH's credit rating is downgraded by two out of three rating agencies (or one out of two agencies if the Sponsor is only rated by two agencies) to B-/B3 or below, a draw stop will occur; after completion of construction and release of the debt service undertaking, if IGH's credit rating is downgraded by two out of three rating agencies (or one out of two rating agencies if the Sponsor is only rated by two agencies), the Project ONE Borrower will be required to either fund the debt service reserve account (either with cash or letters of credit) with up to nine months of debt service where IGH is downgraded to B+/B1 and up to 12 months of debt service if IGH is downgraded to B/B2 or lower. Failure to comply with this undertaking will result in a fundamental event of default (collectively, the "IGH Credit Provisions").

### *Events of Default*

The Project ONE Finance Documents set out certain events of default. Prior to the completion of construction and release of the debt service undertaking, the lenders are only entitled to accelerate the Project ONE Facilities and take enforcement action if a fundamental event of default has occurred and is continuing. Such fundamental events of default are subject in certain cases to agreed-upon grace periods and include, among others, non-payment, cross-acceleration, insolvency and other credit-related events affecting the Project ONE Borrower, the Project ONE Shareholder, IGH, IEAG, the Co-Sponsors, IFPLC or IUSLLC, the finance documents and tolling agreement (and related guarantee) ceasing to be effective, failure to complete construction by a longstop date, abandonment and cessation of Project ONE, nationalization, destruction of Project ONE, breach of the share transfer restrictions applicable to the Project ONE Borrower, failure to comply with the IGH Credit Provisions, and breach of anti-corruption laws and representations. At any time, if IGH's credit rating is downgraded by one rating agency to CCC+/Caa2 or lower and by one other rating agency to CCC+/Caa1 or lower, a fundamental event of default will occur. Other events of default include, among others, and subject in certain cases to agreed-upon grace periods, breach of covenants and inaccuracy of representations and warranties in any material respect.

### *Prior Default and Drawstop*

On 20 July 2023, the Council for Permit Disputes annulled the integrated permit (*omgevingsvergunning*) granted by the Flemish Government dated 7 June 2022 (the "**Initial Integrated Permit**"), which constituted a temporary default under the Project ONE Facilities and, until cured, relieved the lenders under the Project ONE Facilities from having to fund utilizations under the Project ONE Facilities. This did not constitute an event of default and therefore did not permit the lenders to take any acceleration or enforcement action described above.

The Flemish Government granted a new integrated permit on 7 January 2024 (the "**January 2024 Integrated Permit**") and, as by 22 February 2024 the lenders did not raise any concerns that the terms of the January 2024 Integrated Permit taken as a whole (i) are reasonably likely to have a material adverse effect or (ii) are otherwise prejudicial to the interests of the lenders in any material respect, the drawstop was lifted and further amounts could again be drawn under the Project ONE Facilities.

During the period of this drawstop, to enable the project to continue offsite works with a view to progressing construction of the project, and to mitigate delays from the permit annulment as far as possible, the lenders under the Project ONE Facilities granted permission for (i) the Project ONE Borrower to incur an additional interim facility to fund project costs in lieu of the funding under certain Project ONE Facilities which would, save for the temporary default, be available to fund those project costs and (ii) the Project ONE Borrower to use the Project ONE Facilities, once the temporary default has been cured, to apply the proceeds of certain of the Project ONE Facilities to repay the Project ONE Interim Facility.



On 24 January 2024, the Flemish Region approved a new environmental decree, the Nitrogen Decree, which came into force on 23 February 2024. On 29 February 2024, the Group repaid the entire drawn balance of the Project ONE Interim Facility of €400.0 million from borrowings under the Project ONE Facilities following lifting of the drawstop.

On 30 July 2024, the Environmental Minister withdrew the integrated permit of 7 January 2024, and immediately granted a new integrated permit (the “**New Integrated Permit**”), reflecting the Nitrogen Decree. The Dutch Provinces of North-Brabant and Zeeland and several NGOs have again lodged appeals against this New Integrated Permit. The filing of these appeals has not impacted site activities, and works on the site are permitted to continue while the litigation is ongoing, absent an action by the relevant court.

On 26 August 2024, IOB submitted a new integrated permit application to the Province of Antwerp. On 16 January 2025, the Province of Antwerp granted the requested permit. This new integrated permit is subject to an administrative appeal window and if so appealed, will become effective if the Environmental Minister approves the granting of the permit. Any such decision would be expected to be made in the summer of 2025. This new integrated permit has no impact on the procedures outlined above. In Flanders, until a project has a permit which can no longer be appealed, it is permissible to obtain multiple permits for the same project. This approach may reduce the risk of disruption to site activities should there be a future successful appeal of a previously issued permit.

### **INEOS Group Entity Test**

Certain credit-related events of default (cross default and insolvency) will apply to IFPLC, IUSLLC and any other subsidiary of IGH which borrows or issues debt in excess of €400.0 million (collectively, the “**INEOS Group Entities**”).

Each of the Project ONE Borrower and IGH will procure that on each date on which IGH provides its financial statements to the intercreditor agent, the INEOS Group Entities comprise those entities that are borrowers or issuers in respect of financial indebtedness pursuant to which IGH is a borrower, issuer or guarantor (other than the Securitization Program, any inventory financings and the Project ONE Facilities) that is at least equal to 75% of the aggregate principal amount of such financial indebtedness outstanding that time. Failure to comply with this provision constitutes a fundamental event of default allowing for accelerated payments under the debt service undertaking (pre-completion) and the tolling guarantee (post-completion).

### **Miscellaneous**

The Project ONE Facilities are required to maintain a debt-to-equity ratio of 65:35 through the construction period, subject to a true-up to 70:30 at completion of construction.

The Project ONE Borrower is permitted to make distributions after the completion of construction and release of the debt service undertaking, subject to certain conditions, including no default, a minimum 6-month backward-looking debt service coverage ratio of 1.15:1.00 and a fully funded debt service reserve account.

At all times prior to the full repayment of the Project ONE Facilities, the Project ONE Shareholder must hold 100% of the direct legal and beneficial interests in the shares and voting rights in the Project ONE Borrower. In addition, IGH is required to own (indirectly) (i) more than 75% of the shares of the Project ONE Borrower until completion of the first major plant turnaround and (ii) more than 50% of the shares of the Project ONE Borrower thereafter (effectively maintaining control over the Project ONE Borrower at all times).

The Project ONE Finance Documents are governed by English law, except certain security documents and direct agreements with Belgian counterparties, which are governed by Belgian law.

### **Letter of Credit Facility**

On 4 May 2012, INEOS Treasury (UK) Limited (the “**LC Borrower**”), a wholly owned subsidiary of INEOS Investment Holdings (Germany) Limited, entered into an on-demand letter of credit facility (the “**LC Facility**”) with Barclays Bank PLC (the “**Issuing Bank**”), under which the LC Borrower may request (on its own behalf or on behalf of other Group companies) the Issuing Bank to issue letters of credit, guarantees, performance bonds and indemnities (or any other instrument in a form agreed by the Issuing Bank) (“**LC Utilizations**”), the outstanding aggregate base currency amount of which is not more than €300.0 million. Under the terms of the LC Facility, the LC Borrower undertakes to provide cash collateral in an amount at least equal to the aggregate of 100% of the maximum actual and/or contingent liability of the Issuing Bank under each



outstanding LC Utilization (or 105%, to the extent cash cover is provided in a currency other than the currency of an LC Utilization) standing to the credit of an account or certain accounts of the LC Borrower which are subject to a lien in favor of the Issuing Bank.

## **Inventory Financing Facilities**

In June 2019, IEAG entered into an inventory monetization agreement with J Aron & Company LLC (“J Aron”), the commodities trading business of Goldman Sachs, for an initial term of one year which was extendable by mutual agreement (the “**IEAG Inventory Financing Facility**”). At the same time, IDFL entered into a framework agreement with J Aron, as amended, restated and novated from time to time (the “**IOSA Inventory Financing Facility**”). As part of the Lavéra Acquisition, the Group acquired the IOSA Inventory Financing Facility (the IOSA Inventory Financing Facility, together with the IEAG Inventory Financing Facility, the “**Inventory Financing Facilities**”), after IDFL novated its rights under such agreement to INEOS Olefins S.A. The Inventory Financing Facilities are on substantially the same terms.

The Group (or, in respect of the IOSA Inventory Financing Facility, its predecessors) and J Aron have agreed to a number of extensions. As part of certain amendments and extensions agreed to in June 2023, J Aron’s rights and obligations pursuant to the Inventory Financing Facilities were novated by mutual consent to Goldman Sachs International (“**GSI**”). As part of the most recent extensions, in June 2024, each term was extended to June 2025. During the terms, and subject to certain covenants and rights of GSI, GSI provides the Group with a just-in-time service for use of the inventory. The Group has the ability to substitute used inventory with equivalent inventory, in return for a transaction fee, and also to repurchase used inventory for cash. The Group has provided representations, warranties and undertakings to GSI in respect of certain affiliates of the Group that operate some of the storage locations for the inventory. The arrangement is supported by a Group parent company guarantee and a cash collateral mechanism. The total amount outstanding at 31 December 2024 before issue costs was €288.3 million (31 December 2023: €155.1 million).

## **Rafnes Facility**

As part of the Group’s purchase of the remaining 50% interest in the Noretyl ethylene cracker at Rafnes, Norway from the Kerling group on 1 July 2015, the Group assumed the obligations of a €140.0 million loan facility (previously known as the “Noretyl Facility”) that Noretyl AS (now known as INEOS Rafnes AS) had in place (as amended and restated from time to time, most recently by an amendment, restatement and accession agreement dated 9 November 2022, the “**Rafnes Facility**”). The current size of the Rafnes Facility is €305.0 million, which amount is fully drawn. The Rafnes Facility bears interest at a rate per annum equal to EURIBOR (subject to a floor of 0% per annum) plus a margin of (i) prior to 10 November 2022, 2.10% and (ii) from (and including) 10 November 2022, 2.25%. The facility matures in November 2027, with the first of six equal semi-annual instalments being made in May 2025. The total amount outstanding at 31 December 2024 before issue costs was €305.0 million (31 December 2023: €305.0 million), €101.7 million of which is due within one year (31 December 2023: €nil million). The facility is secured by pledges over the property, plant and equipment of INEOS Rafnes AS and benefits from an unsecured guarantee from IGH.

## **Rain Facilities**

As part of the Group’s acquisition of a 50% interest in the SECCO joint venture in December 2022, INEOS China Holdings Limited, an Unrestricted Subsidiary, as borrower entered into a RMB 1,045 million and \$525.0 million term loan facility agreement maturing in June 2026 (the “**Rain Facilities**”). In April 2023, the Group successfully completed a syndication of the acquisition financing originally funded in December 2022. As part of the syndication, which increased the numbers of lenders to 10, the Rain Facilities were increased to RMB 1,045 million and \$785.0 million.

The Rain Facilities carry an interest rate per annum equal to SOFR, subject to certain modifications, plus a margin of 3.75% (for USD-denominated loans) and HIBOR plus a margin of 4.50% (for RMB-denominated loans), and matures in June 2026. The Rain Facilities are secured by pledges of the shares held by INEOS Investment (Shanghai) Company Limited (a direct subsidiary of INEOS China Holdings Limited) in SECCO and of the shares held by INEOS China Holdings Limited in INEOS Investment (Shanghai) Company Limited and benefits from a parent company guarantee from each of IHL and IGH.

INEOS China Holdings Limited as borrower is subject to financial covenants under the terms of the Rain Facilities, which are tested by reference to SECCO EBITDA, as well as net debt incurred by SECCO. The EBITDA covenant is tested with effect from the 12-month period ended 31 December 2024, while the net debt covenant is tested with effect from 31 December 2024. If INEOS China Holdings Limited breaches any of these covenants, the lenders of the Rain Facilities may be permitted to take certain actions, including declaring all



amounts that INEOS China Holdings Limited has borrowed (and IGH and IHL have guaranteed) under the Rain Facilities to be due and payable, together with accrued and unpaid interest, unless INEOS China Holdings Limited cures such breaches. The Group made an equity cure repayment of €73.9 million (\$79.8million) on the U.S. dollar term loan facility during the year ended 31 December 2024. In January 2025, the Group made cure payments on the RMB term loan facility of €104.7 million (CNY 793.1 million).

## Securitization Program

IHL and certain of the other Group companies (such other companies being the “Sellers”) entered into a receivables securitization facility (as amended, supplemented, varied, novated, extended or replaced from time to time, the “**Securitization Program**”). The margins on amounts drawn and the commitment fee on amounts undrawn under the Securitization Program have been amended from time to time, most recently on 21 December 2023. The overall facility amount has also been amended from time to time, most recently to €800.0 million pursuant to an amendment deed dated 14 December 2015. On 21 December 2023, the scheduled termination date for the facility was extended to 31 December 2026. The Securitization Program complies with the terms for a Permitted Receivables Securitization as defined in the Senior Secured Term Loans Agreement.

Under the Securitization Program, all trade receivables originated by the Sellers (other than those receivables that are specifically identified as “**excluded receivables**”) are sold to a bankruptcy remote special purpose vehicle incorporated under the laws of the Republic of Ireland, INEOS Finance (Ireland) Limited (the “**SPV**”). The SPV finances these purchases from borrowings, primarily funded through asset backed commercial paper (“**ABCP**”) conduits. The cost of funding for the ABCP conduits reflects the rating of the pooled financial assets in which they invest, thus allowing the Securitization Program to benefit from financing costs that are not linked to the Group’s corporate rating.

The Securitization Program is restricted to receivables denominated in U.S. dollars, euro or sterling that are sold to the SPV at face value less a small discount to reflect the carry cost until settlement. In some jurisdictions, the sale of the receivables requires the involvement of an intermediate purchaser in order to comply with local securities and banking regulations. The SPV acquires title, on a non-recourse basis, to new receivables as the liability arises and settles its purchases with the Sellers on a twice-monthly basis. Between settlement dates, the Sellers have the use of the cash received from customers which has been paid into segregated bank accounts, either in the name of the SPV or held on trust for the SPV. Responsibility for the administration of the receivables, including adherence to established credit and collection policies, remains with the Sellers, with IHL acting on their behalf in its capacity as master servicer.

The twice-monthly settlement period is tied to the term of the loans advanced to the SPV by the lenders against the security of the outstanding receivables. The lenders’ advance rate is adjusted each month to reflect the actual performance of the receivables portfolio, and standard Rating Agency methodology for calculating loss and dilution reserves and other potential shortfalls is applied. The balance of the SPV’s funding requirements is provided by IHL through a subordinated loan facility.

## Köln CoGen Facility

As part of a project at the Group’s Köln site to replace part of its incineration or cogeneration unit, the Group entered into a €120.0 million loan facility on 22 December 2017 (as amended, including by an amendment and restatement agreement dated 28 April 2021, the “**Köln CoGen Facility**”). The Köln CoGen Facility was made up of two loan facilities, the original €120.0 million loan facility and an additional €60.0 million loan facility. The total amount outstanding under the Köln CoGen Facility at 31 December 2024 was €22.5 million (31 December 2023: €71.3 million) of which €15.0 million (31 December 2023: €39.0 million) was due within one year.

The original facility matured on 30 December 2024, was repaid in full in equal quarterly instalments of €6.0 million, starting from March 2020, and bore a fixed interest rate of 2.85% per annum. The €60.0 million additional loan facility was entered into pursuant to the amendment and restatement agreement dated 28 April 2021 and matures on 30 June 2026. It is being repaid in equal quarterly instalments of €3.75 million starting in September 2022 and bears a fixed interest rate of 2.00% per annum. The proceeds of the additional loan facility may not be used except in relation to the cogeneration unit on the Köln site.

The Köln CoGen Facility is secured by, *inter alia*, security over the plant and equipment of INEOS Manufacturing Deutschland GmbH’s new cogeneration assets.



## O&P South Revolving Credit Facilities

On 1 April 2024, following the Lavéra Acquisition, the Group acquired three revolving credit facilities (the “**O&P South Revolving Credit Facilities**”), providing for revolving credit facilities in an aggregate principal amount of €115.0 million.

The Group acquired a revolving credit facility with an aggregate principal amount of €80.0 million with BNP Paribas which expires in June 2025, bears interest at EURIBOR (subject to a 0% floor) *plus* a margin of 2.05% per annum, and under which €70.0 million was drawn as at 31 December 2024.

The Group also acquired a revolving credit facility with an aggregate principal amount of €15.0 million with Caisse d’Epargne, which is repayable on demand with 90 days’ notice, bears interest at EURIBOR *plus* a margin of 0.80% per annum, and which was drawn in full as at 31 December 2024.

The Group also acquired a revolving credit facility with an aggregate principal amount of €20.0 million with Credit Agricole CIB, which has no set maturity, but is reviewed annually, bears interest at EURIBOR *plus* a margin of 0.80% per annum, and which was drawn in full as at 31 December 2024.

## Intercreditor Deed

Unless the context otherwise requires, terms defined below in this description of the Intercreditor Deed apply only to this section.

### Overview

Lux I and certain of its subsidiaries (including IHL and INEOS Finance plc) (together, the “**Obligors**”), the Parent and INEOS Holdings Luxembourg S.A. (together, and collectively with certain other entities referred to in the Intercreditor Deed, the “**Subordinated Creditors**”) and certain INEOS intra-group creditors (the “**Intra-Group Creditors**”) are subject to an intercreditor deed dated 12 May 2010 (as amended and restated by a first amendment deed dated 23 December 2010, as further amended by a second amendment deed dated 18 February 2011, as further amended by a third amendment deed dated 6 February 2012, as further amended and restated by a fourth amendment deed dated 4 May 2012, as further amended and restated by a fifth amendment deed dated 8 May 2013, as further amended and restated by a sixth amendment deed dated 8 July 2014, as further amended by a seventh amendment deed dated 5 May 2015, as further amended and restated by an eighth amendment deed dated 5 January 2017, as further amended and restated by a ninth amendment deed dated 3 November 2017, as further amended by a tenth amendment deed dated 22 March 2019, as further amended by an eleventh amendment deed dated 24 April 2019, as further amended by a twelfth amendment deed dated 29 October 2020, as further amended by a thirteenth amendment deed dated 8 November 2021, as further amended by a fourteenth amendment deed dated 8 November 2022, as further amended by a fifteenth amendment deed dated 16 February 2023, as further amended by a sixteenth amendment deed dated 7 February 2024, as further supplemented by a designation notice dated 21 June 2024, as further supplemented by a designation notice dated 19 December 2024 and as further supplemented by a designation notice dated 10 February 2025, the “**Intercreditor Deed**”) entered into with the lenders under the Senior Secured Term Loans Agreement (the “**Senior Lenders**”), Barclays Bank PLC as administrative agent (the “**Senior Facility Agent**”) for the Senior Lenders and as security agent (the “**Senior Security Agent**”) for itself, the Senior Lenders, the institutions named therein as hedge counterparties or cash management banks, the holders of the Senior Secured Notes, and any other permitted senior secured notes issued from time to time (the “**Additional Senior Secured Notes**”), the trustee under the 2028 Senior Secured Notes Indenture (the “**2028 Senior Secured Notes Trustee**”), the trustee under the 2029 Senior Secured Notes Indenture (the “**2029 Senior Secured Notes Trustee**”) and the trustee under the 2030 Senior Secured Notes Indenture (the “**2030 Senior Secured Notes Trustee**” and, together with the 2029 Senior Secured Notes Trustee and the 2028 Senior Secured Notes Trustee, the “**Senior Secured Notes Trustees**”). By accepting a Senior Secured Note, holders of the Senior Secured Notes are deemed to have agreed to, and accepted the terms of, the Intercreditor Deed.

The Intercreditor Deed sets out, by way of agreement between the parties to it, among other things, provisions relating to:

- the relative ranking of certain liabilities of the Obligors;
- the relative ranking of certain security granted by the Obligors and the Parent;
- when payments can be made in respect of certain liabilities of the Obligors and the Parent;



- when enforcement action can be taken in respect of those liabilities;
- the terms pursuant to which certain of those liabilities will be subordinated upon the occurrence of certain insolvency events;
- turnover provisions; and
- when security and guarantees may be released to permit an enforcement sale.

The following description is a summary of certain provisions contained in the Intercreditor Deed. It does not restate the Intercreditor Deed in its entirety and we urge you to read that document because it, and not the discussion that follows, will regulate and govern, among other things, certain of the rights of the lenders under the Senior Secured Term Loans Agreement, the holders of the Senior Secured Notes, the Senior Facility Agent and the Senior Secured Notes Trustees.

#### **Ranking and Priority**

The Intercreditor Deed provides that, subject to the provisions in respect of permitted payments (summarized below), the liabilities of the Obligor in respect of the Senior Secured Notes, the Senior Secured Term Loans and certain other liabilities rank, in summary, in the following order and are postponed and subordinated to any prior ranking liabilities of the Obligor as follows:

- first, each of the following, *pari passu* among themselves: (i) the liabilities of the Obligor under the Senior Secured Term Loans Agreement and under any other Additional Senior Finance Documents (as defined in the Intercreditor Deed), the liabilities of any Obligor party to certain hedging agreements and cash management arrangements, the liabilities of INEOS Finance plc and the guarantors under the Senior Secured Notes, the Senior Secured Notes Indentures and any Additional Senior Secured Notes (together, the “**Senior Liabilities**”), (ii) fees, costs and expenses of, and amounts incurred by or payable to, the trustee in respect of any High Yield Notes (the “**High Yield Note Trustee Amounts**”), (iii) fees, costs and expenses incurred by or payable to the Senior Facility Agent or any agent appointed to act as security trustee, facility agent or other similar representative for or with respect to any Additional Senior Finance Parties (as defined in the Intercreditor Deed) or any agents appointed to act as security agent and security trustee on behalf of any High Yield Notes or fees, costs and expenses incurred by any Second Secured Representative (as defined in the Intercreditor Deed) (other than in respect of any Second Secured Liabilities (as defined in the Intercreditor Deed) in the form of notes issued pursuant to one or more indentures) (“**Agency Amounts**”), (iv) fees, costs and expenses of, and amounts incurred by or payable to, the Senior Secured Notes Trustees and the trustee of any Additional Senior Secured Notes (each, an “**Additional Senior Secured Notes Trustee**”) (collectively, the “**Senior Secured Note Trustee Amounts**”), and (v) fees, costs and expenses of, and amounts incurred by or payable to any Second Secured Note Trustee (the “**Second Secured Note Trustee Amounts**”);
- second, any Second Secured Liabilities (as defined in the Intercreditor Deed);
- third, the liabilities of the Obligor in relation to any High Yield Notes (other than in respect of High Yield Note Trustee Amounts) and the liabilities owed by IHL or Lux I (to the extent it is a borrower of a High Yield Proceeds Loan (as defined in the Intercreditor Deed)) to the Parent or any other permitted lenders (such other lenders, together with Parent, the “**High Yield Proceeds Lenders**”) under any loan of the proceeds of any High Yield Notes (together, the “**Subordinated High Yield Liabilities**”);
- fourth, (i) the liabilities of the Obligor to the Subordinated Creditors (other than in respect of any High Yield Proceeds Loan or any loan of the proceeds of any funds made available under any documents pursuant to or in connection with which any Second Secured Liabilities arise (the “**Second Secured Documents**”) to IHL or Lux I (each, a “**Second Secured Proceeds Loan**”), (ii) any liabilities owed by any High Yield Note Issuer (as defined in the Intercreditor Deed) or any Additional Second Secured Borrower (as defined in the Intercreditor Deed) to any Subordinated Creditor under certain investor documents, (iii) any other money or liabilities due, owing or payable by any Obligor to any High Yield Note Issuer or any Additional Second Secured Borrower or any parent holding company of the Parent which has acceded to the Intercreditor Deed (other than in respect of any High Yield Proceeds Loan or any Second Secured Proceeds Loan) (the liabilities referred to in paragraphs (i) to (iii) being, together, the “**Subordinated Liabilities**”), and (iv) any liabilities of the Obligor to the Intra-Group Creditors in such capacity (other than



liabilities under the Senior Secured Notes Proceeds Loans, the Senior Secured Term Loans Proceeds Loans or certain other loans of the proceeds of any Senior Liabilities to IHL or any Restricted Subsidiary of the Bottom Swiss Subsidiary (as defined in the Intercreditor Deed) (collectively, the “**Senior Proceeds Loans**”) (the “**Intra-Group Liabilities**”).

The Intercreditor Deed does not purport to rank any of the Subordinated Liabilities or Intra-Group Liabilities as between themselves. The Intercreditor Deed also provides that, subject to the provisions in respect of permitted payments, the Subordinated Liabilities are postponed and subordinated until the Senior Liabilities, liabilities of the Obligors and the Parent to the holders of any High Yield Notes and any High Yield Notes Trustee (the “**High Yield Liabilities**”) and the Second Secured Liabilities have been discharged in full.

The parties to the Intercreditor Deed agree in the Intercreditor Deed that the liens and other security provided by the Parent and the Obligors rank in the following order:

- first, the security provided in respect of the Senior Liabilities;
- second, any security provided separately in respect of the Second Secured Liabilities, if any; and
- third, the security provided in respect of any High Yield Notes.

Under the Intercreditor Deed, all proceeds from enforcement of security to which the Intercreditor Deed applies are required to be applied in accordance with the terms of the Intercreditor Deed, summarized below under “Application of Proceeds.” Certain security granted by members of the Group (being, for the purposes of the Intercreditor Deed, Lux I and its subsidiaries), for example certain liens granted by the Obligors, are not governed by the Intercreditor Deed.

#### ***Permitted Payments***

The Intercreditor Deed permits, inter alia, payments to be made by the Obligors, each Additional Senior Secured Borrower (as defined in the Intercreditor Deed), and each High Yield Note Issuer to the Senior Lenders under the Senior Secured Term Loans Agreement, the holders of the Senior Secured Notes, the Senior Secured Notes Trustees, (subject to certain restrictions) certain hedge counterparties, certain cash management banks and to lenders under any Additional Senior Finance Documents and holders of any Additional Senior Secured Notes and the Additional Senior Secured Notes Trustees with respect thereto. The Intercreditor Deed also permits payments to be made without further consents being obtained:

- by the Obligors in respect of any Second Secured Liabilities (x) to the extent that the payment is (i) a payment of scheduled interest (or default interest), (ii) a payment under any customary tax gross-up, tax indemnity, illegality or increased costs provision, currency indemnity or indemnity in respect of costs and expenses contained in the Second Secured Documents, or (iii) any consent fee payment customary for the amendment of the Second Secured Documents, in each case so long as such payment is then due and not prohibited by any payment blockage described below, and (y) for so long as such payment is not prohibited by any payment blockage described below, any Obligor may (i) on or after the original maturity date of the Second Secured Liabilities, and (ii) at any time in connection with any provision of the Second Secured Documents specifying a mandatory repayment, offer to purchase or redemption which is either permitted or, if not permitted, provided that consent is obtained from the Majority Senior Lenders, each relevant Additional Senior Facilities Representative and each relevant Senior Secured Notes Trustee and Additional Senior Secured Notes Trustee (as applicable), pay the principal amount due or any other amount payable by it with respect to the Second Secured Liabilities or redeem, acquire or defease the Second Secured Liabilities;
- by the Obligors to any holders of High Yield Notes or any High Yield Note Trustee pursuant to the guarantees to the extent that the payment is (i) a payment of scheduled interest (or default interest), (ii) a payment under any tax gross-up, tax indemnity or increased costs provisions, provided such provisions are in customary form, or (iii) a consent fee payment customary for the amendment of any High Yield Documents, in each case so long as such payment is then due and not prohibited by any payment blockage as described below (except that payments in respect of High Yield Note Trustee Amounts may always be made);
- by IHL or Lux I as borrowers under any High Yield Proceeds Loan to any High Yield Proceeds Lenders in respect of cash interest on any High Yield Proceeds Loan to enable any High Yield



Note Issuer to make a payment of scheduled interest and default interest in respect of any High Yield Notes (as defined in the Intercreditor Deed) (the “**High Yield Notes**”), which payment must fall due within five (5) days of the date of payment of the corresponding interest by IHL or Lux I to the applicable High Yield Note Issuer, and certain other payments by IHL or Lux I to any High Yield Proceeds Lender in respect of sums due under any High Yield Notes (as applicable) and related documents permitted by the Intercreditor Deed, so long as any such payment is not prohibited by any payment blockage as described below (except that payments in respect of High Yield Note Trustee Amounts may always be made); and

- by the Obligors in respect of Intra-Group Liabilities if (i) at the time of the payment no Enforcement Action (as defined below) has occurred and is continuing in respect of the Senior Liabilities or any Second Secured Liabilities, (ii) prior to the date on which all Senior Liabilities have been unconditionally discharged in full (the “**Senior Discharge Date**”), the consent of the Instructing Group (as defined in the Intercreditor Deed) to the relevant payment is obtained or (iii) on or after the Senior Discharge Date but prior to the date on which all Second Secured Liabilities have been unconditionally discharged in full (the “**Second Secured Discharge Date**”), the consent of the Majority Second Secured Creditors (as defined in the Intercreditor Deed) is obtained.

Prior to the later of the Senior Discharge Date and the Second Secured Discharge Date, no Obligor, Additional Second Secured Borrower or High Yield Note Issuer or any of their subsidiaries may make any payments in respect of the Subordinated Liabilities unless, prior to the Senior Discharge Date, where the relevant action is prohibited under the Senior Secured Term Loans Agreement, the Additional Senior Finance Documents or the Senior Secured Note Documents, the prior consent of the Majority Senior Lenders (as defined in the Intercreditor Deed), each security trustee, facility agent or other similar representative with respect to the creditors under each Additional Senior Finance Document (the “**Additional Senior Facilities Representative**”), each Senior Secured Notes Trustee and Additional Senior Secured Notes Trustee (as applicable and relevant) is obtained and, following the Senior Discharge Date but prior to the Second Secured Discharge Date, where the relevant action is prohibited under any Second Secured Document, of the Majority Second Secured Creditors is obtained.

As defined in the Intercreditor Deed, the term “Instructing Group” means the senior creditors under the Intercreditor Deed whose senior credit participations at the relevant time constitute the simple majority in aggregate principal amount of the total senior credit participations at the relevant time.

#### ***Payment Blockage***

Prior to the Senior Discharge Date, if any Obligor fails to pay on the due date or within any applicable grace period any amount payable under the Senior Finance Documents (including relevant hedging agreements and cash management arrangements), any Additional Senior Finance Document, the Senior Secured Notes Indentures, the Senior Secured Notes or any indenture of any Additional Senior Secured Notes (the “**Additional Senior Secured Notes Indenture**”) or any Additional Senior Secured Notes (all such senior secured notes and indentures, collectively, the “**Senior Secured Notes And Notes Indentures**”) (other than an amount not constituting principal, interest or fees not in excess of €1,000,000 (or its equivalent in any other currency)), the Obligors may not make payments in respect of the Second Secured Liabilities while that failure is continuing. Permitted payments in respect of the Second Secured Liabilities may be resumed when such payment default is cured or waived.

Prior to the Senior Discharge Date, if there is any other default that occurs and is continuing under the Senior Secured Term Loans Agreement, any Additional Senior Finance Documents or any Senior Secured Notes And Notes Indentures, the Senior Facility Agent (on the instructions of the Majority Senior Lenders (as defined in the Intercreditor Deed)), or the relevant Additional Senior Facilities Representative or any Senior Secured Notes Trustee (as applicable) may issue a written stop notice (a “**Second Secured Stop Notice**”) to each note trustee, security trustee, facility agent or other similar representative with respect to any holders of interests representing Second Secured Liabilities (the “**Second Secured Creditors**”) (each, a “**Second Secured Representative**”) and notify IHL. From the date of the issue of such notice, the Obligors may not make payments in respect of the Second Secured Liabilities for a period of 179 days (the “**Second Secured Stop Period**”), subject to certain exceptions described below.

Prior to the Senior Discharge Date, from the date of issue of a Second Secured Stop Notice for the duration of the Second Secured Stop Period, no payments may be made that would otherwise be permitted by the Intercreditor Deed in respect of the Second Secured Liabilities unless:



- the event in respect of which the Second Secured Stop Notice was issued has been cured or waived in writing by (if the default has occurred and is (or immediately prior to the waiver was) continuing at such time with respect to the Senior Secured Term Loans Agreement) the Senior Facility Agent, (if the default is (or immediately prior to the waiver was) continuing with respect to any Additional Senior Finance Documents (as defined in the Intercreditor Deed)) the relevant Additional Senior Facilities Representative, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2030 Senior Secured Notes) the 2030 Senior Secured Notes Trustee, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2029 Senior Secured Notes), the 2029 Senior Secured Notes Trustee, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2028 Senior Secured Notes), the 2028 Senior Secured Notes Trustee and (if the default is (or immediately prior to the waiver was) continuing with respect to any Additional Senior Secured Notes), the Additional Senior Secured Notes Trustee relating thereto or has ceased to exist;
- (if at any time of cancellation or consent, a default is continuing under the Senior Secured Term Loans Agreement) the Senior Facility Agent, (if at the time of cancellation or consent, a default is continuing under any Additional Senior Finance Documents) the relevant Additional Senior Facilities Representative, (if at the time of cancellation or consent, a default is continuing under the 2030 Senior Secured Notes) the 2030 Senior Secured Notes Trustee, (if at the time of cancellation or consent, a default is continuing under the 2029 Senior Secured Notes) the 2029 Senior Secured Notes Trustee, (if at the time of cancellation or consent, a default is continuing under the 2028 Senior Secured Notes) the 2028 Senior Secured Notes Trustee and (if at the time of cancellation or consent, a default is continuing under any Additional Senior Secured Notes) the Additional Senior Secured Notes Trustee cancels the Second Secured Stop Notice or consents to such payment; or
- if applicable, any Second Secured Standstill Period (as defined below) in effect at the time the Second Secured Stop Notice was issued has expired and the relevant event of default to which the Second Secured Standstill Period relates has not been cured or waived.

No Second Secured Stop Notice may be served by the Senior Facility Agent, any Additional Senior Facilities Representative or any Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee in reliance on a particular payment blockage event more than 75 days after the Senior Facility Agent, any Additional Senior Facilities Representative, or any Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee (as applicable) receives notice in writing specifying the occurrence constituting that payment blockage event. Not more than one Second Secured Stop Notice may be served with respect to the same event or set of circumstances. No Second Secured Stop Notice in relation to a payment blockage event may be served unless (i) 365 days have elapsed since the delivery of any previous Second Secured Stop Notice in relation to a payment blockage event and (ii) all scheduled payments of interest on the Second Secured Liabilities that have become due as a result of any previous Second Secured Stop Notice have been paid in full in cash.

Any failure to make a payment due in respect of the Second Secured Liabilities as a result of the issue of a Second Secured Stop Notice will not prevent the occurrence of an event of default under the Second Secured Documents as a consequence of such non-payment or the commencement of an Enforcement Action (defined below) otherwise permitted by the Intercreditor Deed.

If any Obligor fails to pay on the due date or within any applicable grace period any amount payable under the Senior Finance Documents (including relevant hedging agreements and cash management arrangements), any Additional Senior Finance Document, any Senior Secured Notes And Notes Indentures or any Second Secured Document (other than an amount not constituting principal, interest or fees not in excess of €1,000,000 (or its equivalent in any other currency)), the Obligors may not make payments (except if such payment is in the form of Permitted High Yield Note Junior Securities (as defined in the Intercreditor Deed) or comprises High Yield Note Trustee Amounts) in respect of the Subordinated High Yield Liabilities while that failure is continuing. Such payments in respect of any High Yield Notes may be resumed to the extent permitted under the Intercreditor Deed when such payment default is cured or waived.

Prior to the later of the Senior Discharge Date and the Second Secured Discharge Date, if there is any other default that occurs and is continuing under the Senior Secured Term Loans Agreement, any Additional Senior Finance Document, any Senior Secured Notes And Notes Indentures or, following the Senior Discharge Date, under any Second Secured Document, the Senior Facility Agent (on the instructions of the Majority Senior Lenders) or the relevant Additional Senior Facilities Representative, any Senior Secured Notes Trustee, any Additional Senior Secured Notes Trustee or the relevant Second Secured Representative (as applicable) may issue a payment blockage notice (a "Stop Notice") to any High Yield Note Trustees and notify each High Yield



Representative (as defined in the Intercreditor Deed). From the date of the issue of such notice, the Obligors may not make any payments (except if such payment comprises High Yield Note Trustee Amounts) in respect of the Subordinated High Yield Liabilities or any High Yield Proceeds Loan for a period of 179 days (the “**High Yield Stop Period**”), subject to certain exceptions described below. Prior to the later of the Senior Discharge Date and the Second Secured Discharge Date, from the date of issue of a Stop Notice for the duration of the High Yield Stop Period, blocked payments may not be made unless:

- the event in respect of which the Stop Notice was issued has been cured or, prior to the Senior Discharge Date, waived in writing (if the default is (or immediately prior to the waiver was) continuing with respect to the Senior Secured Term Loans Agreement) by the Senior Facility Agent, (if the default is (or immediately prior to the relevant waiver was) continuing with respect to any Additional Senior Finance Documents) the relevant Additional Senior Facilities Representative, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2030 Senior Secured Notes) the 2030 Senior Secured Notes Trustee, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2029 Senior Secured Notes), the 2029 Senior Secured Notes Trustee, (if the default is (or immediately prior to the waiver was) continuing with respect to the 2028 Senior Secured Notes), the 2028 Senior Secured Notes Trustee and (if the default is (or immediately prior to the waiver was) continuing with respect to any Additional Senior Secured Notes) the relevant Additional Senior Secured Notes Trustee or, following the Senior Discharge Date and prior to the Second Secured Discharge Date, waived in writing by the relevant Second Secured Representative or has ceased to exist;
- prior to the Senior Discharge Date, (if at the time of cancellation or consent, a default is continuing under the Senior Facilities) the Senior Facility Agent, (if at the time of cancellation or consent, a default is continuing under any Additional Senior Finance Documents) the relevant Additional Senior Facilities Representative, (if at the time of cancellation or consent, a default is continuing under the 2030 Senior Secured Notes) the 2030 Senior Secured Notes Trustee, (if at the time of cancellation or consent, a default is continuing with respect to the 2029 Senior Secured Notes) the 2029 Senior Secured Notes Trustee, (if at the time of cancellation or consent, a default is continuing with respect to the 2028 Senior Secured Notes) the 2028 Senior Secured Notes Trustee and (if at the time of cancellation or consent, a default is continuing under any Additional Senior Secured Notes) the relevant Additional Senior Secured Notes Trustee cancels the Stop Notice or consents to such payment;
- prior to the Senior Discharge Date, the Senior Liabilities have been repaid in full and all the commitments of the Senior Creditors (as defined in the Intercreditor Deed) cancelled or following the Senior Discharge Date the Second Secured Liabilities have been repaid in full; or
- if applicable, any High Yield Standstill Period (as defined below) in effect at the time the payment Stop Notice was issued has expired and the relevant event of default to which the High Yield Standstill Period relates has not been cured or waived.

No Stop Notice may be served by the Senior Facility Agent, an Additional Senior Facilities Representative or any Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee or a Second Secured Representative (as applicable) in reliance on a particular payment blockage event more than 75 days after the Senior Facility Agent, each Additional Senior Facilities Representative, a Senior Secured Notes Trustee, an Additional Senior Secured Notes Trustee or a Second Secured Representative receives notice in writing specifying the occurrence constituting that payment blockage event. Not more than one Stop Notice may be served by the Senior Facility Agent, each Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee or each Second Secured Representative (as applicable) with respect to the same event or set of circumstances. No Stop Notice in relation to a payment blockage event may be served unless (i) 365 days have elapsed since the delivery of any previous Stop Notice in relation to a payment blockage event, and (ii) all scheduled payments of interest on any High Yield Notes that have become due as a result of any previous Stop Notice have been paid in full in cash.

Any failure to make a payment due under the indenture for any High Yield Notes (the “**High Yield Notes Indentures**”) or the guarantees of any High Yield Notes as a result of the foregoing will not prevent the occurrence of an event of default under any High Yield Notes as a consequence of such non-payment or the commencement of an Enforcement Action otherwise permitted by the Intercreditor Deed.



***Entitlement to Enforce***

The Intercreditor Deed provides that the Senior Security Agent will (subject to certain exceptions) enforce the senior security only at the direction of the Instructing Group. Subject to certain exceptions in relation to the Second Secured Security (as defined in the Intercreditor Deed), prior to the Senior Discharge Date, the Second Secured Creditors may only take Enforcement Action with respect to the guarantees or security granted pursuant to the Intercreditor Deed in respect of the Second Secured Liabilities or any Second Secured Proceeds Loan if:

- the prior written consent of the Instructing Group is obtained;
- the Senior Creditors have taken certain Enforcement Action, in which case the Second Secured Creditors may take the same Enforcement Action against the same Obligor;
- the Second Secured Creditors have become entitled to do so as a result of the expiry of any Second Secured Standstill Period unless on the expiry of the Second Secured Standstill Period, the relevant default to which the Second Secured Standstill Period relates has been waived or cured; or
- certain insolvency events have occurred and are continuing, *provided* that any such insolvency event is not the result of actions of a Second Secured Creditor prohibited under the Intercreditor Deed and provided Enforcement Action may only be taken against the entity in respect of which the insolvency event has occurred.

Prior to the Senior Discharge Date and the Second Secured Discharge Date, the holders of any High Yield Notes and the trustee under any High Yield Notes (the “**High Yield Notes Trustees**”) and any lender under any High Yield Proceeds Loan (together, the “**High Yield Creditors**”) may only take Enforcement Action with respect to the guarantees and security granted in respect of any High Yield Notes or the High Yield Proceeds Loan if:

- the prior written consent of (prior to the Senior Discharge Date) the Instructing Group and (prior to the Second Secured Discharge Date) the Majority Second Secured Creditors (as defined in the Intercreditor Deed) is obtained;
- the Senior Creditors and/or any Second Secured Creditors have taken Enforcement Action against an Obligor, in which case the High Yield Creditors may take Enforcement Action against the same Obligor but may not take any other Enforcement Action until the Senior Discharge Date and any Second Secured Discharge Date shall have occurred except after expiry of a High Yield Standstill Period;
- the High Yield Creditors, as applicable, have become entitled to do so as a result of the expiry of any High Yield Standstill Period unless on the expiry of the High Yield Standstill Period the relevant default to which the High Yield Standstill Period relates has been waived or cured; or
- if certain insolvency events have occurred and are continuing, *provided* that any such insolvency event is not the result of actions of a High Yield Creditor prohibited under the Intercreditor Deed and provided Enforcement Action may only be taken against the entity in respect of which the insolvency event has occurred.

A “**Second Secured Standstill Period**” is defined in the Intercreditor Deed to mean a period of 179 days after written notice has been given by the Majority Second Secured Creditors (as defined in the Intercreditor Deed) to the Senior Facility Agent, each Additional Senior Facilities Representative and each Senior Secured Notes Trustee and Additional Senior Secured Notes Trustee that an event of default has occurred as a result of any failure to pay any amount of the Second Secured Liabilities when due and payable and is continuing, and specifying that a Second Secured Standstill Period is to commence.

A “**High Yield Standstill Period**” is defined in the Intercreditor Deed to mean a period of 179 days after written notice has been given by any High Yield Notes Trustee to the Senior Facility Agent, each Additional Senior Facilities Representative, any Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee and each Second Secured Representative that an event of default under any High Yield Notes has occurred and is continuing, and specifying that a High Yield Standstill Period is to commence. An “**Enforcement Action**” is defined in the Intercreditor Deed to mean:



- (a) the acceleration of any liabilities or any declaration that any liabilities are prematurely due and payable or the making of demand for payment of any liabilities after such liabilities have been made payable on demand;
- (b) without prejudice to the right of a hedging counterparty to terminate or close out a hedging transaction as otherwise expressly permitted by the Intercreditor Deed, the designation by a hedge counterparty of an early termination date under any hedging agreement or the making of a demand by a hedge counterparty for payment of all or any amount which would become payable in connection with the occurrence of an early termination date;
- (c) the making of any demand against any Obligor in relation to any guarantee in respect of any liabilities which are due and payable but unpaid or exercising any right to require the Group to acquire any liability (including exercising any put or call option against any member of the Group for the redemption or purchase of any liability);
- (d) the enforcement of any Security Document (as defined in the Intercreditor Deed) or any other security interest granted by any Obligor, any Additional Second Secured Borrower, or any High Yield Note Issuer (including taking any action to crystallize any floating charge forming part of any Security Document);
- (e) the exercise of any right of set-off against any Obligor in respect of any liabilities due and payable but unpaid (excluding, for the avoidance of doubt, any payment or close-out netting under any hedging agreements or any set-off under any cash management arrangements);
- (f) the suing for, commencing or joining of any legal or arbitration proceedings against any Obligor to recover any liabilities; or
- (g) the petitioning, applying or voting for, or the taking of any steps (including the appointment of any liquidator, receiver, administrator or similar officer) which could reasonably be expected to lead to an insolvency event in relation to any Obligor,

*provided that the following shall not constitute Enforcement Action:*

- (i) the taking of any action falling within paragraph (f) above necessary to preserve the validity and existence of claims, including the registration of such claims before any court or governmental authority;
- (ii) to the extent entitled by law, the taking of any actions against any creditor (or any agent, trustee or receiver acting on behalf of such creditor) to challenge the basis on which any sale or disposal is to take place pursuant to powers granted to such persons under any security documentation;
- (iii) bringing legal proceedings against any person in connection with any securities violation or common law fraud or to restrain any actual or putative breach of the Finance Documents (as defined in the Intercreditor Deed) or for specific performance with no claim for damages; or
- (iv) demand being made for payment of any of the liabilities as a result of it being unlawful for any Senior Creditor, Second Secured Creditor (other than any Second Secured Proceeds Lender) or High Yield Creditor (other than any High Yield Proceeds Lender) to perform any obligation under the Finance Documents,

unless in the case of any of the actions listed above in paragraphs (i)-(iv) above, such action will result in an insolvency event.

The Intercreditor Deed also contains enforcement provisions in relation to hedge counterparties, Intra-Group Liabilities, Senior Proceeds Loans and Subordinated Liabilities.

#### ***Subordination***

Upon the occurrence of an insolvency event in relation to an Obligor, claims against that Obligor:



- in respect of any Second Secured Liabilities will be subordinate in right of payment to the claims against that Obligor in respect of Senior Liabilities;
- in respect of the Subordinated High Yield Liabilities will be subordinate in right of payment to the claims against that Obligor in respect of Senior Liabilities and Second Secured Liabilities; and
- in respect of Intra-Group Liabilities and Subordinated Liabilities will be subordinate in right of payment to the claims against that Obligor in respect of Senior Liabilities, Second Secured Liabilities and Subordinated High Yield Liabilities.

Upon the occurrence of an insolvency event in relation to a High Yield Note Issuer or an Additional Second Secured Borrower claims against that High Yield Note Issuer or Additional Second Secured Borrower in respect of the Subordinated Liabilities will be subordinate in right of payment to the claims against that High Yield Note Issuer or Additional Second Secured Borrower in respect of Senior Liabilities, Second Secured Liabilities and High Yield Liabilities (as applicable).

### **Turnover**

Except to the extent prohibited by law and subject to certain exceptions, if at any time on or before the Senior Discharge Date and the Second Secured Discharge Date, any High Yield Creditor or any High Yield Note Issuer:

- receives or recovers any payment or distribution of, or on account of or in relation to, any of the Subordinated High Yield Liabilities which is not a permitted payment under the Intercreditor Deed;
- receives or recovers any amount by way of set-off in respect of any of the Subordinated High Yield Liabilities owed to them which does not give effect to a permitted payment under the Intercreditor Deed;
- receives or recovers proceeds pursuant to any Enforcement Action in respect of the Subordinated High Yield Liabilities except in accordance with the Intercreditor Deed or receives or recovers proceeds pursuant to any Enforcement Action in respect of the collateral for any High Yield Notes (as applicable);
- receives any payment or distribution of any kind whatsoever in relation to the purchase or acquisition of any High Yield Liabilities by any member of the Group;
- receives any distribution in cash or in kind in respect of any liability owed by IHL or the other Obligors in respect of the Subordinated High Yield Liabilities which is made as a result of the occurrence of an insolvency event of any Obligor; or
- receives or recovers any payment or distribution in respect of the High Yield Liabilities as a result of any High Yield Note Issuer receiving or recovering an amount in contravention of the Intercreditor Deed,

that High Yield Creditor or High Yield Note Issuer, as the case may be, will notify the Senior Security Agent and (following the Senior Discharge Date and prior to the Second Secured Discharge Date) each Second Secured Representative and hold that amount in a separate account on trust for (prior to the later of the Senior Discharge Date) the Senior Security Agent or (following the Senior Discharge Date prior to the Second Secured Discharge Date) each Second Secured Representative and promptly pay that amount (prior to the Senior Discharge Date) to the Senior Security Agent or (following the Senior Discharge Date prior to the Second Secured Discharge Date) a Second Secured Representative or (after deducting from the amount received or recovered the costs and expenses (if any) actually incurred by it in recovering such amount) to be held in trust by such person for application in accordance with the order of priority under the Intercreditor Deed as described below in “—Application of Proceeds.” The foregoing provision does not, however, apply to any amounts received or recovered by any High Yield Notes Trustee that have been distributed by it to the holders of any High Yield Notes as applicable, if at the time it distributed such payment it had no actual knowledge that such payment was so prohibited.



The Intercreditor Deed also contains a turnover provision in relation to the Second Secured Liabilities, Intra-Group Liabilities and Subordinated Liabilities as well as certain amounts received by the Obligors generally.

### ***Application of Proceeds***

Subject to rights of creditors mandatorily preferred by law applying to companies generally, amounts received by the Senior Security Agent, a Second Secured Representative or trustee or representative under any High Yield Notes Indenture, any hedge counterparty or any cash management bank representing (i) the proceeds of enforcement of any security, (ii) recoveries under any guarantee contained in the Finance Documents and (iii) all amounts paid pursuant to the Intercreditor Deed will be applied in the following order of priority:

- in discharging any sums owing to the Senior Security Agent or any additional agent appointed by the Senior Security Agent, any High Yield Note Trustee Amounts, any Agency Amounts, any Senior Secured Note Trustee Amounts and any Second Secured Note Trustee Amounts, on a *pari passu* basis;
- in payment of all costs and expenses incurred by or on behalf of the Senior Creditors in connection with the enforcement of their security;
- in payment to the Senior Facility Agent (for itself and the Senior Lenders) to discharge the liabilities in respect of the Senior Secured Term Loans Agreement, to hedging counterparties to discharge the liabilities owed to them, to cash management banks to discharge the liabilities owed to them, to the 2030 Senior Secured Notes Trustee for application towards the discharge of liabilities under the 2030 Senior Secured Notes Indenture, the 2030 Senior Secured Notes and related documents, to the 2029 Senior Secured Notes Trustee for application towards the discharge of the liabilities under the 2029 Senior Secured Indenture, the 2029 Senior Secured Notes and related documents, to the 2028 Senior Secured Notes Trustee for application towards the discharge of the liabilities under the 2028 Senior Secured Indenture, the 2028 Senior Secured Notes and related documents, to any Additional Senior Secured Notes Trustee for application towards the discharge of the liabilities under the Additional Senior Secured Notes Indenture relating thereto, the applicable Additional Senior Secured Notes and related documents and each Additional Senior Facilities Representative (for itself and the creditors under such Additional Senior Finance Documents) for application towards the discharge of the Additional Senior Lender Liabilities (as defined in the Intercreditor Deed) owing under the Additional Senior Finance Documents, on a *pro rata* basis;
- in payment to each Second Secured Representative on behalf of the Second Secured Creditors which it represents for application towards the discharge of any Second Secured Liabilities, on a *pro rata* basis;
- in payment to any High Yield Notes Trustee for application towards the discharge of the liabilities in respect of the applicable High Yield Notes Indenture and the applicable High Yield Notes, on a *pro rata* basis;
- if none of the Obligors is under any further actual or contingent liability under any Senior Finance Document, Senior Secured Note Document (as defined in the Intercreditor Deed), Second Secured Document, under any High Yield Notes Indenture and related documents, in payment to any person to whom the Senior Security Agent, Second Secured Representative or the trustee or representative under any High Yield Notes Indenture is obliged to pay in priority to any Obligor; and
- the balance, if any, in payment to the relevant Obligor.

### ***Release of the Guarantees and the Security***

The Intercreditor Deed provides that, subject to any consents required from the Majority Senior Lenders and each Senior Secured Notes Trustee and Additional Senior Secured Notes Trustee in certain circumstances being obtained, the Senior Security Agent is authorized to (i) release any security created by the security documents over the relevant asset, and (ii) (if the relevant asset comprises all of the shares in the capital of a member of the Group (as defined in the Intercreditor Deed)) to release that member of the Group and any of its direct or indirect subsidiaries from all past, present and future liabilities (both actual and contingent) and/or



its obligations in its capacity as a guarantor, issuer or borrower of the whole or any part of its liabilities in respect of the Senior Secured Term Loans Agreement, any Senior Secured Notes, any Additional Senior Secured Notes, Second Secured Documents, any High Yield Notes and certain other liabilities and to release any security granted by that member of the Group or any of its direct or indirect subsidiaries over any asset under any security document if:

- in connection with any permitted Enforcement Action, the Senior Security Agent or any receiver or administrator sells or otherwise disposes of (or proposes to sell or otherwise dispose of) any asset under any security document; or
- following a default under the Senior Secured Term Loans Agreement, any Additional Senior Finance Document, the 2030 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2028 Senior Secured Notes Indenture, or any Additional Senior Secured Notes Indenture (collectively, such indentures, the “**Senior Secured Notes Indentures**”), a member of the Group sells or otherwise disposes of (or proposes to sell or otherwise dispose of) any asset at the request or direction of the Senior Security Agent.

Notwithstanding the preceding paragraph, in the case of any release of the guarantees or security for the Second Secured Liabilities or for any High Yield Notes, the Second Secured Creditors and the High Yield Creditors will only be obliged to release and authorize the release set out above in respect of any Obligor or other person which has granted security or provided a guarantee to the Second Secured Creditors or the High Yield Creditors:

- in the case of the Second Secured Liabilities and any security in respect thereof, if the Majority Second Secured Creditors (as defined in the Intercreditor Deed) have approved the release; or
- in the case of guarantees and security for any High Yield Notes and High Yield Notes Indenture, if the trustee or other representative under each High Yield Notes Indenture confirms to the Senior Security Agent that the holders of any High Yield Notes which it represents have approved the release; or
- if the shares or assets of an Obligor (or the shares of any direct or indirect holding company of such Obligor) are sold or otherwise disposed of pursuant to Enforcement Action taken by the Senior Security Agent (or any receiver or administrator) or at the request or direction of the Senior Security Agent, and the sale or disposal is completed in accordance with applicable law and for a consideration all or substantially all of which is in the form of cash or certain cash equivalents; and
  - (1) in the case of a sale or disposal of shares of an Obligor (or the shares of any direct or indirect holding company of such Obligor) (but only to the extent that any guarantees and security for any High Yield Notes or High Yield Notes Indenture are to be released), concurrently with the completion of such sale or disposal, the indebtedness of the relevant members of the Group being disposed of to (x) the Senior Creditors, (y) the Second Secured Creditors and (z) the lenders of all Subordinated Debt (as defined in the Intercreditor Deed) and Public Debt (as defined in the relevant High Yield Indenture or other document) that is *Pari Passu Debt* (as defined in the Intercreditor Deed) are discharged or released (and not assumed by the relevant purchaser or any affiliate thereof); *provided, however*, that performance bonds and similar instruments will not be required to be so discharged or released; and
  - (2) if applicable, in the case of a sale or disposal of assets other than shares in an Obligor as provided above, concurrently with the completion of such sale or disposal the prior ranking security in favor of the Senior Creditors over such assets is released,

and, in the case of paragraphs (1) and (2) above, either (x) the sale or disposal is made pursuant to a Public Auction (as defined below) or (y) an internationally recognized investment bank or an internationally recognized accounting firm selected by the Senior Security Agent has delivered in respect of the sale or disposal an opinion to (in the case of a sale by or at the request of the Senior Security Agent (or any receiver or administrator)) the trustee or representative under any High Yield Notes Indenture and each Second Secured Representative that the amount received in connection with such sale is fair from a financial point of view taking into account all relevant circumstances including the method of



enforcement; *provided* that the liability of such investment bank or accounting firm in giving such opinion may be limited to the amount of its fees in respect of such engagement.

A “**Public Auction**” is defined in the Intercreditor Deed to mean an auction in which more than one bidder participates or is invited to participate conducted with the advice of an internationally recognized investment bank and in which if the sale is undertaken by or at the request of the Senior Security Agent (or any receiver or administrator), pursuant to an enforcement requested by (a) the Instructing Group, in which case the Second Secured Creditors and the High Yield Creditors will have a right to participate in such auction and (b) the Second Secured Creditors, in which case the High Yield Creditors will have a right to participate in such auction.

The Intercreditor Deed also provides that, subject to any consents required from the Majority High Yield Creditors being obtained, the Senior Security Agent, any High Yield Notes Trustee and the applicable Second Secured Representative are authorized to release any security created by the security documents over (i) any assets disposed of in a manner permitted pursuant to the terms of the Senior Secured Term Loans, any Additional Senior Secured Term Loans, the 2030 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2028 Senior Secured Notes Indenture, any Additional Senior Secured Notes Indenture and the Second Secured Documents; or (ii) any receivables disposed of pursuant to the Securitization Program in a manner permitted pursuant to the terms of the Senior Secured Term Loans, any Additional Senior Secured Term Loans, the 2030 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2028 Senior Secured Notes Indenture, any Additional Senior Secured Notes Indenture and the Second Secured Documents with effect from whichever is the earlier of (1) the date such receivable is disposed of or (2) the date such receivable is offered for disposal or, if not in existence when offered for disposal, the date it subsequently comes into existence.

The Intercreditor Deed further provides that, if it is necessary to do so in order to give effect to certain provisions of the Intercreditor Deed providing that in connection with any refinancing, restructuring, replacement, extension, supplement, increase or incurrence of additional Senior Liabilities and any Second Secured Liabilities such indebtedness shall be secured in priority to the Subordinated High Yield Liabilities, each High Yield Notes Trustee or other representative shall release any security interest which has been granted to it provided that such release occurs on the date of such refinancing, restructuring, replacement, extension, supplement, increase or incurrence and a new security interest is granted to the High Yield Notes Trustee or other representative immediately upon the grant of security interests in respect of such refinancing, restructuring, replacement, extension, supplement, increase or incurrence.

***Option to Purchase Debt under the Senior Secured Term Loans Agreement and the Senior Secured Notes Indentures***

If the Senior Creditors under the Senior Secured Term Loans Agreement, any Senior Secured Notes Indenture, any Additional Senior Secured Notes Indenture or any Additional Senior Finance Document have taken any Enforcement Action, any High Yield Notes Trustee may, at the direction of the requisite percentage of the holders of any High Yield Notes under any High Yield Notes Indenture, as applicable, within 60 days after commencement of that Enforcement Action, on giving not less than 14 days’ written notice to the Senior Facility Agent, each Additional Senior Facilities Representative, the 2030 Senior Secured Notes Trustee, the 2029 Senior Secured Notes Trustee, the 2028 Senior Secured Notes Trustee, any Additional Senior Secured Notes Trustee and each Second Secured Representative, and subject to satisfying certain conditions, purchase all but not part of the debt under the Senior Secured Term Loans, any Additional Senior Secured Lender Liabilities (as defined in the Intercreditor Deed), the 2030 Senior Secured Notes Indenture, the 2029 Senior Secured Notes Indenture, the 2028 Senior Secured Notes Indenture, any Additional Senior Secured Notes Indenture, hedging agreements, cash management arrangements and Second Secured Documents (i) in the case of the Senior Secured Term Loans, and any Additional Senior Secured Lender Liabilities (as defined in the Intercreditor Deed), at a price equal to the principal amount of such debt and accrued and unpaid interest and fees and expenses, (ii) in the case of any Senior Secured Notes or Additional Senior Secured Notes, at a price equal to the principal amount of such debt and accrued and unpaid interest, any prepayment fees and other fees and expenses and (iii) in the case of any Second Secured Documents, at a price equal to the principal amount of such debt and accrued and unpaid interest, any prepayment fees and other fees and expenses. The Intercreditor Deed also provides for the price to be paid in relation to hedging agreements and cash management arrangements. Upon such purchase, the purchasers will assume the rights and obligations of the lenders under the Senior Secured Term Loans, and any Additional Senior Lender Liabilities, including hedging arrangements, and the rights and obligations of the holders of any Senior Secured Notes, any Additional Senior Secured Notes and the rights and obligations of the creditors under any Second Secured Documents.



*Amendment*

The terms of the Intercreditor Deed may only be amended or waived with the written agreement of each of the Senior Facility Agent, each Additional Senior Facilities Representative, any High Yield Notes Trustee, any Second Secured Representative, the 2030 Senior Secured Notes Trustee, the 2029 Senior Secured Notes Trustee, the 2028 Senior Secured Notes Trustee, any Additional Senior Secured Notes Trustee and IHL unless (i) any amendments are made to cure defects, resolve ambiguities or reflect changes of a minor, technical or administrative nature, which may be made by the Senior Security Agent and IHL, (ii) any amendments are made to meet the requirements of any person proposing to act as a senior secured note trustee or high yield note trustee which are customary for persons acting in such capacity, which amendments may be made by the Senior Security Agent and IHL, (iii) any amendments which only affect the rights and obligations of one party or class of parties and are not adverse to the rights of the other parties or class of parties, which may be made by only IHL and the party or class of parties affected thereby, or (iv) any amendments are made to give effect to the appointment of an Additional Senior Facilities Representative in respect of the Additional Senior Finance Parties or a Second Secured Representative in respect of the Second Secured Creditors, which amendments may be made by the Senior Security Agent and IHL. Subject to (i) and (ii) in the previous sentence, no amendment or waiver of the Intercreditor Deed may impose new or additional obligations on any party to the Intercreditor Deed or affect the rights or obligations of the Senior Facility Agent, the 2030 Senior Secured Notes Trustee, the 2029 Senior Secured Notes Trustee, the 2028 Senior Secured Notes Trustee, any Additional Senior Secured Notes Trustee, the Senior Security Agent or the trustee or representative under any High Yield Notes Trustee, or certain other persons in each case without their prior written consent.

The Senior Security Agent may amend the terms of, waive any of the requirements of, or grant consents under, any of the Senior Security Documents (as defined in the Intercreditor Deed) acting on the instructions of the Senior Facility Agent and (where such consent is required under any Additional Senior Finance Document) of each relevant Additional Senior Facilities Representative and (where such consent is required under any Senior Secured Notes Indenture, Additional Senior Secured Notes Indenture or related documents) of the applicable Senior Secured Notes Trustee or Additional Senior Secured Notes Trustee. Any such amendment, waiver or consent will be deemed to be an amendment, waiver or consent of any equivalent Security Document (as defined in the Intercreditor Deed) granted in favor of the Second Secured Creditors or any High Yield Notes Trustee and the holders of any High Yield Notes but only to the same extent and to no greater extent than the amendment, waiver or consent in relation to the relevant Senior Security Document. Any such amendment, waiver or consent will also be binding on the hedge counterparties save to the extent that in respect of such amendment, waiver or consent the hedge counterparties are treated in a manner which is different to the other Senior Creditors in which event the consent of the hedge counterparties shall also be required. No such amendment, waiver or consent will (without prejudice to any other provision of the Intercreditor Deed) release any security granted to the Second Secured Creditors or any High Yield Notes Trustee or holders of any High Yield Notes except as permitted under the Second Secured Documents or a High Yield Notes Indenture, as applicable.

Notwithstanding the above, any High Yield Notes Trustee, each Second Secured Representative, any Senior Secured Notes Trustee, any Additional Senior Secured Notes Trustee, the Senior Facility Agent, each Additional Senior Facilities Representative and the Senior Security Agent are authorized to enter into such agreement or agreements with, among others, the Obligors and each High Yield Notes Issuer, whether by way of supplement, amendment or restatement of the Intercreditor Deed or by a separate deed, as may be necessary to give effect to the provisions under the Intercreditor Deed relating to, among others, a permitted refinancing of the Senior Liabilities, the Second Secured Liabilities or the liabilities in respect of any High Yield Notes.

Unless expressly stated otherwise in the Intercreditor Deed, the provisions of the Intercreditor Deed override anything in any of the finance documents to the contrary.

The Intercreditor Deed is governed by English law.



## GLOSSARY OF SELECTED TERMS

<b>Term</b>	<b>Definition</b>
Acetone .....	Byproduct of the production of phenol. Is used in the production of methylmethacrylate, polymethylmethacrylate, acrylate and Bisphenol A and acetone-based solvents.
Acetonitrile.....	Co-produced in the manufacture of acrylonitrile and is largely used in solvents.
Acrylic acid.....	Produced from propylene and used in manufacturing absorbent polymers, coatings and adhesives/sealants.
Acrylonitrile (ACN).....	A commodity used in a wide variety of consumer applications. Used in the production of acrylic fiber, acrylonitrile butadiene styrene and styrene acrylonitrile. Is manufactured from propylene, ammonia and air with the use of a catalyst.
Acrylonitrile-butadiene styrene (ABS).....	A tough thermoplastic that has a variety of consumer appliance and automotive component uses. Made from acrylonitrile, butadiene and styrene.
Additive.....	An ingredient added to a chemical reaction, usually in polymerization reactions, to impart additional performance properties on the resulting product.
Alkoxyate (Alkox) .....	The addition of an epoxide to an alcohol, or other reactive OH group. Typical industrially important epoxides are ethylene oxide and propylene oxide. Alkoxyates are used in a variety of applications including cosmetics, industrial cleaners and oil and gas processing chemicals.
Alphamethylstyrene (AMS).....	Formed as an intermediate product during phenol and acetone production. AMS is a combustible liquid with a boiling point of 165° C, similar in its chemical nature to cumene or gasoline and is used as a modifier in the manufacture of heat resistant ABS resins with applications in the automotive and electrical industries for water heaters and household equipment.
Alpha olefins (AO).....	See “Linear alpha olefins” and “Poly alpha olefins.”
Ammonia.....	Used in the manufacture of acrylonitrile, although its largest end use is in the manufacture of fertilizers. Made from nitrogen and hydrogen with the use of a catalyst.
Aromatics.....	Hydrocarbons that are in a ring formation instead of a linear formation. The major products comprising this group are: benzene, toluene, mixed xylenes, ortho-xylene and para-xylene.
Barrel or bbl.....	Barrel of crude oil, 159 liters by volume.
Benzene.....	A building block for styrene and is also used to make cumene and nylon. Mainly produced from refinery processes or as a co-product of steam cracker operations.
Bisphenol A.....	An intermediate product produced from acetone and phenol used to produce polycarbonate and epoxy-resins.
Butadiene (BD) .....	A gas, one of the co-products of the steam cracking process and is used primarily in the production of polymers, principally synthetic rubbers, such as styrene butadiene rubber, which is used to manufacture tires and other rubber products.
Catalyst.....	An ingredient added to facilitate a chemical reaction, but which does not itself get consumed during the reaction process.
Comonomer.....	An additional monomer used in a polymerization reaction to offer additional properties to a polymer.
Copolymer.....	A polymer created by the polymerization of one or more additional monomers (comonomers) to offer additional properties to the resulting polymer.
Cracker.....	See “Olefins cracker.”
Cracking.....	The conversion of large hydrocarbon molecules into smaller ones. Carried out either at high temperatures (thermal cracking), or with the aid of a catalyst and high pressure (catalytic cracking and hydrocracking). The cracking process enables greater quantities of saturated hydrocarbons suitable for gasoline and other light hydrocarbon fractions to be recovered from crude oil.



Cumene .....	Produced from benzene and propylene and is used as a feedstock for producing phenol/acetone, which have a large number of uses in the manufacture of plastics and resins.
Cyclopentane (CP) .....	The highest non-polar cycloalkane solvent used by the chemical industry. Cyclopentane is a non-ozone depleting substitute for chlorofluorocarbons (CFCs) principally used as a blowing agent in foam manufacture.
Ethane.....	A colourless, odourless gas which is a byproduct of petroleum refining. Primarily used as a petrochemical feedstock for ethylene production.
Ethanolamine .....	An ethylene oxide derivative. Major applications are herbicides, surfactants (used in personal care products and detergent formulations), cement additives, textile chemicals and pigments.
Ethylbenzene.....	An intermediate made from benzene and ethylene and used to make styrene. Virtually all worldwide ethylbenzene production is consumed in the manufacture of styrene.
Ethylene .....	A flammable gas obtained in a process called steam cracking. Itself has no consumer applications, but is the basic feedstock for a large number of industrial uses, including the manufacture of polyethylene. Is a key building block for polyethylene, polystyrene, ethylene oxide and other derivatives.
Ethylene glycol (EG).....	An industrial chemical primarily used in the manufacture of polyesters and antifreeze/coolants. Produced from ethylene oxide.
Ethylene oxide (EO).....	A commodity monomer used as a building block for the manufacture of a wide range of products and intermediates in the chemical industry. Mainly used to produce ethylene glycol and industrial detergents. The products derived from ethylene oxide have many familiar applications and coolants for auto engines, polyester fibers and film. Manufactured from ethylene and oxygen.
Ethylene propylene diene monomer	Made from a combination of ethylene, propylene and another monomer containing two double bonds. Key end use applications after further processing and reaction, are for roofing materials and automotive seals.
Ethylene nonbornene (ENB) monomer .....	Made by reacting butadiene with cyclopentadiene and used as a monomer in the production of rubbers ethylene propylene diene monomer (EPDM) rubbers, used for example in applications such as roofing.
Feedstocks.....	Crude oil and other hydrocarbons used as basic materials in a refining or manufacturing process.
Forties Pipeline System.....	The pipeline that carries crude oil from a variety of oil fields in the North Sea to the mainland.
Fractionator .....	Splits gas into its components ethane, propane, butane and other natural gas liquids.
Gas .....	Includes methane, ethane, butane and propane.
Glycol ethers .....	Used as solvents in paints, inks and cleaning fluids and are derivatives of ethylene oxide.
High-density polyethylene .....	A type of polyethylene and is a relatively tough thermoplastic. Most common household use is container plastics. Also commonly used for molding, pipe and thin film applications.
Homopolymers.....	Polymers that are created by the polymerization of a single monomer.
Hydrocarbons .....	All compounds that consist of hydrogen and carbon. These include crude oil, natural gas, gas, olefins and their derivatives.
Hydrogen cyanide .....	Manufactured as a co-product of acrylonitrile. Is an extremely hazardous gas used mainly to produce polymers, coatings and nylon, and for chemicals used in gold extraction.
Isoamylene (IA) .....	Used in the synthesis of many chemicals and chemical intermediates, with numerous applications including flavors, fragrances, pesticides and pharmaceuticals.
kta.....	Kilotonnes per annum.
Linear alpha olefins (LAO).....	Hydrocarbons in a straight chain formation which have physical characteristics and commercial uses that vary according to the length of the hydrocarbon chain. Are co-monomers for certain types of polyethylene. They also have applications as surfactant intermediates,



	base oil for synthetic lubricants and drilling fluids. They are made from ethylene.
Linear low-density polyethylene.....	A type of polyethylene and has basic properties similar to low-density polyethylene. Low-density polyethylene and linear low-density polyethylene are to a certain extent substitutes. The most significant end use for linear low-density polyethylene is film.
Liquefied petroleum gas (LPG).....	A mixture of gases, usually propane and butane, used as fuel in heating appliances and vehicles and also as a petrochemical feedstock.
Low-density polyethylene (LDPE) .	The first type of polyethylene invented. Its most common household use is in plastic bags.
Methylmethacrylate.....	Produced from acetone and is used to manufacture polymethylmethacrylate resins.
Monomer.....	Feedstock material for the manufacture of polymers and derivative products.
Naphtha.....	A refinery product that is used as a gasoline component, but also serves as feedstock for petrochemical plants.
Natural gas liquids.....	Generally comprise a mixture of ethane, propane, butanes and smaller amounts of other lighter hydrocarbons.
Nitriles.....	Used to describe acrylonitrile, its co-products and other products produced from ammonia feedstock.
Olefins.....	Including ethylene and propylene, are the key building blocks of the petrochemical industry and produce a large range of derivative products.
Olefins cracker.....	Breaks down naphtha or other gas feedstocks into olefins, principally ethylene and propylene.
Oxo-alcohols.....	A feedstock for intermediates which are used in many soft plastic products and solvent applications. They are largely produced from propylene feedstock.
Ppm.....	Parts per million.
Phenol.....	Produced from cumene, and is used in the production of Bisphenol A, as well as phenolic resins and caprolactam.
Poly alpha olefins (PAO).....	Made by polymerizing, or merging, several linear alpha olefins together and are used in a large number of automotive and industrial applications (mainly as synthetic lubricants).
Polybutene (PIB).....	Made by polymerizing iso-butylene into molecules of various molecular weight ranging from around 60 to 18,000 and used in a wide range of industrial applications in lubricants, adhesives, sealants, agricultural film, tyre manufacturing, and a number of smaller specialty applications including cosmetics.
Polycarbonate.....	An engineering thermoplastic polymer which, due to its superior optical qualities, structural strength and weight, has a wide range of uses, including CDs and DVDs, optic-fibers, optical lenses, structural parts in cars and trucks and housings for electrical household appliances and office equipment.
Polyethylene.....	The world's most used thermoplastic (including high-density polyethylene, low-density polyethylene and linear low-density polyethylene). Manufactured by the polymerization of ethylene and co-monomers. Used primarily to produce films for packaging, agricultural applications, molded products, pipes and coatings.
Polyethylene terephthalate (PET)....	Made by the combination of ethylene glycol and terephthalic acid. Typical end uses include films for packaging and fibers.
Polymer.....	A chemical compound usually made up of a large number of identical components linked together into long molecular chains.
Polymethylmethacrylate resins.....	Used in a wide range of architectural and industrial applications, ranging from point of sale retail displays to glazing and decorative light panels, and compounds for molding and extrusion.
Polyolefin elastomer (POE).....	Made by polymerizing ethylene and linear alpha olefins together and are used in applications where a combination of strength and flexibility is required. The linear alpha olefin content is higher than the level needed for LLDPE.
Polypropylene (PP).....	The world's second most widely used thermoplastic after polyethylene. It is manufactured by the polymerization of propylene. It is used mainly for molding, filaments, fibers and films and is the most significant



	thermoplastic material used in molded containers and automotive applications.
Polyvinyl chloride (PVC).....	The world's third most widely used thermoplastic after polyethylene and polypropylene. It is produced by the polymerization of the vinyl chloride monomer. It is used mainly in the construction industry in the form of pipes and insulation on electric cables.
Propane.....	A gaseous hydrocarbon in its natural state but can be easily liquefied. Its major end uses are as a fuel and as a feedstock for petrochemicals.
Propane dehydrogenation (PDH) ...	Used to produce polymer-grade propylene from propane independent of a steam cracker or fluid catalytic cracking unit.
Propylene .....	A flammable gas which is largely derived either as a co-product of the refinery fluid catalytic cracker process used to make gasoline or as a co-product of the steam cracking process used to make ethylene. Has virtually no independent end use, but is an important input for a significant number of industrial products, and is the main feedstock used to make polypropylene and acrylonitrile.
Propylene glycols.....	An industrial chemical, mainly used to produce polyester, paints and coatings, airplane de-icers, antifreeze and industrial coolants, made from propylene oxide.
Propylene oxide.....	Used in manufacture of polyurethane foams and to make propylene glycols. Primarily made from propylene feedstock.
Solvents.....	Used to dissolve solids and keep them in liquid form.
Specialty Oligomers (SO) .....	Specialty Oligomers consist of two distinct ranges of products: first, oligomers of iso-butylene, ranging from dimers to tetramers going into production of tackifiers for tyre manufacture, compressor oils, reference fuels, solvents, cosmetics and some other specialties. Second, iso-amylene, iso-pentane and cyclopentane, all extracted from a crude C5 stream and going into production of fragrances, anti-oxidants, hydrocarbon resins, catalysts, fungicides and blowing agents.
Spot market .....	A term used to describe the international trade in one-off cargoes or shipments of commodities, such as crude oil, in which prices closely follow demand and availability.
Thermoplastic.....	A plastic which softens when heated and hardens again when cooled. Includes polyethylene, polypropylene and polystyrene.
Turnaround.....	Temporary shutdown of a refinery or petrochemical production facility for required maintenance. Can be scheduled (planned, routine maintenance, inspections and tests to comply with industry regulations) or unscheduled (in response to an unexpected outage or plant failure).
Ultra high molecular weight polyethylene (UHMWPE) .....	Made by polymerizing ethylene to form very long chains. They are useful, for example, in applications in which high resistance to chemicals or abrasion is required.



## INDEX TO THE FINANCIAL STATEMENTS

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To the Shareholders of  
INEOS Group Holdings S.A.  
62, Avenue de la Liberté  
L - 1930 Luxembourg

## REPORT OF THE *REVISEUR D'ENTREPRISES AGRÉÉ*

### Report on the Audit of the Consolidated Financial Statements

#### *Opinion*

We have audited the consolidated financial statements of INEOS Group Holdings S.A. and its subsidiaries (the "Group"), which comprise the consolidated balance sheet as at December 31, 2024, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

#### *Basis for Opinion*

We conducted our audit in accordance with the Law of July 23, 2016 on the audit profession (Law of July 23, 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the *Commission de Surveillance du Secteur Financier* (CSSF). Our responsibilities under the Law of July 23, 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the *réviseur d'entreprises agréé* for the Audit of the consolidated financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### *Other information*

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated annual report but does not include the consolidated financial statements and our report of the *réviseur d'entreprises agréé* thereon.

Société à responsabilité limitée au capital de 360.000 €  
RCS Luxembourg B 67.895  
Autorisation d'établissement 10022179

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Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. 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 this fact. We have nothing to report in this regard.

### ***Responsibilities of the Board of Directors and Those Charged with Governance for the consolidated financial statements***

The Board of Directors is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

### ***Responsibilities of the réviseur d'entreprises agréé for the Audit of the consolidated financial statements***

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the *réviseur d'entreprises agréé* that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 consolidated financial statements.

As part of an audit in accordance with the Law of July 23, 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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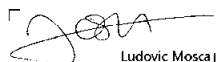
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the *réviseur d'entreprises agréé* to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the *réviseur d'entreprises agréé*. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Report on Other Legal and Regulatory Requirements

The consolidated annual report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

For Deloitte Audit, *Cabinet de révision agréé*



Ludovic Mosca

Ludovic Mosca, *Réviseur d'entreprises agréé*  
Partner

March 19, 2025



## INEOS Group Holdings S.A.

### CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023	2022
			€m	
<b>Revenue</b> .....	2	<b>16,179.7</b>	<b>14,885.0</b>	<b>20,927.0</b>
Cost of sales .....		<u>(14,368.1)</u>	<u>(13,447.6)</u>	<u>(18,313.2)</u>
<b>Gross profit</b> .....		<b>1,811.6</b>	<b>1,437.4</b>	<b>2,613.8</b>
Distribution costs .....		(278.5)	(214.9)	(209.1)
Administrative expenses before exceptional items		(510.5)	(509.3)	(399.2)
Exceptional administrative expense .....	4	(29.5)	(6.1)	(4.2)
Exceptional gain arising on acquisition.....	4	119.7	-	-
Total administrative expenses .....		<u>(420.3)</u>	<u>(515.4)</u>	<u>(403.4)</u>
<b>Operating profit</b> .....	5	<b>1,112.8</b>	<b>707.1</b>	<b>2,001.3</b>
Share of (loss)/profit of associates and joint ventures using the equity accounting method.....	12a	(145.7)	(149.2)	147.2
Profit/(loss) on disposal of investments .....	12a	52.5	(0.3)	270.6
Loss on disposal of property, plant and equipment.....		<u>(0.2)</u>	<u>(1.4)</u>	<u>(0.6)</u>
<b>Profit before net finance costs</b> .....		<b>1,019.4</b>	<b>556.2</b>	<b>2,418.5</b>
Finance income before exceptional item.....	8	281.3	646.7	279.9
Exceptional finance income .....	4	16.7	-	-
Total finance income.....		<u>298.0</u>	<u>646.7</u>	<u>279.9</u>
Finance costs before exceptional item.....	8	(1,343.2)	(786.6)	(415.8)
Exceptional finance cost .....	4	(45.3)	(8.5)	-
Total finance costs .....		<u>(1,388.5)</u>	<u>(795.1)</u>	<u>(415.8)</u>
Net finance cost.....		<u>(1,090.5)</u>	<u>(148.4)</u>	<u>(135.9)</u>
<b>(Loss)/profit before tax</b> .....		<b>(71.1)</b>	<b>407.8</b>	<b>2,282.6</b>
Tax charge.....	9	(78.8)	(98.7)	(282.0)
<b>(Loss)/profit for the year</b> .....		<b><u>(149.9)</u></b>	<b><u>309.1</u></b>	<b><u>2,000.6</u></b>

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



## INEOS Group Holdings S.A.

### CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023	2022
			€m	
(Loss)/profit for the year.....		(149.9)	309.1	2,000.6
<b>Other comprehensive income/(expense):</b>				
<b>Items that will not be reclassified to profit or loss:</b>				
Remeasurements of post employment benefit obligations net of tax.....	9	72.0	(68.5)	173.2
		<u>72.0</u>	<u>(68.5)</u>	<u>173.2</u>
<b>Items that may subsequently be reclassified to profit or loss:</b>				
Foreign exchange translation differences .....		(91.7)	(36.5)	1.1
Net gain/(loss) on translation of foreign operations and hedge of net investment in foreign operations net of tax.....	9, 24e	604.8	(545.4)	193.5
		<u>513.1</u>	<u>(581.9)</u>	<u>194.6</u>
<b>Other comprehensive income/(expense) for the year net of tax .....</b>		<u>585.1</u>	<u>(650.4)</u>	<u>367.8</u>
<b>Total comprehensive income/(expense) for the year.....</b>		<u>435.2</u>	<u>(341.3)</u>	<u>2,368.4</u>

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



## INEOS Group Holdings S.A.

### CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2024

	Note	2024	2023	2022
<b>Non-current assets</b>				
<b>€m</b>				
Property, plant and equipment .....	10	12,362.1	9,739.5	9,013.0
Intangible assets .....	11	1,233.6	1,065.9	1,061.4
Investments in equity-accounted investees .....	12a	1,759.3	1,832.9	1,462.9
Financial assets at fair value through other comprehensive income .....	13	27.1	27.1	28.3
Derivative financial instruments .....	14	0.2	25.4	119.4
Employee benefits.....	20	44.0	38.1	35.0
Trade and other receivables .....	17	2,409.0	2,173.2	1,365.5
Deferred tax assets .....	15	225.6	137.6	118.3
		<u>18,060.9</u>	<u>15,039.7</u>	<u>13,203.8</u>
<b>Current assets</b>				
Inventories .....	16	1,965.9	1,588.6	1,927.3
Trade and other receivables .....	17	2,165.9	1,833.3	2,108.4
Tax receivable.....		34.9	68.1	13.0
Derivative financial instruments .....	14	66.6	67.4	22.8
Cash and cash equivalents .....	27	2,477.0	1,774.1	2,639.1
		<u>6,710.3</u>	<u>5,331.5</u>	<u>6,710.6</u>
<b>Total assets .....</b>		<b><u>24,771.2</u></b>	<b><u>20,371.2</u></b>	<b><u>19,914.4</u></b>
<b>Equity attributable to owners of the parent</b>				
Share capital.....	22	0.9	0.9	0.9
Share premium.....		150.1	150.1	150.1
Other reserves .....		(1,573.1)	(2,330.2)	(1,679.8)
Retained earnings.....		6,511.9	6,661.8	7,050.2
<b>Total equity .....</b>		<b><u>5,089.8</u></b>	<b><u>4,482.6</u></b>	<b><u>5,521.4</u></b>
<b>Non-current liabilities</b>				
Interest-bearing loans and borrowings .....	18	12,066.3	9,402.1	8,445.5
Lease liabilities .....	25	828.0	894.8	927.0
Trade and other payables .....	19	184.3	153.6	107.4
Employee benefits.....	20	830.0	742.3	630.2
Provisions .....	21	22.3	34.3	32.4
Deferred tax liabilities .....	15	850.9	749.3	837.4
Derivative financial instruments .....	14	34.8	43.1	-
		<u>14,816.6</u>	<u>12,019.5</u>	<u>10,979.9</u>
<b>Current liabilities</b>				
Interest-bearing loans and borrowings .....	18	754.9	588.0	308.3
Lease liabilities .....	25	201.9	175.1	162.3
Trade and other payables .....	19	3,297.9	2,593.3	2,445.1
Tax payable.....		531.5	432.7	464.3
Derivative financial instruments .....	14	66.6	73.9	26.0
Provisions .....	21	12.0	6.1	7.1
		<u>4,864.8</u>	<u>3,869.1</u>	<u>3,413.1</u>
<b>Total liabilities.....</b>		<b><u>19,681.4</u></b>	<b><u>15,888.6</u></b>	<b><u>14,393.0</u></b>
<b>Total equity and liabilities.....</b>		<b><u>24,771.2</u></b>	<b><u>20,371.2</u></b>	<b><u>19,914.4</u></b>

These financial statements were approved by the board of directors on 19 March 2025 and were signed on its behalf by:

Peter Huyck  
Director

Florence Bardot  
Director

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



## INEOS Group Holdings S.A.

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2024

	Share capital	Share premium	Other reserves	Retained earnings	Total equity
			€m		
<b>Balance at 1 January 2022</b> .....	0.9	585.6	(2,047.6)	4,814.1	3,353.0
Profit for the year.....	-	-	-	2,000.6	2,000.6
<b>Other comprehensive income:</b>					
Foreign exchange translation differences.....	-	-	1.1	-	1.1
Net gain on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e).....	-	-	193.5	-	193.5
Remeasurements of post employment benefit obligations (see Note 9).....	-	-	173.2	-	173.2
<b>Total other comprehensive income</b> .....	-	-	367.8	-	367.8
<b>Transactions with owners, recorded directly in equity:</b>					
Transfer to retained earnings.....	-	(435.5)	-	435.5	-
Dividend (see Note 23).....	-	-	-	(200.0)	(200.0)
<b>Balance at 31 December 2022</b> .....	0.9	150.1	(1,679.8)	7,050.2	5,521.4
Profit for the year.....	-	-	-	309.1	309.1
<b>Other comprehensive expense:</b>					
Foreign exchange translation differences.....	-	-	(36.5)	-	(36.5)
Net loss on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e).....	-	-	(545.4)	-	(545.4)
Remeasurements of post employment benefit obligations (see Note 9).....	-	-	(68.5)	-	(68.5)
<b>Total other comprehensive expense</b> .....	-	-	(650.4)	-	(650.4)
<b>Transactions with owners, recorded directly in equity:</b>					
Dividend (see Note 23).....	-	-	-	(697.5)	(697.5)
<b>Balance at 31 December 2023</b> .....	0.9	150.1	(2,330.2)	6,661.8	4,482.6
Loss for the year.....	-	-	-	(149.9)	(149.9)
<b>Other comprehensive income/(expense):</b>					
Foreign exchange translation differences.....	-	-	(91.7)	-	(91.7)
Net gain on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e).....	-	-	604.8	-	604.8
Remeasurements of post employment benefit obligations (see Note 9).....	-	-	72.0	-	72.0
<b>Total other comprehensive income</b> .....	-	-	585.1	-	585.1
<b>Transactions with owners, recorded directly in equity:</b>					
Contribution on common control transaction (see Note 3).....	-	-	172.0	-	172.0
<b>Balance at 31 December 2024</b> .....	0.9	150.1	(1,573.1)	6,511.9	5,089.8

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



**INEOS Group Holdings S.A.**

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)**

**Analysis of other reserves**

	<u>Translation reserve</u>	<u>Employee benefits</u>	<u>Merger reserve</u>	<u>Total other reserves</u>
	€m			
<b>Balance at 1 January 2022</b> .....	<b>(540.2)</b>	<b>(706.7)</b>	<b>(800.7)</b>	<b>(2,047.6)</b>
Foreign exchange translation differences .....	1.1	-	-	1.1
Net gain on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e) .....	193.5	-	-	193.5
Remeasurements of post employment benefit obligations ..	-	173.2	-	173.2
<b>Balance at 31 December 2022</b> .....	<b>(345.6)</b>	<b>(533.5)</b>	<b>(800.7)</b>	<b>(1,679.8)</b>
Foreign exchange translation differences .....	(36.5)	-	-	(36.5)
Net loss on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e) .....	(545.4)	-	-	(545.4)
Remeasurements of post employment benefit obligations ..	-	(68.5)	-	(68.5)
<b>Balance at 31 December 2023</b> .....	<b>(927.5)</b>	<b>(602.0)</b>	<b>(800.7)</b>	<b>(2,330.2)</b>
Foreign exchange translation differences .....	(91.7)	-	-	(91.7)
Net gain on translation of foreign operations and hedge of net investment in foreign operations net of tax (see Note 9, 24e) .....	604.8	-	-	604.8
Remeasurements of post employment benefit obligations ..	-	72.0	-	72.0
Contribution on common control transaction (see Note 3) ..	-	-	172.0	172.0
<b>Balance at 31 December 2024</b> .....	<b>(414.4)</b>	<b>(530.0)</b>	<b>(628.7)</b>	<b>(1,573.1)</b>

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



## INEOS Group Holdings S.A.

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024

	Note	2024	2023	2022
<b>Cash flows from operating activities</b>				€m
(Loss)/profit before tax .....		(71.1)	407.8	2,282.6
Adjustments for:				
Depreciation and impairment.....	10	1,007.9	935.2	830.3
Amortisation and impairment .....	11	17.9	36.8	4.8
Net finance cost .....	4,8	1,090.5	148.4	135.9
Share of loss/(profit) of equity-accounted investees .....	12a	145.7	149.2	(147.2)
(Profit)/loss on disposal of investments .....	3, 12a	(52.5)	0.3	(270.6)
Loss on sale of property, plant and equipment.....		0.2	1.4	0.6
Decrease in trade and other receivables .....		107.0	249.7	373.1
(Increase)/decrease in inventories .....		(7.2)	336.9	(92.6)
Decrease in trade and other payables .....		(109.5)	(447.9)	(238.9)
(Decrease)/increase in provisions and employee benefits.....		(6.0)	(3.9)	10.8
Tax paid .....		(74.1)	(226.0)	(148.1)
<b>Net cash from operating activities .....</b>		<b>2,048.8</b>	<b>1,587.9</b>	<b>2,740.7</b>
<b>Cash flows used in investing activities</b>				
Proceeds from sale of property, plant and equipment .....		2.5	-	0.4
Proceeds from sales of investments .....		-	0.8	-
Interest and other finance income received.....		98.9	98.1	31.1
Dividends received .....		6.2	2.0	4.4
Disposal of businesses, net of cash disposed .....		-	9.7	-
Acquisition of businesses, net of cash acquired.....	3	(936.7)	(230.5)	-
Acquisition of intangible assets .....		(5.1)	(14.7)	(128.8)
Acquisition of property, plant and equipment.....		(1,749.5)	(1,451.2)	(1,036.4)
Acquisition of equity-accounted investees.....	12a	-	-	(1,460.7)
Loans to related parties .....		-	(1,121.2)	-
<b>Net cash used in investing activities.....</b>		<b>(2,583.7)</b>	<b>(2,707.0)</b>	<b>(2,590.0)</b>
<b>Cash flows from financing activities</b>				
Inventory Financing Facility.....		106.3	(40.0)	(40.5)
Proceeds from new Senior Secured Notes .....		1,519.1	790.9	-
Repayment of Senior Secured Notes.....		(1,154.3)	-	-
Proceeds from new Senior Secured Term Loans .....		1,003.5	1,803.9	513.6
Repayment of Senior Secured Term Loans.....		-	(1,982.1)	-
Net proceeds from Rain Term Loan.....		-	236.1	647.8
Repayment of Rain Term Loan.....		(73.9)	-	-
Issue costs paid .....		(44.1)	(248.4)	(93.4)
Interest paid and other finance items .....		(920.2)	(624.3)	(205.4)
Proceeds from Project One Facilities .....		1,366.8	522.0	-
Proceeds from Project One Interim Facility.....		35.0	365.0	-
Repayment of Project One Interim Facility .....		(400.0)	-	-
Proceeds from O&P South revolving credit facility.....		13.0	-	-
Proceeds from other loans.....		-	-	126.4
Repayment of loans .....		(110.5)	(86.4)	(279.9)
Dividends paid .....	23	-	(250.0)	(200.0)
Capital element of lease payments.....		(206.3)	(171.2)	(163.3)
<b>Net cash from financing activities.....</b>		<b>1,134.4</b>	<b>315.5</b>	<b>305.3</b>



## INEOS Group Holdings S.A.

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2024 (continued)

	<u>Note</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>
			€m	
Net increase/(decrease) in cash and cash equivalents .....	27	599.5	(803.5)	456.0
Cash and cash equivalents at 1 January .....	27	1,774.1	2,639.1	2,106.1
Effect of exchange rate fluctuations on cash held .....		<u>103.4</u>	<u>(61.5)</u>	<u>77.0</u>
<b>Cash and cash equivalents at 31 December .....</b>	<b>27</b>	<b><u>2,477.0</u></b>	<b><u>1,774.1</u></b>	<b><u>2,639.1</u></b>

The notes on pages F-12 to F-96 are an integral part of these consolidated financial statements.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 1. ACCOUNTING POLICIES

#### Overview

INEOS Group Holdings S.A. (the “Company”) is a company incorporated and domiciled in the form of a société anonyme under the laws of the Grand-Duchy of Luxembourg, having its registered office at 62 Avenue de la Liberté L-1930, Luxembourg, Grand-Duchy of Luxembourg. The nature of the operations and principal activities of the Company and its subsidiaries are the manufacture and sale of a range of petrochemical products used in a variety of applications.

#### Basis of accounting

The Group financial statements consolidate those of the Company and its subsidiaries (together referred to as the “Group”) and equity account the Group’s interest in associates and joint ventures.

Current conflicts in Europe and the Middle East can result in fluctuations on the energy market which can lead to uncertainty on future prices; however the Directors have undertaken a rigorous assessment of the potential impact on demand for the Group’s 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.

The Group meets its day to day working capital requirements through its cash generation from Group operations. The Group held cash balances of €2,477.0 million at 31 December 2024 (2023: €1,774.1 million, 2022: €2,639.1 million) and interest-bearing loans and borrowings (net of debt issue costs) of €12,821.2 million at 31 December 2024 (2023: €9,990.1 million, 2022: €8,753.8 million) of which €754.9 million is due to be repaid within 12 months of signing the financial statements. The Directors have considered the Group’s projected future cash flows and working capital requirements and are confident that the Group 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 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 €5,089.8 million as at 31 December 2024 (2023: €4,482.6 million, 2022: €5,521.4 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.

The Group financial statements have been prepared and approved by the directors in accordance with IFRS Accounting Standards as adopted by the European Union in response to the IAS regulation (EC 1606/2002) effective as of 31 December 2024 and have been approved for issuance by the Board of Directors on 19 March 2025.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

#### Measurement convention

The financial statements are prepared on the historical cost basis except for derivative financial instruments, financial instruments classified as fair value through the profit or loss or fair value through other comprehensive income (FVOCI) which are stated at their fair value.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 1. ACCOUNTING POLICIES (continued)

#### Functional and presentation currency

These Group financial statements are presented in euro, which is the functional currency of the majority of operations, with other significant currencies being USD and Sterling. The Group's primary products are sold in an international commodities market which is priced and invoiced primarily in euros.

All financial information presented in euro has been rounded to the nearest €0.1 million.

#### 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 2024, with effect from 1 January 2024, although there has been no material effect on the Group's financial statements:

- Amendments to IAS 1 *Presentation of Financial Statements* – Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

The amendments to IAS 1 *Presentation of Financial Statements* now require that the group must have a right to defer settlement at the reporting date and that its liability must have substance for it to be current. The amendments also reconfirm that only covenants with which the Group must comply on or before the reporting date affect the classification of a liability as current or non-current.

Following the amendments, the Group is required to disclose information on non-current liabilities, which are subject to future covenants, to help users understand the risk that those liabilities could become repayable within 12 months after the reporting date.

- Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures* – Supplier Finance Arrangements

The amendments introduce requirements for the group to provide specific qualitative and quantitative information about its supplier finance arrangements that would enable users to assess the effects of these arrangements on the group's liabilities and cash flows. Under the amendments, the Group is required to disclose the type and effect of non-cash changes in the carrying amounts of the financial liabilities that are part of a supplier finance arrangement.

The amendments to IFRS 7 *Financial Instruments: Disclosures* add supplier finance arrangements as additional quantitative liquidity risks to be considered for disclosures concerning the Group's financial liabilities.

- Amendments to IFRS 16 *Leases* – Lease Liability in a Sale and Leaseback

The Amendments to IFRS 16 *Leases* impact how the Group, as a seller-lessee, accounts for variable lease payments that arise in a sale-and-leaseback transaction. The amendments introduce a new accounting model for variable payments and will require the Group, on initial recognition, to include variable lease payments when it measures a lease liability arising from a sale-and-leaseback. After initial recognition, the Group applies the general requirements for subsequent accounting of the lease liability such that it recognises no gain or loss relating to the right of use it retains.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 1. ACCOUNTING POLICIES (continued)

#### 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 values 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**Basis of consolidation (continued)**

*Special purpose entities ("SPE")*

An 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 an SPE, INEOS Finance Ireland Limited, for a debt securitisation programme. The Group does not have any direct or indirect shareholdings in this SPE. INEOS Finance Ireland Limited is controlled by the Group as it was 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 and its assets. INEOS Finance Ireland Limited is therefore regarded as an SPE and has been consolidated in these financial statements.

*Associates*

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*

The Group applies IFRS 11 to all joint arrangements. Under IFRS 11 investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. 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 in 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**Basis of consolidation (continued)**

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.

**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.

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 other comprehensive income (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.

**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 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**Non-derivative financial instruments (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 and hedging**

*Derivative financial instruments*

Derivative financial instruments are initially recognised at fair value. The gain or loss on subsequent re-measurement to fair value is recognised immediately in the consolidated income statement as finance income or expense. Where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 1. ACCOUNTING POLICIES (continued)

#### Hedge of net investment of foreign operation

The Group applied hedge accounting to foreign exchange differences arising on the retranslation of a foreign currency loan where the loan is designated as a hedge of a net investment in a foreign operation in accordance with IFRS 9.

Most commonly this means that exchange differences arising on retranslation of foreign currency loans designated as a net investment hedge are recognised in the consolidated statement of comprehensive income. Gains and losses accumulated in the translation reserve will be recycled to the statement of comprehensive income when the foreign operation is sold.

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in the income statement. The amount recognised in OCI is reclassified to the income statement as a reclassification adjustment on disposal of the foreign operation.

#### 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 - 40 years
- Plant and equipment and fixtures and fittings 3 - 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**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 a distributable merger reserve.

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.

*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 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 |

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.

**Impairment of financial assets**

*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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**Impairment of financial assets (continued)**

*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.

**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.

**Inventories**

Inventories 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (*continued*)

**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.

**IFRS 16 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.

***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 recognized 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (*continued*)

**IFRS 16 Leases (*continued*)**

*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.

**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.

*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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 1. ACCOUNTING POLICIES (continued)

#### Provisions

A provision is recognised in the consolidated balance sheet when the Group has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### 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.

#### 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 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.

Services provided to third parties include administrative and operational services provided to other chemical companies with facilities on our sites and services under tolling arrangements. Under tolling arrangements, customers pay for or provide raw materials to be converted into certain specified products, for which the Group charges a toll fee. The Group only recognises toll fee as revenue earned under such arrangements upon shipment of the converted product to the customer as this is the point at which the control of the service is transferred to the buyer. For all other services, revenue is recognised at a point in time. There are no arrangements of significance which transfer goods or services over time.

#### Finance income and expenses

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 gross 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 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 foreign exchange gains.

#### 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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

1. ACCOUNTING POLICIES (continued)

**Taxation (continued)**

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.

**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 Committee of the ultimate parent undertaking, INEOS Limited.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components and for which discrete financial information is available. An operating segment's operating results are reviewed regularly by the chief operating decision-makers to make decisions about resources to be allocated to the segment and assess its performance.

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.

Segment capital expenditure is the total payments made during the period to acquire property, plant and equipment other than as acquired through business combinations.

**Emission trading scheme**

The Group participates in the EU and UK Emissions Trading Scheme. The Schemes encourage 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 Emissions Trading Schemes are recognised in the consolidated income statement once the reduction targets have been met. The emissions permits allocated under the Schemes are at nil cost. The Group recognises the revenue from such permits upon their sale to third parties.

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.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)**

**1. ACCOUNTING POLICIES (continued)**

**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. This may include the disposal of businesses, the impairment of non-current assets, gain on bargain business acquisitions, the cost of restructuring acquired or existing businesses, site closures and demolition costs, 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.

**Accounting standards not applied**

A number of new standards and amendments, some of which are yet to be endorsed by the European Financial Reporting Advisory Group as at 31 December 2024, have been issued by the IASB, are effective for annual periods beginning after 1 January 2025 and earlier application is permitted; however, 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 except for IFRS 18 *Presentation and Disclosure in Financial Statements* for which the impact assessment is still at an early stage. The new standards and amendments are as follows:

- Amendments to IAS 21: *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability* (effective date 1 January 2025).
- Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures – Settlement by Electronic Payments and Classification of Financial Instruments with ESG-linked Features* (effective date 1 January 2026).
- Amendments to IFRS 9 *Financial Instruments*, IFRS 15 *Revenue from Contracts with Customers* and IFRS 16 *Leases – Annual Improvements to IFRS Accounting Standards: Targeted amendments to IFRS Accounting Standards to improve clarity and consistency* (effective date 1 January 2026).
- IFRS 18 *Presentation and Disclosure in Financial Statements* (effective date 1 January 2027).

**2. OPERATING SEGMENTS**

The determination of the Group's operating segments is based on the business units for which information is reported to the Group's Chief Operating Decision Maker. The Group has three reportable segments, as described below.

The Group's Olefins and Polymers business units produce olefins and related products and a broad range of polymers. The Group's olefins businesses are focused on ethylene and propylene, which are the two largest volume olefins globally and are key building blocks for polymers. These olefins are primarily used as feedstock for the Group's polymers business. In addition, the Group sells olefins to third party customers for a variety of industrial and consumer applications, including plastics, rubber and fibre.

- O&P North America segment – In North America, the Group's olefins and polymers business comprises five sites including major facilities in Chocolate Bayou, Texas, and Battleground, Texas.
- O&P Europe segment – In Europe, the Group owns and operates three major cracker complexes, in Köln, Germany, Rafnes, Norway, and Lavera, France. This includes polymers and derivatives units.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 2. OPERATING SEGMENTS (continued)

- Chemical Intermediates – This reportable segment is the aggregation, in compliance with IFRS 8, of a number of different business units with similar economic and other characteristics. Chemical Intermediates are high-value added chemical products used as key components in a variety of consumer and industrial products. The Group's chemical intermediates businesses are exposed to similar key commodities, namely oil and gas. They produce a range of products including phenol, alpha olefins, solvents, industrial chemicals and nitriles. The Chemical Intermediates processes are similar in that they are all capital intensive and based upon processing and mixing chemical raw materials to produce chemical products for the next stage along the value chain. The Chemical Intermediates products are distributed on a business-to-business basis across the world. This is performed using similar conventional methods of pipeline, truck, rail or ship container depending on the customer location and size of the order. The Chemical Intermediates customer base is similar in that the customers are generally manufacturers of consumer and industrial products in developed markets and mature industrial economies.

The accounting policies of all of the reportable segments are as described in Note 1.

Information regarding the operations of each reportable segment is included in the following tables. Performance is measured based on earnings before interest, tax, depreciation and amortisation and exceptional items ("Segment EBITDA"). A reconciliation to IFRS profit before tax is presented in the following tables. Segment EBITDA is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis. Information regarding segments reviewed by management includes management accounts comprising the profit or loss, cash flows and other financial and non-financial information used to manage the business.

Adjustments in the following tables comprise the following items:

- Elimination of inter-segmental transactions and balances; and
- The Group's share of (loss)/profit in respect of joint ventures and associates.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

2. OPERATING SEGMENTS (continued)

Segment information – 2024

	Reportable segments			Total of reportable segments €m	Adjustments	Amounts in financial statements
	O&P North America	O&P Europe	Chemical Intermediates			
Reportable segment revenue.....	4,232.2	7,851.4	7,190.2	19,273.8	(3,094.1)	16,179.7
Reportable segment EBITDA.....	796.0	470.2	782.2	2,048.4	-	2,048.4
Depreciation and impairment of property, plant and equipment and amortisation of intangible assets.....	(305.0)	(276.6)	(444.2)	(1,025.8)	-	(1,025.8)
Exceptional administrative gains/(expenses).....	-	108.8	(18.6)	90.2	-	90.2
Share of profit/(loss) of associates and joint ventures.....	-	-	0.1	0.1	(145.8)	(145.7)
Profit on disposal of investment.....						52.5
Loss on disposal of fixed assets.....						(0.2)
Net finance cost.....						(1,090.5)
Loss before tax from continuing operations.....						(71.1)
Payments for capital expenditure.....	168.0	1,419.9	161.6	1,749.5	-	1,749.5

Major items in the adjustments column include:

- Reportable segment revenues: the elimination of inter-segmental revenues: 2024: €3,094.1 million (2023: €2,342.3 million, 2022: €3,777.5 million).
- Share of (loss)/profit of associates and joint ventures: SECCO joint venture: 2024: €(123.2) million (2023: €(149.0) million, 2022: nil). Refining joint venture: 2024: nil (2023: nil, 2022: €147.4 million).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

### 2. OPERATING SEGMENTS (continued)

#### Segment information – 2023

	Reportable segments				Adjust- ments	Amounts in financial statements
	O&P North America	O&P Europe	Chemical Inter- mediates	Total of reportable segments €m		
Reportable segment revenue .....	4,133.2	6,233.9	6,860.2	17,365.7	(2,342.3)	14,885.0
Reportable segment EBITDA .....	720.0	411.6	553.6	1,685.2	-	1,685.2
Depreciation and impairment of property, plant and equipment and amortisation of intangible assets .....	(386.8)	(196.5)	(388.7)	(972.0)	-	(972.0)
Exceptional administrative expenses ...	-	-	(6.1)	(6.1)	-	(6.1)
Share of loss of associates and joint ventures .....	-	-	(0.2)	(0.2)	(149.0)	(149.2)
Loss on disposal of investments .....						(0.3)
Loss on disposal of fixed assets .....						(1.4)
Net finance cost .....						(148.4)
Profit before tax from continuing operations .....						407.8
Payments for capital expenditure .....	243.0	976.9	231.3	1,451.2	-	1,451.2



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

2. OPERATING SEGMENTS (continued)

Segment information – 2022

	Reportable segments				Adjust- ments	Amounts in financial statements
	O&P North America	O&P Europe	Chemical Inter- mediates	Total of reportable segments		
	€m					
Reportable segment revenue .....	5,723.9	9,177.7	9,802.9	24,704.5	(3,777.5)	20,927.0
Reportable segment EBITDA .....	1,204.4	655.6	980.6	2,840.6	-	2,840.6
Depreciation and impairment of property, plant and equipment and amortisation of intangible assets .....	(314.5)	(203.8)	(316.8)	(835.1)	-	(835.1)
Exceptional administrative expenses .....	-	(4.2)	-	(4.2)	-	(4.2)
Share of (loss)/profit of associates and joint ventures .....	-	-	(0.2)	(0.2)	147.4	147.2
Profit on disposal of investments .....						270.6
Loss on disposal of fixed assets .....						(0.6)
Net finance cost .....						(135.9)
Profit before tax from continuing operations .....						2,282.6
Payments for capital expenditure .....	243.6	489.6	303.2	1,036.4	-	1,036.4



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 2. OPERATING SEGMENTS (continued)

#### Geographic segments

	Revenues		
	2024	2023	2022
	€m		
<b>Geographical information by location of customers:</b>			
Europe.....	8,698.2	7,640.0	11,933.6
Americas.....	5,517.0	5,237.5	6,749.6
Rest of World.....	1,964.5	2,007.5	2,243.8
<b>Total.....</b>	<b>16,179.7</b>	<b>14,885.0</b>	<b>20,927.0</b>
<b>Geographical information by location from which the Group derives revenue:</b>			
Europe.....	9,624.1	8,657.0	13,274.6
Americas.....	5,514.8	5,188.2	6,767.9
Rest of World.....	1,040.8	1,039.8	884.5
<b>Total.....</b>	<b>16,179.7</b>	<b>14,885.0</b>	<b>20,927.0</b>

In presenting information on the basis of geographic analysis of segments, segment revenue is based on the geographical location of customers and geographical locations from which the Group derives revenues.

Revenues from external customers for each product and service or each group of similar products and services and a geographic analysis of segment assets are not presented as the necessary information is not available and the Directors are of the opinion that the cost to develop it would be excessive.

All businesses within the Group typically sell individual cargos based on agreed price with delivery from the plant or at the customer premise. As such, the revenue is recognised as title passes, at a point in time, and there are no arrangements of significance which transfer goods or services over time. No significant contract balances arise. No costs to obtain or fulfil contracts are incurred, and therefore no related assets arise.

### 3. ACQUISITIONS

#### *Acquisition of subsidiaries in current year*

##### *Lavera Transactions*

In April 2024 the Group completed the acquisition of the cracker and derivative assets in Lavéra, France from TotalEnergies and from a number of related parties. This acquisition has fully integrated the Lavera petrochemical assets and associated pipeline infrastructure into O&P Europe and Chemical Intermediates segments and brings the entire site under common ownership.

The Group incurred acquisition related costs of €10.9 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 2024 (see Note 4).



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 3. ACQUISITIONS (continued)

#### *Lavera common control acquisition*

On 1 April 2024, the Group acquired the Lavera group of companies from a number of related parties which included 50% of the shares in the Naphtachimie, Gexaro and Appryl joint ventures. To achieve this, the Group acquired the full share capital of INEOS Chemicals France Holdings Limited and INEOS Olefins S.A. from INEOS Holdings Luxembourg S.A., as well as the full share capital of INEOS Chemicals Holdings Luxembourg S.A. from INEOS Chemicals Holdings Luxembourg II S.A.. Total consideration of €250.0 million was paid, consisting of €234.0 million paid to INEOS Holdings Luxembourg S.A. and €16.0 million to INEOS Chemicals Holdings Luxembourg II S.A..

The acquisition had the following effect on the Group's assets and liabilities, fair value was deemed to equal book value as allowable under a common control transaction:

*Provisional book value of net assets at the acquisition date:*

	€m
Property, plant and equipment .....	284.9
Intangibles .....	96.8
Investments .....	55.9
Inventories .....	180.0
Trade and other receivables .....	1,144.5
Deferred tax asset .....	43.2
Cash .....	84.3
Interest-bearing loans and borrowings .....	(112.5)
Trade and other payables .....	(1,201.7)
Lease obligations .....	(5.0)
Pension liability .....	(145.2)
Provisions .....	(3.2)
Provisional net identifiable assets and liabilities acquired .....	422.0
<b>Consideration paid:</b>	
Cash .....	250.0
<b>Difference between consideration paid and provisional net assets acquired .....</b>	<b>172.0</b>

The transaction resulted in a net cash outflow of €165.7 million, being the difference between the initial cash consideration of €250.0 million less the cash balances held by the acquired business of €84.3 million.

The fair value of acquired external trade receivables was €220.9 million, of which none was expected to be uncollectible at the date of acquisition.

A merger reserve of €172.0 million for the provisional contribution on purchase has been recognised within equity.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 3. ACQUISITIONS (continued)

#### *Lavera TotalEnergies acquisition*

On 1 April 2024, the Group acquired the business interests of TotalEnergies at the Lavera site for a total consideration of €133.6 million. This included the remaining 50% of the shares in the Naphtachimie, Gexaro and Appryl joint ventures as well as a number of other infrastructure assets. These joint ventures were previously 50/50 joint ventures between the Group following the Lavera common control acquisition and TotalEnergies.

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

*Acquiree's provisional net assets at acquisition date:*

	<b>€m</b>
Property, plant and equipment .....	409.1
Intangibles .....	9.8
Inventories .....	52.3
Trade and other receivables .....	122.1
Pension scheme asset .....	49.0
Cash .....	15.3
Interest-bearing loans and borrowings .....	(19.0)
Trade and other payables .....	(186.7)
Pension liability .....	(71.9)
Deferred tax liability .....	(9.8)
Provisions .....	(8.5)
Provisional net identifiable assets and liabilities acquired .....	361.7
<b>Consideration paid:</b>	
Cash .....	133.6
Fair value of previously held equity interest .....	108.4
<b>Total consideration .....</b>	<b>242.0</b>
<b>Difference between consideration paid and provisional net assets acquired .....</b>	<b>119.7</b>

The fair values disclosed are provisional so further work will be required to confirm final fair values. The finalisation of the work to determine the fair values of the assets and liabilities acquired will be completed within 12 months of the acquisition date.

The transaction resulted in a net cash outflow of €118.3 million, being the difference between the initial cash consideration of €133.6 million less the cash balances held by the acquired business of €15.3 million.

The fair value of acquired external trade receivables was €84.3 million, of which none was expected to be uncollectible at the date of acquisition.

Provisional negative goodwill has arisen on the acquisition of €119.7 million and as such has been credited to the consolidated income statement as an exceptional gain arising on acquisition during the year (see Note 4). This represents the excess value of provisional net assets above consideration paid as a gain on the purchase. This gain arose due to the previous joint venture arrangement restricting the ability of either party to fully utilise the assets



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 3. ACQUISITIONS (continued)

Prior to the acquisition date, the Group's interest in the joint ventures was accounted for in accordance with the equity method of accounting. As a result of the acquisition the previously held interest of 50% has been disposed of for a fair value of €108.4 million. Therefore the gain on the previously held equity interest in the joint ventures has been calculated as follows:

	€m
Fair value of previously held equity interest .....	108.4
Carrying value of equity accounted investment .....	(55.9)
<b>Gain on previously held interest in JVs recognised in income statement.....</b>	<b>52.5</b>

#### *LyondellBasell acquisition*

On 1 May 2024, the Group completed the acquisition of LyondellBasell's ethylene oxide and derivatives (EO&D) business in Bayport, Texas for total consideration of \$699.3 million (€652.7 million). The Bayport EO&D business produces high-purity ethylene oxide and associated derivatives. Access to cost-advantaged feedstocks and logistics networks contributes to its excellent performance and market reputation. This acquisition has been included within the Chemical Intermediates segment.

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

*Acquiree's provisional net assets at acquisition date:*

	€m
Property, plant and equipment .....	511.1
Intangibles .....	33.7
Inventories .....	85.2
Trade and other receivables .....	53.3
Trade and other payables .....	(11.0)
Lease obligations .....	(20.5)
Provisional net identifiable assets and liabilities acquired .....	651.8
<b>Consideration paid:</b>	
Cash .....	652.7
<b>Difference between consideration paid and provisional net assets acquired .....</b>	<b>0.9</b>

The fair values disclosed are provisional so further work will be required to confirm final fair values. The finalisation of the work to determine the fair values of the assets and liabilities acquired will be completed within 12 months of the acquisition date.

The transaction resulted in a net cash outflow of €652.7 million, being the cash consideration paid. No cash was acquired.

The fair value of acquired external trade receivables was €53.3 million, of which none was expected to be uncollectible at the date of acquisition.

The difference between consideration and the provisional net assets acquired has been recognised within intangible assets. The provisional goodwill has been allocated to the Oxide CGU and is not expected to be deductible for income tax purposes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

3. ACQUISITIONS (continued)

The Group incurred acquisition related costs of €18.6 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 2024 (see Note 4).

Since acquisition on 1 May 2024 the acquired business has contributed revenue of €241.3 million and a loss before taxation of €11.3 million for the eight month period ended 31 December 2024. If the acquisition had occurred on 1 January 2024, the acquired business would have contributed revenue of €301.7 million and a loss before taxation of €9.5 million for year ended 31 December 2024.

*Acquisition of subsidiaries in prior years*

*Mitsui Phenols*

On 31 March 2023, the Group completed the acquisition of Mitsui Phenols Singapore Ltd from Mitsui Chemicals, a leading Japanese chemicals manufacturer, for a total consideration of \$289.9 million (€273.4 million). The acquired plant in Jurong Island, Singapore produces over 1 million tonnes of product each year, including cumene, phenol, acetone, alpha-methylstyrene and bisphenol A. This acquisition forms part of the Chemicals Intermediates reporting segment and is defined as a business under IFRS 3.

The Group incurred acquisition related costs of €4.9 million relating to legal and other consultancy costs. These costs have been treated as exceptional administrative expenses in the Group's consolidated income statement in 2023.

*Effect of the acquisition on individual assets and liabilities*

<b>Acquiree's net assets at acquisition:</b>	<b>Fair values recognised on acquisition</b>
	<b>€m</b>
Property, Plant and Equipment .....	174.4
Intangible assets .....	36.0
Inventories .....	36.8
Trade and other receivables .....	44.4
Cash .....	42.9
Trade and other payables .....	(89.2)
Deferred tax liabilities .....	(14.5)
Provisions .....	(9.9)
<b>Net identifiable assets and liabilities</b> .....	<b>220.9</b>
<b>Consideration paid:</b>	
Cash .....	273.4
<b>Difference between consideration and net assets acquired</b> .....	<b>52.5</b>

If the acquisition had occurred on January 1, 2023, the acquired business would have contributed revenue of €344.9 million and loss before taxation of €64.5 million for the year ended December 31, 2023. These figures are unaudited.

The difference between consideration and net assets acquired has been recognised as goodwill within intangible assets and has arisen because the addition of the Jurong phenol and BPA assets provide a good fit with the Group's existing asset portfolio and expertise and presents significant integration opportunities with the Group's Phenol manufacturing sites in Germany, Belgium and the United States. The goodwill has been allocated to the Chemical Intermediates CGU and is not expected to be deductible for income tax purposes.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)**

**4. EXCEPTIONAL ITEMS**

	2024	2023	2022
	€m		
Exceptional administrative expense .....	29.5	6.1	4.2
Exceptional gain arising on acquisition .....	(119.7)	-	-
Exceptional finance income .....	(16.7)	-	-
Exceptional finance costs.....	45.3	8.5	-

***Exceptional administrative expense***

An exceptional administrative expense of €18.6 million has been charged during 2024 which relates to legal and professional costs for the LyondellBasell acquisition (see Note 3).

An exceptional administrative expense of €10.9 million has been charged during 2024 which relates to legal and professional costs for the Lavera acquisitions (see Note 3).

***Exceptional gain arising on acquisition***

On 1 April the Group acquired the business interests of TotalEnergies, together with the previously held equity interest in joint ventures, at the Lavera site for a total consideration of €242.0 million to purchase provisional net assets on acquisition of €383.4 million (see Note 3). The resulting provisional negative goodwill of €119.7 million has been credited to the consolidated income statement as an exceptional gain arising on acquisition during the year ended 31 December 2024.

***Exceptional finance (income)/costs***

In February 2024 the Group issued new Senior Secured Term Loans and Senior Secured Notes due 2029 (see Note 18). Proceeds were used to partly redeem €312.2 million of the 2025 and €735.7 million of the 2026 Senior Secured Notes and to provide funding for the Group's planned acquisitions and development projects. The partial redemption of these Senior Secured Notes was made at a discount to the par value. The €16.7 million income arising from this discount was classed as exceptional finance income in the year ended 31 December 2024.

Unamortised debt issue costs of €4.0 million associated with the partial redemption of the Senior Secured Notes were expensed upon the repayment of the underlying Notes and classed as an exceptional finance cost in the year ended 31 December 2024.

In June 2024 the Group completed a refinancing of the Senior Secured Term Loans (see Note 18). The Euro Term Loans due 2027 were repaid in full and replaced by €1,500 million of Euro Term Loans due 2031. Additionally, the Dollar Term Loans due 2027 and 2030 were repaid in full and replaced by a \$2,379 million tranche of Dollar Term Loans due 2030. The refinancing resulted in a substantial modification of the Euro Term Loans and therefore there was a write-off of €33.6 million of unamortised debt issue costs which has been classed as exceptional finance costs in the year ended 31 December 2024.

In December 2024 the Group issued new Senior Secured Term Loans due 2031 (see Note 18). Proceeds (including a cashless roll) were used to redeem in full the March 2026 Senior Secured Notes amounting to €78.1 million, to partly redeem the November 2025 Senior Secured Notes for €45.0 million and to repay the €425 million and \$500 million Senior Secured Term Loans due 2031 which were originally issued in February 2024. The refinancing resulted in a substantial modification of the Euro Term Loans and therefore there was a write-off of €7.4 million of unamortised debt issue costs. In addition there was a further write-off of €0.3 million of unamortised debt issue costs related to the redemption of the Senior Secured Notes which has been classed as exceptional finance costs in the year ended 31 December 2024.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

5. OPERATING PROFIT

Included in operating profit are the following:

	2024	2023	2022
		<b>€m</b>	
Research and development expensed as incurred .....	44.7	41.3	41.9
Amortisation of other intangible assets .....	17.9	36.8	4.8
Amortisation of government grants .....	(5.6)	(3.9)	(4.5)
Expenses relating to short-term leases .....	47.5	45.2	32.3
Expenses relating to leases of low value assets .....	3.0	0.7	0.8
Expenses relating to variable lease payments not included in the measurement of the lease liability .....	12.2	14.2	13.9
Income from sub-leasing of right-of-use assets .....	(0.1)	(0.1)	(12.6)
<b>Depreciation and impairment of property, plant and equipment:</b>			
Owned assets .....	803.3	751.7	655.3
Right-of-use assets .....	204.6	183.5	175.0

Auditors' remuneration:

	2024	2023	2022
		<b>€m</b>	
Audit of these financial statements .....	1.9	1.5	1.3
<b>Amounts receivable by auditors and their associates in respect of:</b>			
Audit of financial statements of subsidiaries pursuant to legislation .....	4.5	3.8	3.4
Other services relating to taxation .....	0.1	0.0	0.0
All other services .....	0.9	0.8	0.5
	<b>7.4</b>	<b>6.1</b>	<b>5.2</b>

6. STAFF NUMBERS AND COSTS

The monthly average number of persons 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:

	Number of employees		
	2024	2023	2022
Operations .....	7,377	6,216	6,074
Administration .....	1,438	1,260	1,193
Research and development .....	308	250	250
	<b>9,123</b>	<b>7,726</b>	<b>7,517</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

6. STAFF NUMBERS AND COSTS (continued)

The aggregate payroll costs of these persons were as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	€m		
Wages and salaries.....	979.0	902.6	829.7
Social security costs.....	146.3	122.7	128.4
Expenses related to defined contribution pension plans.....	9.6	14.7	20.4
Expenses related to defined benefit pension plans.....	43.3	34.9	50.4
	<u>1,178.2</u>	<u>1,074.9</u>	<u>1,028.9</u>

7. DIRECTORS' REMUNERATION

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	€m		
Salaries and other short term benefits.....	<u>1.8</u>	<u>2.0</u>	<u>1.8</u>

8. FINANCE INCOME AND COSTS

Recognised in income statement

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	€m		
<b>Finance income</b>			
Interest income on bank balances.....	86.6	86.3	27.0
Other interest receivable.....	175.6	166.9	62.3
Total interest income on financial assets not at fair value through profit or loss.....	262.2	253.2	89.3
Exchange movements.....	-	391.5	-
Net fair value gain on derivatives.....	12.9	-	186.2
Dividend income.....	6.2	2.0	4.4
Total finance income before exceptional items.....	281.3	646.7	279.9
Exceptional finance income (see Note 4).....	16.7	-	-
<b>Total finance income</b> .....	<u>298.0</u>	<u>646.7</u>	<u>279.9</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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8. FINANCE INCOME AND COSTS (continued)

	2024	2023	2022
	€m		
<b>Finance costs</b>			
Interest payable on senior notes .....	165.4	90.9	44.8
Interest payable on bank loans and overdrafts .....	674.8	553.2	205.1
Interest payable on securitisation .....	6.9	6.9	5.0
Amortisation of issue costs .....	45.5	44.4	16.2
Interest payable on lease liabilities .....	30.6	58.8	53.8
Other finance charges .....	62.5	58.3	32.9
Exchange movements .....	456.5	-	62.2
Net fair value loss on derivatives .....	-	24.1	-
Interest on employee benefit liabilities .....	24.5	20.3	9.4
Borrowing costs capitalised in property, plant and equipment .....	(123.5)	(70.3)	(13.6)
Total finance costs before exceptional items .....	1,343.2	786.6	415.8
Exceptional finance cost (see Note 4) .....	45.3	8.5	-
<b>Total finance costs</b> .....	<b>1,388.5</b>	<b>795.1</b>	<b>415.8</b>
<b>Net finance cost</b> .....	<b>1,090.5</b>	<b>148.4</b>	<b>135.9</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 24b.

Borrowing costs capitalised in property, plant and equipment relate to Project One and the construction of a new cracker in Antwerp, Belgium. The rate of capitalisation during the year ended 31 December 2024 was 5.56% (2023: 6.87%, 2022: nil)

9. TAX CHARGE

Taxation recognised in the consolidated income statement

	2024	2023	2022
	€m		
<b>Current tax expense</b>			
Current year .....	81.7	185.5	319.3
Adjustments in respect of prior years .....	26.1	(13.8)	(75.6)
Current tax expense .....	107.8	171.8	243.7
<b>Deferred tax expense</b>			
Origination and reversal of temporary differences .....	(43.9)	(84.2)	(3.7)
Effect of rate change .....	-	-	-
Adjustments in respect of prior years .....	14.9	11.1	42.0
Deferred tax (credit)/charge (see Note 15) .....	(29.0)	(73.1)	38.3
<b>Total tax charge</b> .....	<b>78.8</b>	<b>98.7</b>	<b>282.0</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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9. TAX CHARGE (continued)

Reconciliation of effective tax rate

	2024	2023	2022
	€m		
(Loss)/profit before taxation .....	(71.1)	407.8	2,282.6
Tax on above using the Luxembourg corporation tax rate of 24.94% (2023: 24.94%, 2022: 24.94%) .....	(17.7)	101.7	569.3
Non-deductible expenses/tax exempt revenue .....	20.1	38.1	(107.7)
Effect of tax rates in foreign jurisdictions .....	(28.3)	(61.3)	(115.2)
Deferred tax not recognised/(previously unrecognised) .....	63.7	22.8	(30.8)
Adjustments in respect of prior years .....	41.0	(2.8)	(33.6)
<b>Total tax charge .....</b>	<b>78.8</b>	<b>98.7</b>	<b>282.0</b>

Taxation recognised in other comprehensive income/(expense)

	2024			2023			2022		
	Gross	Tax	Net	Gross	Tax	Net	Gross	Tax	Net
	€m								
Foreign exchange translation differences .....	(91.7)	-	(91.7)	(36.5)	-	(36.5)	1.1	-	1.1
Net gain/(loss) on translation of foreign operations and hedge of net investment in foreign operations net of tax .....	729.2	(124.4)	604.8	(605.1)	59.7	(545.4)	277.0	(83.5)	193.5
Remeasurement of post employment benefit obligations .....	106.2	(34.2)	72.0	(90.1)	21.6	(68.5)	265.8	(92.6)	173.2
<b>Total .....</b>	<b>743.7</b>	<b>(158.6)</b>	<b>585.1</b>	<b>(731.7)</b>	<b>81.3</b>	<b>(650.4)</b>	<b>543.9</b>	<b>(176.1)</b>	<b>367.8</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 IAS12 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 2024.

Pillar Two legislation has been enacted or substantially enacted in certain jurisdictions the Group operates. The legislation is effective for the Group's financial year ending 31 December 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.

The assessment of the potential exposure to Pillar Two taxes is based on the most recent tax filings, country-by-country reporting, and Group income in the year. Based on the assessment, the majority of territories will qualify for transitional safe harbours meaning that top up tax will be zero. However, there are a limited number of jurisdictions where the transitional safe harbour relief may not apply but the Group does not have a material exposure to Pillar Two income taxes in those jurisdictions.



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10. PROPERTY, PLANT AND EQUIPMENT

	Land and buildings	Plant & equipment Fixtures and fittings	Under construction	Oil & Gas	Right-of-use assets	Total
<b>Cost</b>						
	<b>€m</b>					
<b>Balance at 1 January 2022</b> .....	1,230.0	11,885.4	1,514.1	39.7	1,372.6	16,041.8
Additions .....	11.3	310.8	710.2	39.2	172.3	1,243.8
Disposals .....	(2.2)	(68.4)	-	-	(38.0)	(108.6)
Transfers .....	96.9	625.6	(708.9)	-	-	13.6
Lease modifications .....	-	-	-	-	57.2	57.2
Effect of movements in foreign exchange ....	29.1	309.0	36.2	3.8	34.5	412.6
<b>Balance at 31 December 2022</b> .....	1,365.1	13,062.4	1,551.6	82.7	1,598.6	17,660.4
Business acquisition .....	3.5	128.3	1.0	-	41.6	174.4
Additions .....	2.6	97.5	1,415.0	-	150.3	1,665.4
Disposals .....	(0.4)	(12.5)	-	-	(72.4)	(85.3)
Transfers .....	52.2	347.5	(381.0)	-	-	18.7
Business disposals .....	(0.4)	(0.2)	-	(80.8)	-	(81.4)
Lease modifications .....	-	-	-	-	24.4	24.4
Effect of movements in foreign exchange ....	(47.5)	(325.4)	(19.6)	(1.9)	(28.5)	(422.9)
<b>Balance at 31 December 2023</b> .....	1,375.1	13,297.6	2,567.0	-	1,714.0	18,953.7
Business acquisition .....	235.7	1,335.8	202.3	-	32.8	1,806.6
Additions .....	4.1	59.3	1,837.1	-	117.4	2,017.9
Disposals .....	-	(37.4)	-	-	(79.8)	(117.2)
Transfers .....	54.3	425.0	(359.7)	-	-	119.6
Lease modifications .....	-	-	-	-	(26.9)	(26.9)
Effect of movements in foreign exchange ....	56.5	480.8	33.0	-	53.0	623.3
<b>Balance at 31 December 2024</b> .....	<b>1,725.7</b>	<b>15,561.1</b>	<b>4,279.7</b>	<b>-</b>	<b>1,810.5</b>	<b>23,377.0</b>
<b>Accumulated depreciation and impairment</b>						
<b>Balance at 1 January 2022</b> .....	364.7	6,947.2	-	2.7	453.0	7,767.6
Depreciation charge for the year .....	46.3	602.4	-	6.6	175.0	830.3
Disposals .....	(2.2)	(67.4)	-	-	(37.1)	(106.7)
Effect of movements in foreign exchange ....	3.1	141.4	-	(0.2)	11.9	156.2
<b>Balance at 31 December 2022</b> .....	411.9	7,623.6	-	9.1	602.8	8,647.4
Depreciation charge for the year .....	46.4	640.5	-	64.8	183.5	935.2
Disposals .....	(0.4)	(11.1)	-	-	(36.4)	(47.9)
Transfers .....	-	(31.4)	-	-	-	(31.4)
Business disposals .....	(0.2)	(0.1)	-	(73.6)	-	(73.9)
Effect of movements in foreign exchange ....	(13.9)	(189.6)	-	(0.3)	(11.4)	(215.2)
<b>Balance at 31 December 2023</b> .....	443.8	8,031.9	-	-	738.5	9,214.2
Depreciation charge for the year .....	56.2	747.1	-	-	204.6	1,007.9
Business acquisition .....	48.4	545.4	-	-	7.7	601.5
Disposals .....	-	(34.7)	-	-	(71.5)	(106.2)
Transfers .....	-	(0.3)	-	-	-	(0.3)
Effect of movements in foreign exchange ....	14.0	266.6	-	-	17.2	297.8
<b>Balance at 31 December 2024</b> .....	<b>562.4</b>	<b>9,556.0</b>	<b>-</b>	<b>-</b>	<b>896.5</b>	<b>11,014.9</b>



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10. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and buildings	Plant & equipment Fixtures and fittings	Under construction	Oil & Gas	Right- of-use assets	Total
<b>Net book value</b>						
			€m			
At 31 December 2022.....	953.2	5,438.8	1,551.6	73.6	995.8	9,013.0
At 31 December 2023.....	931.3	5,265.7	2,567.0	-	975.5	9,739.5
<b>At 31 December 2024.....</b>	<b>1,163.3</b>	<b>6,005.1</b>	<b>4,279.7</b>	<b>-</b>	<b>914.0</b>	<b>12,362.1</b>

*Leased plant and machinery*

The Group leases many assets including land and buildings, vessels, storage and transportation infrastructure, machinery and IT equipment which are classified as right-of-use assets.

More information regarding the right-of-use are presented below.

**Right-of-use (ROU) assets**

	Land and buildings	Plant & equipment Fixtures and fittings	ROU Total
<b>Cost</b>			
Balance at 1 January 2022 .....	179.2	1,193.4	1,372.6
Additions .....	2.8	169.5	172.3
Disposals.....	(0.7)	(37.3)	(38.0)
Lease modifications .....	0.4	56.8	57.2
Transfers .....	(3.0)	3.0	-
Effect of movements in foreign exchange.....	3.5	31.0	34.5
<b>Balance at 31 December 2022 .....</b>	<b>182.2</b>	<b>1,416.4</b>	<b>1,598.6</b>
Business acquisition.....	6.9	34.7	41.6
Additions .....	6.7	143.6	150.3
Disposals.....	(3.1)	(69.3)	(72.4)
Lease modifications .....	9.3	15.1	24.4
Transfers .....	(0.4)	0.4	-
Effect of movements in foreign exchange.....	(3.0)	(25.5)	(28.5)
<b>Balance at 31 December 2023 .....</b>	<b>198.6</b>	<b>1,515.4</b>	<b>1,714.0</b>
Business acquisition.....	-	32.8	32.8
Additions .....	9.4	108.0	117.4
Disposals.....	(0.5)	(79.3)	(79.8)
Lease modifications .....	(31.5)	4.6	(26.9)
Transfers .....	0.8	(0.8)	-
Effect of movements in foreign exchange.....	4.6	48.4	53.0
<b>Balance at 31 December 2024 .....</b>	<b>181.4</b>	<b>1,629.1</b>	<b>1,810.5</b>



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10. PROPERTY, PLANT AND EQUIPMENT (continued)

	Land and buildings	Plant & equipment Fixtures and fittings	ROU Total
<b>Accumulated depreciation and impairment</b>			
Balance at 1 January 2022 .....	35.8	417.2	453.0
Depreciation charge for the year .....	9.6	165.4	175.0
Disposals.....	(0.7)	(36.4)	(37.1)
Effect of movements in foreign exchange.....	0.9	11.0	11.9
<b>Balance at 31 December 2022 .....</b>	<b>45.6</b>	<b>557.2</b>	<b>602.8</b>
Depreciation charge for the year .....	11.3	172.2	183.5
Disposals.....	(1.2)	(35.2)	(36.4)
Reclassification.....	(0.4)	0.4	-
Effect of movements in foreign exchange.....	(0.8)	(10.6)	(11.4)
<b>Balance at 31 December 2023 .....</b>	<b>54.5</b>	<b>684.0</b>	<b>738.5</b>
Depreciation charge for the year .....	5.2	199.4	204.6
Business acquisition.....	-	7.7	7.7
Disposals.....	(0.3)	(71.2)	(71.5)
Reclassification.....	9.9	(9.9)	-
Effect of movements in foreign exchange.....	2.2	15.0	17.2
<b>Balance at 31 December 2024 .....</b>	<b>71.5</b>	<b>825.0</b>	<b>896.5</b>
<b>Net book value</b>			
At 31 December 2022 .....	136.6	859.2	995.8
At 31 December 2023 .....	144.1	831.4	975.5
<b>At 31 December 2024 .....</b>	<b>109.9</b>	<b>803.8</b>	<b>914.0</b>

See Note 25 for the lease obligations on right-of-use assets.

**Property, plant and equipment under construction**

During the year ended 31 December 2024, the main additions to assets under construction were in the O&P Europe segment and related to the Project One expenditure which restarted following the granting of a permit in January 2024 that allowed work to recommence on the construction of a new cracker in Antwerp, Belgium. The main additions to assets under construction in the O&P North America and Chemicals Intermediate segment related to turnaround expenditure. During 2024, the transfer between assets under construction to other classes of property, plant and equipment related mainly to turnaround projects.

During 2023, expenditure at the Green Lake site on the Naperville lab and pilot plant relocation was transferred to other classes of property, plant and equipment, along with spend on various turnaround projects.

Additions to assets under construction during 2023 included expenditure within the O&P North America segment on the expansion of the Lubbock pipe manufacturing plant along with expenditure on a number of turnarounds. The O&P Europe segment had further expenditure at the Koln, Germany site on the cogeneration project and the life cycle cracker project along with expenditure on turnarounds. In addition, there was further expenditure on the new Project One ethane cracker at the Antwerp, Belgium site. The main additions to assets under construction in the Chemical Intermediates segment was further growth expenditure by the Oligomers business on the new Linear Alpha Olefins (LAO) unit.

During 2022, expenditure at the Chocolate Bayou site in the USA on a new barge and expenditure associated with a new LAO platform was transferred to other classes of property, plant and equipment during the year ended 31 December 2022.



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**10. PROPERTY, PLANT AND EQUIPMENT (*continued*)**

Additions to assets under construction during 2022 included expenditure within the O&P North America segment on the replacement of olefin furnace tubes at the Chocolate Bayou site in the USA along with expenditure on a number of turnarounds. The O&P Europe segment had further expenditure at the Koln, Germany site on the cogeneration project and the life cycle cracker project along with expenditure on turnarounds. In addition, there was further expenditure on a new ethane cracker at the Antwerp, Belgium site.

The main additions to assets under construction in the Chemical Intermediates segment was further growth expenditure by the Phenol business on the new cumene unit project at Marl, Germany and expenditure on a new phenol terminal at Pasadena, USA.



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11. INTANGIBLE ASSETS

	Intellectual property rights	Customer relationships	Other	Goodwill	Total
<b>Cost</b>					
			€m		
Balance at 1 January 2022	46.4	55.8	99.6	828.4	1,030.2
Additions .....	-	-	123.7	-	123.7
Disposals.....	-	-	(28.4)	-	(28.4)
Effect of movements in foreign exchange..	2.2	3.3	4.0	27.2	36.7
<b>Balance at 31 December 2022 .....</b>	<b>48.6</b>	<b>59.1</b>	<b>198.9</b>	<b>855.6</b>	<b>1,162.2</b>
Business acquisition.....	-	35.7	0.3	52.5	88.5
Additions .....	-	-	15.0	-	15.0
Disposals.....	-	-	(82.0)	-	(82.0)
Transfers .....	-	-	52.8	-	52.8
Effect of movements in foreign exchange..	(1.5)	(2.7)	(3.7)	(24.1)	(32.0)
<b>Balance at 31 December 2023 .....</b>	<b>47.1</b>	<b>92.1</b>	<b>181.3</b>	<b>884.0</b>	<b>1,204.5</b>
Business acquisition.....	-	37.7	21.9	85.6	145.2
Additions .....	-	-	5.1	-	5.1
Disposals.....	-	-	(7.8)	-	(7.8)
Transfers .....	-	-	(0.1)	-	(0.1)
Effect of movements in foreign exchange..	2.6	7.5	5.6	38.9	54.6
<b>Balance at 31 December 2024 .....</b>	<b>49.7</b>	<b>137.3</b>	<b>206.0</b>	<b>1,008.5</b>	<b>1,401.5</b>
<b>Accumulated amortisation and impairment</b>					
Balance at 1 January 2022 .....	24.8	44.7	14.3	8.1	91.9
Amortisation for the year .....	1.1	2.4	1.3	-	4.8
Effect of movements in foreign exchange..	0.8	2.8	0.5	-	4.1
<b>Balance at 31 December 2022 .....</b>	<b>26.7</b>	<b>49.9</b>	<b>16.1</b>	<b>8.1</b>	<b>100.8</b>
Amortisation for the year .....	1.0	4.6	31.2	-	36.8
Disposals.....	-	-	(26.1)	-	(26.1)
Transfers .....	-	-	31.4	-	31.4
Effect of movements in foreign exchange..	(0.6)	(2.0)	(1.7)	-	(4.3)
<b>Balance at 31 December 2023 .....</b>	<b>27.1</b>	<b>52.5</b>	<b>50.9</b>	<b>8.1</b>	<b>138.6</b>
Amortisation for the year .....	1.0	9.8	7.1	-	17.9
Business acquisition.....	-	2.5	1.5	-	4.0
Disposals.....	-	-	(0.3)	-	(0.3)
Effect of movements in foreign exchange..	1.2	3.7	2.8	-	7.7
<b>Balance at 31 December 2024 .....</b>	<b>29.3</b>	<b>68.5</b>	<b>62.0</b>	<b>8.1</b>	<b>167.9</b>
<b>Net book value</b>					
At 31 December 2022 .....	21.9	9.2	182.8	847.5	1,061.4
At 31 December 2023 .....	20.0	39.6	130.4	875.9	1,065.9
<b>At 31 December 2024 .....</b>	<b>20.4</b>	<b>68.8</b>	<b>144.0</b>	<b>1,000.4</b>	<b>1,233.6</b>



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 11. INTANGIBLE ASSETS (continued)

Other intangible assets include environmental certificates with a net book value of €108.0 million as at 31 December 2024 (2023: €101.0 million, 2022: €145.3 million).

#### *Amortisation charge*

The amortisation charge is recognised in administrative expenses in the consolidated income statement.

#### *Impairment*

Goodwill has been allocated to cash generating units (CGU) or groups of cash generating units as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	<u>€m</u>		
O&P Europe .....	289.2	246.2	246.2
O&P North America .....	530.9	496.6	520.8
Chemical Intermediates .....	180.3	133.1	80.5
<b>Total.....</b>	<b><u>1,000.4</u></b>	<b><u>875.9</u></b>	<b><u>847.5</u></b>

The recoverable amount is based on the value in use of each CGU based on the latest board approved five year plan and a terminal value which represents mid-cycle performance on which a terminal growth rate is applied for between 5-35 years. The length of the terminal value depends on either the expected asset life or uncertainty of market conditions beyond this timeframe. The forecasts are based on current performance and management's assumptions regarding the future development of individual parameters including raw material prices and profit margins, utilising available market pricing forecasts. Future assumptions regarding market demand are based on external macroeconomic sources and specific data relevant to the petrochemical industry and management's knowledge of the local markets in which it operates. The cash flows after the plan period are based on middle of cycle conditions to reflect the cyclical nature of the industry extrapolated using long term growth rates as set out in the table below.

No impairment charge has been recorded in these financial statements as a result of the annual impairment test.

The key assumptions underlying the value in use calculation for all CGUs are shown below:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
Period on which management approved forecasts are based .....	5 years	5 years	5 years
Discount rate.....	10.8%	10.8%	11.3%
Growth rate.....	<u>3.0%</u>	<u>3.0%</u>	<u>3.0%</u>

A terminal value is calculated based on performance of each business in the middle of each business cycle, assuming compound growth of 3% and is discounted over the expected lives of the assets of 10 to 40 years.

When determining the discount rate the pre-tax weighted average cost of capital of the Group is considered at each respective period end.

The growth rate used includes inflationary growth across our various markets.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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The estimated recoverable amount exceeded the carrying amount for all cash generating units.

**11. INTANGIBLE ASSETS (continued)**

Sensitivity analysis on the recoverable amount was performed based on a 10% increase in the discount rate and a 10% decrease to the growth rate and a CGU earnings before interest, tax, depreciation and amortisation and exceptional items, measured under IFRS, all of which are considered a reasonable possible change in estimate. Neither of these changes resulted in the recoverable amount being lower than the carrying amount other than for the O&P South CGU (see Note 30).

**12. INVESTMENTS**

**12a Investments in Equity-Accounted Investees**

	<b>Joint ventures</b>	<b>Associated undertakings</b>	<b>Total</b>
	€m		
At 1 January 2022 .....	47.2	-	47.2
Additions .....	1,460.7	-	1,460.7
Disposals.....	(190.0)	-	(190.0)
Share of profits retained.....	147.2	-	147.2
Exchange adjustments.....	(2.2)	-	(2.2)
<b>At 31 December 2022 .....</b>	<b>1,462.9</b>	<b>-</b>	<b>1,462.9</b>
Additions .....	-	604.3	604.3
Share of losses retained.....	(149.2)	-	(149.2)
Exchange adjustments.....	(79.5)	(5.6)	(85.1)
<b>At 31 December 2023 .....</b>	<b>1,234.2</b>	<b>598.7</b>	<b>1,832.9</b>
Share of losses retained.....	(123.1)	(22.6)	(145.7)
Business acquisition (see Note 3) .....	55.9	-	55.9
Business disposals .....	(55.9)	-	(55.9)
Exchange adjustments.....	47.2	24.9	72.1
<b>At 31 December 2024 .....</b>	<b>1,158.3</b>	<b>601.0</b>	<b>1,759.3</b>

**Joint ventures**

On 1 April 2024, the Group acquired the Lavera group of companies from a number of related parties which included 50% of the shares in Naphachimie, Gexaro and Appryl joint ventures with a book value of €55.9 million.

On 1 April 2024, the Group acquired the business interest of TotalEnergies at the Lavera site. As a result of the acquisition the previously acquired interest of 50% has been disposed of for a fair value of €108.4 million (see Note 3).

On 1 July 2011 the group restructured the Refining business into a new joint venture between PetroChina and INEOS Investments (Jersey) Limited ('II(J)L'), a related party. II(J)L is held under common control by our controlling shareholders. The consideration received by the Group for the disposal consisted of cash consideration of \$1.015 billion received from PetroChina for a 50% interest in the business and an investment in non-voting ordinary shares in II(J)L for the other 50% interest in the business.

During December 2022 the Group disposed of its non-voting ordinary shares in II(J)L to INEOS Limited, a related party for €420 million (see Note 28). The difference of €270.6 million between the carrying value of the Refining joint venture and the consideration received, along with the recycling of foreign exchange movements of €40.6 million previously reported within other comprehensive income have been recognised within the consolidated income statement.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**12. INVESTMENTS (continued)**

**12a Investments in Equity-Accounted Investees (continued)**

Before its disposal the Group retained an economic interest in the Refining business by virtue of its investment in II(J)L. The results of the Refining business were reported within the share of profit/(loss) of associates and joint ventures using the equity accounting method by virtue of the Group's effective control of II(J)L.

In December 2022 the Group acquired 50% of Shanghai SECCO Petrochemical Company Limited ("SECCO") from Sinopec. SECCO operates a petrochemical facility near Shanghai, China which has a total capacity of 4.2 million tonnes of products including ethylene, propylene, polyethylene, polypropylene, styrene, polystyrene, acrylonitrile, butadiene, benzene and toluene. Total consideration was RMB 10,870 million (€1,460.7 million), which was partly funded by a new RMB 1,045 million and an initial \$525.0 million term loan facility which matures in June 2026 which was subsequently syndicated in April 2023 with the USD term loan facility increasing to \$785 million (see Note 18).

**Impairment**

The Group has identified the global inflationary environment and challenging market conditions as a potential indicator of impairment for its investment in the SECCO joint-venture. No impairment charge has been recorded in these financial statements as a result of the impairment test performed. The Group determined the recoverable amount of its investment in the joint-venture based on value in use. Details of assumptions used to determine the value in use can be found in Note 11.

**Associated Undertakings**

In July 2023, the Group signed a shareholders' agreement with Sinopec relating to a proposed joint venture in respect of a 1,200kt per annum ethylene cracker and related derivative plants in Tianjin, China. Following an IAS 28 assessment the Group determined that it had significant influence over the investment (see Note 30), therefore this resulted in the recognition of an investment in equity-accounted investees of RMB 4,725 million (€623.6 million) which represents the latest view of the 50% equity share of the joint venture (see Note 19). As at 31 December 2024 the Group has also recognised a financial liability at fair value through profit and loss of the same value within its balance sheet (see Note 24).

Details of investments in equity-accounted investees are set out below:

<b>Company</b>	<b>Class of shares held</b>	<b>Place of business and country of incorporation</b>	<b>Percentage held</b>	<b>Principal activities</b>
<b>Joint Ventures:</b>				
Shanghai SECCO Petrochemical Co., Ltd	Ordinary	Shanghai, China	50%	Chemicals
INEOS SINOPEC Technology (Shanghai) Company Limited	Ordinary	Shanghai, China	50%	Chemicals
<b>Associated Undertakings:</b>				
INEOS Sinopec (Tianjin) Petrochemicals Limited	Ordinary	Tianjin, China	50%	Chemicals



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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12. INVESTMENTS (continued)

12a Investments in Equity-Accounted Investees (continued)

Summary aggregated financial information for material equity accounted joint ventures:

SECCO Joint Venture	2024	2023	2022
	€m		
Current assets.....	432.6	492.4	664.6
Long-term assets.....	3,253.4	3,235.0	3,464.2
Current liabilities.....	(525.1)	(747.6)	(1,207.4)
Long-term liabilities.....	(848.0)	(515.6)	-
Net assets.....	<u>2,313.0</u>	<u>2,464.2</u>	<u>2,921.4</u>
Revenue.....	2,790.4	2,273.5	-
Operating expenses.....	(3,072.1)	(2,675.0)	-
Interest expenses.....	(23.6)	(17.5)	-
Income tax credit.....	59.2	122.1	-
Total loss for the year.....	<u>(246.1)</u>	<u>(296.8)</u>	<u>-</u>

Refining joint ventures	11 months ended Nov 30, 2022*
Revenue.....	42,159.5
Profit from continuing operations.....	<u>415.3</u>

\* On 23 December 2022 the Group disposed of its non-voting ordinary shares in II(J)L to INEOS Limited, a related party with an effective date of 30 November 2022, so the Group no longer has any economic interest in the Refining business.

Summary aggregated financial information for material equity accounted associated undertakings:

INEOS Sinopec (Tianjin) Petrochemicals Limited	2024	2023
	€m	
Current assets.....	685.1	352.0
Long-term assets.....	3,191.0	2,341.6
Current liabilities.....	(927.6)	(145.8)
Long-term liabilities.....	(2,123.5)	(1,711.8)
Net assets.....	<u>825.0</u>	<u>836.0</u>



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12. INVESTMENTS (continued)

12a Investments in Equity-Accounted Investees (continued)

INEOS Sinopec (Tianjin) Petrochemicals Limited (continued)

	2024	2023	2022
	€m		
Revenue .....	133.3	-	-
Operating expenses .....	(190.3)	-	-
Interest expenses .....	(2.3)	-	-
Income tax credit .....	14.8	-	-
Total loss for the year .....	(44.5)	-	-

12b Investments in Subsidiary Undertakings

The directors consider that to give full particulars of all subsidiary undertakings would lead to a statement of excessive length.

The directors believe the carrying value of the investments is supported by the underlying net assets of the subsidiaries.

The following information relates to the principal subsidiary undertakings of the Company.

Company	Country of incorporation and operation	Percentage holding	Principal activity
INEOS Luxembourg I S.A. *	Luxembourg	100%	Holding Company
INEOS Luxembourg II S.A. ....	Luxembourg	100%	Holding Company
INEOS Group AG .....	Switzerland	100%	Holding Company
INEOS Holdings Limited .....	England and Wales	100%	Holding Company
INEOS European Holdings Limited .....	England and Wales	100%	Holding Company
INEOS Olefins Belgium Holdings Limited .....	England and Wales	100%	Holding Company
INEOS Gemini HDPE Holdings Company LLC .....	USA	100%	Holding Company
INEOS China Holdings Limited .....	England and Wales	100%	Holding Company
INEOS China Holdings II Limited .....	England and Wales	100%	Holding Company
INEOS China Holdings III Limited .....	England and Wales	100%	Holding Company
INEOS Tianjin Holdings Limited .....	England and Wales	100%	Holding Company
INEOS Investments (Shanghai) Limited .....	China	100%	Holding Company
INEOS Investment (Tianjin) Company Limited .....	China	100%	Holding Company
INEOS Olefins France Holdco SAS .....	France	100%	Holding Company
INEOS Olefins SA .....	Switzerland	100%	Holding Company
INEOS Chemicals France Holdings Limited .....	England and Wales	100%	Holding Company
INEOS US Finance LLC .....	USA	100%	Finance
INEOS Finance Plc .....	England and Wales	100%	Finance
INEOS Treasury (UK) Limited .....	England and Wales	100%	Finance
INEOS Derivatives France Limited .....	England and Wales	100%	Finance
INEOS Europe AG .....	Switzerland	100%	Chemicals
INEOS Oxide Limited .....	England and Wales	100%	Chemicals
INEOS NV .....	Belgium	100%	Chemicals
INEOS Belgium NV .....	Belgium	100%	Chemicals
INEOS Phenol Belgium NV .....	Belgium	100%	Chemicals
INEOS Italia Srl .....	Italy	100%	Chemicals
INEOS Phenol GmbH .....	Germany	100%	Chemicals
INEOS Americas LLC .....	USA	100%	Chemicals
INEOS Manufacturing Deutschland GmbH .....	Germany	100%	Chemicals

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12. INVESTMENTS (continued)

12b Investments in Subsidiary Undertakings (continued)

Company	Country of incorporation and operation	Percentage holding	Principal activity
INEOS Köln GmbH	Germany	100%	Chemicals
INEOS France SAS	France	100%	Chemicals
INEOS Sales (UK) Limited	England and Wales	100%	Chemicals
INEOS Manufacturing Belgium NV	Belgium	100%	Chemicals
INEOS Olefins Belgium NV	Belgium	100%	Chemicals
INEOS Feluy SPRL	Belgium	100%	Chemicals
INEOS Sales Belgium NV	Belgium	100%	Chemicals
INEOS Sales Italia s.r.l.	Italy	100%	Chemicals
INEOS Singapore Pte Limited	Singapore	100%	Chemicals
INEOS USA LLC	USA	100%	Chemicals
INEOS Canada Company	Canada	100%	Chemicals
INEOS Canada Partnership	Canada	100%	Chemicals
INEOS Phenol Singapore PTE Limited	Singapore	100%	Chemicals
INEOS Bamble AS	Norway	100%	Chemicals
INEOS Nitriles (UK) Limited	England and Wales	100%	Chemicals
INEOS Manufacturing (Hull) Limited	England and Wales	100%	Chemicals
INEOS Technologies (Vinyls) Limited	England and Wales	100%	Chemicals
INEOS Technologies France SAS	France	100%	Chemicals
INEOS US Sales Company	USA	100%	Chemicals
INEOS Nitriles USA LLC	USA	100%	Chemicals
INEOS Oligomers USA LLC	USA	100%	Chemicals
INEOS Technologies USA LLC	USA	100%	Chemicals
INEOS Technologies Italia S.r.l.	Italy	100%	Chemicals
INEOS Rafines AS	Norway	100%	Chemicals
Gemini HDPE LLC	USA	100%	Chemicals
WLP Holding Corporation	USA	100%	Manufacturer
Appryl SNC	France	100%	Manufacturer
Groupement d'Interet Economique pour l'Extraction des Aromatiques Du Sud-Est	France	100%	Manufacturer
Naphachimie SAS	France	100%	Manufacturer
Trans Ethylene SA	France	100%	Manufacturer
Ethylène Est SAS	France	100%	Manufacturer
INEOS Chemicals Lavera SAS	France	100%	Manufacturer
Transugil Ethylene SNC	France	100%	Manufacturer
Transalpes SNC	France	100%	Manufacturer
INEOS Polymers Sarralbe SAS	France	100%	Manufacturer
INEOS Manufacturing Italia S.p.A.	Italy	100%	Manufacturer

\* Held directly by the Company.

**Branches of the Group outside of Luxembourg**

As at 31 December 2024 branches have been established in Austria, France, Spain and the United Kingdom.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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13. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023	2022
	€m		
<b>Non-current</b>			
Financial assets at fair value through comprehensive income (see below and Note 24a).....	27.1	27.1	28.3

**Financial assets at fair value through other comprehensive income**

Financial assets at fair value through other comprehensive income include a 25.0% (2023: 25.0%, 2022: 25.0%) investment in Aethylen Rohrleitungs Gesellschaft ('ARG') mbH and Co. KG, a company registered in Germany whose principal activity is the transportation of ethylene via pipelines in Northern Europe and other investments.

These investments comprise of shares in private limited companies. The carrying value of these financial assets at fair value through other comprehensive income was €27.1 million at 31 December 2024 (2023: €27.1 million, 2022: €28.3 million). A disposal of these investments is not currently anticipated.

14. DERIVATIVE FINANCIAL INSTRUMENTS

	2024	2023	2022
	€m		
<b>Non-current asset</b>			
Interest rate swap contracts classified as fair value through profit or loss (see Note 24a).....	0.2	25.4	119.4

	2024	2023	2022
	€m		
<b>Current asset</b>			
Interest rate swap contracts classified as fair value through profit or loss (see Note 24a).....	8.6	4.1	2.5
Derivative commodity contracts classified as fair value through profit or loss (see Note 24a).....	58.0	63.3	20.3
	<u>66.6</u>	<u>67.4</u>	<u>22.8</u>

	2024	2023	2022
	€m		
<b>Non-current liabilities</b>			
Interest rate swap contracts classified as fair value through profit or loss (see Note 24a).....	34.8	43.1	-

	2024	2023	2022
	€m		
<b>Current liabilities</b>			
Interest rate swap contracts classified as fair value through profit or loss (see Note 24a).....	1.6	-	-
Derivative commodity contracts classified as fair value through profit or loss (see Note 24a).....	64.9	73.9	26.0
	<u>66.5</u>	<u>73.9</u>	<u>26.0</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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15. DEFERRED TAX ASSETS AND LIABILITIES

*Recognised deferred tax assets and liabilities*

Deferred tax assets and liabilities are attributable to the following:

	2024		
	Assets	Liabilities	Total
	€m		
Property, plant and equipment .....	-	993.3	993.3
Employee benefits.....	(78.0)	-	(78.0)
Tax value of loss carry-forwards .....	(145.5)	-	(145.5)
Other.....	(144.5)	-	(144.5)
Tax (assets)/liabilities .....	(368.0)	993.3	625.3
Set off of tax .....	142.4	(142.4)	-
<b>Net tax (assets)/liabilities .....</b>	<b>(225.6)</b>	<b>850.9</b>	<b>625.3</b>
	2023		
	Assets	Liabilities	Total
	€m		
Property, plant and equipment .....	-	923.1	923.1
Employee benefits.....	(117.5)	-	(117.5)
Tax value of loss carry-forwards .....	(80.8)	-	(80.8)
Other.....	(113.0)	-	(113.0)
Tax (assets)/liabilities .....	(311.3)	923.1	611.8
Set off of tax .....	173.7	(173.7)	-
<b>Net tax (assets)/liabilities .....</b>	<b>(137.6)</b>	<b>749.4</b>	<b>611.8</b>
	2022		
	Assets	Liabilities	Total
	€m		
Property, plant and equipment .....	-	951.1	951.1
Employee benefits.....	(87.8)	-	(87.8)
Tax value of loss carry-forwards .....	(74.3)	-	(74.3)
Other.....	(69.9)	-	(69.9)
Tax (assets)/liabilities .....	(232.0)	951.1	719.1
Set off of tax .....	113.7	(113.7)	-
<b>Net tax (assets)/liabilities .....</b>	<b>(118.3)</b>	<b>837.4</b>	<b>719.1</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

15. DEFERRED TAX ASSETS AND LIABILITIES (continued)

Movement in deferred tax

	Property, plant and equipment	Employee benefits	Tax value of loss carry- forward utilised	Other	Total
	€m				
At 1 January 2022.....	873.2	(174.2)	(77.9)	(73.2)	547.9
Recognised in profit or loss .....	34.5	(5.4)	3.6	5.6	38.3
Recognised in other comprehensive income .....	-	92.6	-	-	92.6
Exchange adjustments.....	43.4	(0.8)	-	(2.3)	40.3
<b>At 31 December 2022.....</b>	<b>951.1</b>	<b>(87.8)</b>	<b>(74.3)</b>	<b>(69.9)</b>	<b>719.1</b>
Recognised in profit or loss .....	(21.3)	(8.2)	(6.5)	(37.1)	(73.1)
Recognised in other comprehensive income .....	-	(21.6)	-	-	(21.6)
Business acquisitions (see Note 3).....	21.9	-	-	(7.4)	14.5
Exchange adjustments.....	-	-	-	0.6	0.6
Reclassification.....	(28.6)	0.1	-	0.8	(27.7)
<b>At 31 December 2023.....</b>	<b>923.1</b>	<b>(117.5)</b>	<b>(80.8)</b>	<b>(113.0)</b>	<b>611.8</b>
Recognised in profit or loss .....	16.9	26.5	(49.8)	(22.6)	(29.0)
Recognised in other comprehensive income .....	-	34.2	-	-	34.2
Business acquisitions (see Note 3).....	9.7	(21.2)	(14.9)	(7.0)	(33.4)
Exchange adjustments.....	43.7	-	-	(2.1)	41.6
Reclassification.....	-	-	-	0.1	0.1
<b>At 31 December 2024.....</b>	<b>993.4</b>	<b>(78.0)</b>	<b>(145.5)</b>	<b>(144.6)</b>	<b>625.3</b>

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 unused tax losses, deductible temporary differences and unused tax credits. The Group did not recognise gross deductible temporary and tax losses of €6,319.2 million (2023: €6,222.6 million, 2022: €525.1 million) due to uncertainty in respect of the existence of future probable taxable profits against which these tax attributes can be utilised. As at 31 December 2024 there are nil unrecognised unprovided foreign tax credits (2023: €nil, 2022: €5.0 million).

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.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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16. INVENTORIES

	2024	2023	2022
		<b>€m</b>	
Raw materials and consumables .....	729.2	566.9	712.5
Work in progress.....	40.9	38.5	36.1
Finished goods.....	1,195.8	983.2	1,178.7
	<b>1,965.9</b>	<b>1,588.6</b>	<b>1,927.3</b>

Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to €10,022.1 million (2023: €10,449.4 million, 2022: €13,641.4 million). The net write-down of inventories to net realisable value amounted to €1.1 million (2023: €15.9 million, 2022: €11.0 million).

17. TRADE AND OTHER RECEIVABLES

	2024	2023	2022
		<b>€m</b>	
<b>Current</b>			
Trade receivables .....	1,356.0	1,179.7	1,313.8
Amounts due from related parties (see Note 28).....	389.4	386.0	395.7
Other receivables .....	223.6	128.6	198.3
Prepayments.....	196.9	139.0	200.6
	<b>2,165.9</b>	<b>1,833.3</b>	<b>2,108.4</b>
<b>Non-current</b>			
Amounts due from related parties (see Note 28).....	2,356.8	2,135.8	1,327.9
Other receivables .....	5.1	3.4	3.2
Prepayments.....	47.1	34.0	34.4
	<b>2,409.0</b>	<b>2,173.2</b>	<b>1,365.5</b>

*Credit quality of financial assets and impairment losses*

The ageing of trade and other receivables at the end of the reporting period and the expected credit loss rate (ECLR) was:

	Trade receivables			Amounts due from related parties			Other receivables		
	Gross	Impairment	ECLR	Gross	Impairment	ECLR	Gross	Impairment	ECLR
	2024	2024	2024	2024	2024	2024	2024	2024	2024
	€m	€m	%	€m	€m	%	€m	€m	%
Not past due.....	1,308.7	(1.4)	0.1	2,746.2	-	-	223.0	-	-
Past due 0-30 days..	53.3	(5.9)	11.1	-	-	-	4.6	-	-
Past due 31-90 days	1.9	(0.6)	31.6	-	-	-	-	-	-
More than 90 days..	1.1	(1.1)	100.0	-	-	-	1.1	-	-
	<b>1,365.0</b>	<b>(9.0)</b>	<b>0.7</b>	<b>2,746.2</b>	<b>-</b>	<b>-</b>	<b>228.7</b>	<b>-</b>	<b>-</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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17. TRADE AND OTHER RECEIVABLES (continued)

*Credit quality of financial assets and impairment losses (continued)*

	Trade receivables			Amounts due from related parties			Other receivables		
	Gross	Impairment	ECLR	Gross	Impairment	ECLR	Gross	Impairment	ECLR
	2023	2023	2023	2023	2023	2023	2023	2023	2023
	€m	€m	%	€m	€m	%	€m	€m	%
Not past due.....	978.1	(9.2)	0.9	2,521.8	-	-	129.6	(0.3)	0.2
Past due 0-30 days..	171.1	-	-	-	-	-	1.9	-	-
Past due 31-90 days	6.3	(2.4)	38.1	-	-	-	-	-	-
More than 90 days..	61.6	(25.8)	41.9	-	-	-	0.8	-	-
	<u>1,217.1</u>	<u>(37.4)</u>	<u>3.1</u>	<u>2,521.8</u>	<u>-</u>	<u>-</u>	<u>132.3</u>	<u>(0.3)</u>	<u>0.2</u>

	Trade receivables			Amounts due from related parties			Other receivables		
	Gross	Impairment	ECLR	Gross	Impairment	ECLR	Gross	Impairment	ECLR
	2022	2022	2022	2022	2022	2022	2022	2022	2022
	€m	€m	%	€m	€m	%	€m	€m	%
Not past due	1,180.3	(2.1)	0.2	1,723.6	-	-	200.9	(0.3)	0.1
Past due 0-30 days	111.0	(0.2)	0.2	-	-	-	0.3	-	-
Past due 31-90 days	19.2	-	-	-	-	-	0.1	-	-
More than 90 days	12.7	(7.1)	55.9	-	-	-	0.5	-	-
	<u>1,323.2</u>	<u>(9.4)</u>	<u>0.7</u>	<u>1,723.6</u>	<u>-</u>	<u>-</u>	<u>201.8</u>	<u>(0.3)</u>	<u>0.1</u>

The accounts 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 our customers and external credit checks where appropriate for new customers (see Note 24c). At 31 December 2024, 2023 and 2022 there were no significant trade, related party or other receivable balances not past due that were subsequently impaired.

Due to the global activities and diversified customer structure of the Group, there is no significant concentration of credit risk (2023: nil, 2022: nil).

During 2024, 2023 and 2022 there were no significant trade, related party or other receivable balances that were subject to renegotiation of terms. Credit enhancements are held in respect of trade and other receivables in the form of €25.4 million (2023: €6.7 million, 2022: €62.6 million) of assets pledged as security against amounts owed to the Group of which nil (2023: €nil, 2022: 0.3 million) is in respect of amounts falling overdue.

Trade receivable balances totalling €925.6 million (2023: €895.8 million, 2022: €979.0 million) have been pledged as security against amounts drawn down under the Receivables Securitisation Facility, described in Note 18, totalling €19.5 million (2023: €18.3 million, 2022: €18.9 million). 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 17. TRADE AND OTHER RECEIVABLES (*continued*)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	<u>2024</u>	<u>2023</u>	<u>2022</u>
		<b>€m</b>	
Balance at 1 January .....	37.4	9.4	9.5
(Released)/additions.....	(8.1)	28.3	(0.4)
Acquisitions .....	0.5	-	-
Utilised .....	(21.2)	-	-
Exchange .....	0.4	(0.3)	0.3
Balance at 31 December .....	<u>9.0</u>	<u>37.4</u>	<u>9.4</u>

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. During the year ended 31 December 2024 no amounts were directly written off against the trade receivables.

#### *Credit risk of trade receivables*

	<u>2024</u>	<u>2023</u>	<u>2022</u>
	<b>€m</b>	<b>€m</b>	<b>€m</b>
Low.....	1,277.6	1,068.3	1,247.1
Medium.....	69.7	90.5	59.6
High.....	17.7	58.3	16.5
Impairment allowance.....	(9.0)	(37.4)	(9.4)
	<u>1,356.0</u>	<u>1,179.7</u>	<u>1,313.8</u>

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 (2023: €0.3 million, 2022: €0.3 million).

There were no allowances made against amounts due from related parties during the year (2023: €nil, 2022: €nil).



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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18. INTEREST-BEARING LOANS AND BORROWINGS

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 24f.

	<u>2024</u>	<u>2023</u>	<u>2022</u>
<b>Non-current liabilities</b>		<b>€m</b>	
Senior Secured Term Loans .....	6,219.5	4,997.0	5,286.7
Senior Secured Notes due May 2026 .....	280.6	767.1	765.8
Senior Secured Notes due March 2026 .....	-	323.0	322.1
Senior Secured Notes due 2025 .....	-	548.6	547.9
Senior Secured Notes due 2028 .....	797.4	775.6	-
Senior Secured Notes due 2029 .....	1,535.8	-	-
Gemini Facility .....	457.2	450.1	491.4
Rain Facility .....	816.6	838.2	625.5
Project One Facility .....	1,712.1	331.4	-
Receivables Securitisation Facility .....	19.5	18.2	18.7
Koln CoGen Facility .....	7.5	32.3	61.5
Rafnes Facility .....	202.3	303.3	301.4
Other loans .....	17.8	17.3	24.5
	<u>12,066.3</u>	<u>9,402.1</u>	<u>8,445.5</u>
<b>Current liabilities</b>		<b>€m</b>	
Senior Secured Notes due 2025 .....	192.6	-	-
Current portion of borrowings under Senior Secured Term Loans .....	24.7	8.8	43.0
Gemini Facility .....	24.2	21.8	21.9
Project One Interim Facility .....	-	363.7	-
Koln CoGen Facility .....	15.0	39.0	39.0
Rafnes Facility .....	101.1	(1.2)	(0.7)
Inventory Financing Facilities .....	288.3	155.0	202.5
O&P South Revolving Credit Facilities .....	105.0	-	-
Other loans .....	4.0	0.9	2.6
	<u>754.9</u>	<u>588.0</u>	<u>308.3</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

	Gross loans and borrowings	Issue costs	Net loans and borrowings
	2024	2024	2024
<b>Gross debt and issue costs</b>		<b>€m</b>	
Senior Secured Term Loans .....	6,316.1	(71.9)	6,244.2
Senior Secured Notes due May 2026 .....	281.2	(0.6)	280.6
Senior Secured Notes due 2028 .....	809.4	(12.0)	797.4
Senior Secured Notes due 2029 .....	1,548.4	(12.6)	1,535.8
Senior Secured Notes due 2025 .....	192.8	(0.2)	192.6
Receivables Securitisation Facility .....	19.5	-	19.5
Koln CoGen Facility .....	22.5	-	22.5
Rafnes Facility .....	305.0	(1.6)	303.4
Inventory Financing Facilities .....	288.3	-	288.3
Project One Facility .....	1,888.6	(176.5)	1,712.1
O&P South Revolving Credit Facilities .....	105.0	-	105.0
Other .....	21.8	-	21.8
	<b>11,798.6</b>	<b>(275.4)</b>	<b>11,523.2</b>
Gemini Facility .....	485.8	(4.4)	481.4
Rain Facility .....	817.2	(0.6)	816.6
<b>Total .....</b>	<b>13,101.6</b>	<b>(280.4)</b>	<b>12,821.2</b>

The Gemini Facility is an obligation of Gemini HDPE LLC. The Rain Facility is an obligation of INEOS China Holdings Limited. Gemini HDPE LLC and INEOS China Holdings Limited are designated as unrestricted subsidiaries in accordance with the Group's Senior Secured Term Loans and Senior Secured Notes so neither the Gemini Facility nor Rain Facility benefits from the security or collateral of those facilities.

	Gross loans and borrowings	Issue costs	Net loans and borrowings
	2023	2023	2023
<b>Gross debt and issue costs</b>		<b>€m</b>	
Senior Secured Term Loans .....	5,108.8	(103.0)	5,005.8
Senior Secured Notes due May 2026 .....	770.0	(2.9)	767.1
Senior Secured Notes due March 2026 .....	325.0	(2.0)	323.0
Senior Secured Notes due 2028 .....	782.7	(7.1)	775.6
Senior Secured Notes due 2025 .....	550.0	(1.4)	548.6
Project One Facility .....	522.0	(190.6)	331.4
Project One Interim Facility .....	365.0	(1.3)	363.7
Receivables Securitisation Facility .....	18.3	(0.1)	18.2
Koln CoGen Facility .....	71.3	-	71.3
Rafnes Facility .....	305.0	(2.9)	302.1
Inventory Financing Facility .....	155.1	(0.1)	155.0
Other loans .....	18.2	-	18.2
	<b>8,991.4</b>	<b>(311.4)</b>	<b>8,680.0</b>
Rain Facility .....	839.2	(1.0)	838.2
Gemini Facility .....	477.7	(5.8)	471.9
<b>Total .....</b>	<b>10,308.3</b>	<b>(318.2)</b>	<b>9,990.1</b>



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18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

	Gross loans and borrowings	Issue costs	Net loans and borrowings
	2022	2022	2022
<b>Gross debt and issue costs</b>		<b>€m</b>	
Senior Secured Term Loans .....	5,424.7	(95.0)	5,329.7
Senior Secured Notes due May 2026 .....	770.0	(4.2)	765.8
Senior Secured Notes due March 2026 .....	325.0	(2.9)	322.1
Senior Secured Notes due 2025 .....	550.0	(2.1)	547.9
Receivables Securitisation Facility .....	18.9	(0.2)	18.7
Koln CoGen Facility .....	100.5	-	100.5
Rafnes Facility .....	305.0	(4.3)	300.7
Inventory Financing Facility .....	202.6	(0.1)	202.5
Other loans .....	27.1	-	27.1
	<b>7,723.8</b>	<b>(108.8)</b>	<b>7,615.0</b>
Gemini Facility .....	521.0	(7.7)	513.3
Rain Facility .....	632.8	(7.3)	625.5
<b>Total .....</b>	<b>8,877.6</b>	<b>(123.8)</b>	<b>8,753.8</b>

Terms and debt repayment schedule

	Currency	Nominal interest rate	Year of maturity
		SOFR+CSA/	
Senior Secured Term Loans .....	\$/€	EURIBOR +2.50%-4.00%	2027-2031
Senior Secured Notes .....	\$/€	2.125%-7.500%	2025-2029
Gemini Facility .....	\$	SOFR+0.3%-3.00%	2027
		SOFR+3.75%/	
Rain Facility .....	\$/RMB	HIBOR+4.50%	2026
Receivables Securitisation Facility .....	\$/€/£	Variable	2026
Koln CoGen Facility .....	€	2.00%	2026
Rafnes Facility .....	€	EURIBOR+2.25%	2027
Project One Facility .....	€	EURIBOR+2.75%-3.50%	2037
Other .....	€/£	EURIBOR+1.6%-3.50%	2025-2027

*Senior Secured Term Loans*

The Group has outstanding borrowings under a senior credit facilities agreement dated 27 April 2012 (as amended and restated) which consist of Euro and US dollar denominated Term Loans (referred to as the 'Senior Secured Term Loans' or 'Term Loans').

In December 2024 the Group issued new Senior Secured Term Loans due 2031. The Senior Secured Term Loans included €500 million and \$550 million maturing in 2031. Interest rates are EURIBOR plus a margin of 3.25% and SOFR plus a margin of 3.00% respectively. Proceeds (including a cashless roll) were used to redeem in full the March 2026 Senior Secured Notes amounting to €78.1 million, to partly redeem the November 2025 Senior Secured Notes for €45.0 million, and to repay the €425 million and \$500 million Senior Secured Term Loans due 2031 which were originally issued in February 2024.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 18. INTEREST-BEARING LOANS AND BORROWINGS (*continued*)

In June 2024 the Group issued new Senior Secured Term Loans. The Senior Secured Term Loans included €1,500 million maturing in June 2031 and \$2,379 million maturing in February 2030. Proceeds were used to fully repay the 2027 Euro Term Loans, the 2027 Dollar Term Loans and the initial 2030 Dollar Term Loans. In February 2024 the Group issued new Senior Secured Term Loans and Senior Secured Notes. The Senior Secured Term Loans included €425 million maturing in February 2031 and \$500 million maturing in February 2031. Proceeds were used to partly repay the 2025 and 2026 Senior Secured Notes and to provide funding for the Group's planned acquisitions and development projects. In February 2023 the Group issued new Senior Secured Term Loans and Senior Secured Notes. The Senior Secured Term Loans included €700 million maturing in November 2027 and \$1.2 billion maturing in February 2030. Proceeds from the new Senior Secured Term Loans and Senior Secured Notes were used to fully redeem the euro and US dollar denominated Term Loans maturing on 31 March 2024 as well as increasing the liquidity of the Group.

In November 2022 the Group extended its maturity profile by issuing new Senior Secured Term Loan maturing in November 2027, consisting of €800 million of Euro denominated Term Loans and \$1.2 billion of US dollar denominated Term Loans which were used to partially redeem the Euro and US dollar denominated Term Loans maturing on 31 March 2024. In November 2021 the Group raised €1.1 billion of additional Senior Secured Term Loans which were used to fully redeem the outstanding Senior Notes due 2024. The additional Senior Secured Term Loans mature on 8 November 2028 and consisted of \$845 million of US dollar denominated Term Loans and €350 million of Euro denominated Term Loans. In October 2020 the Group issued new euro denominated Senior Secured Term Loans of €375 million which mature on 27 October 2027.

The Senior Secured Term Loans outstanding at 31 December 2024 before issue costs were €6,316.1 million (2023: €5,108.8 million; 2022: €5,424.7 million) of which €40.1 million (2023: €33.0 million; 2022: €56.3 million) is due within one year. The total amounts outstanding on the Euro denominated Term Loans were €2,710.1 million (2023: €2,213.8 million) and the US dollar denominated Term Loans were €3,606.0 million (2023: €2,895.0 million).

The Term Loans are to be repaid in equal quarterly instalments, in aggregate annual amounts equal to 1% of the original principal amount of the Term Loans up to the final maturity date, apart from the euro denominated Term Loans maturing November 2028 and June 2031 which have no repayments until maturity. Additionally, the dollar denominated Term Loans maturing February 2030 and February 2031 are repaid in equal quarterly instalments, in aggregate annual amounts equal to 0.25% of the original principal amount of the Term Loans up to the final maturity date. The €500 million euro denominated Term Loans and \$550 million US dollar denominated Term Loans issued in December 2024 mature on 7 February 2031. The €1,500 million euro denominated Term Loans issued in June 2024 mature on 21 June 2031 and the \$2,379 million US dollar denominated Term Loans issued in June 2024 mature on 15 February 2030. The \$845 million US dollar denominated Term Loans and €350 million of euro denominated Term Loans issued in November 2021 mature on 8 November 2028, whilst the €375 million euro denominated Senior Secured Term Loans issued in October 2020 mature on 27 October 2027.

The outstanding Term Loans denominated in US dollars bear interest at a rate per annum equal to SOFR plus 0.10% (with the \$845 million US dollar denominated Term Loans maturing in November 2028 being subject to a floor of 0.50% per annum), with the exception of the \$550 million US dollar denominated Term Loans maturing in February 2031 and the €2,379 million US dollar denominated Term Loans maturing in February 2030, which bear interest at a rate per annum equal to SOFR, plus the Applicable Margin. All the Term Loans denominated in euros bear interest at a rate per annum equal to EURIBOR subject to a floor of 0.50% per annum (with the €500 million Euro denominated Term Loans maturing in February 2031 and the €1,500 million Euro denominated Term Loans maturing in June 2031 being subject to a floor of 0.0% per annum) plus the Applicable Margin.



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18. INTEREST-BEARING LOANS AND BORROWINGS (continued)

As at 31 December 2024 the Applicable Margin for the \$550 million US dollar denominated Term Loans maturing February 2031 it was 3.00%; for the €500 million euro denominated Term Loans maturing February 2031 it was 3.25%; for the €1,500 million euro denominated Term Loans maturing June 2031 it was 3.50%; for the \$2,379 million US dollar denominated Term Loans maturing February 2030 it was 3.25%, for the euro denominated Term Loans maturing October 2027 it was 3.00%; for the euro denominated Term Loans maturing November 2028 it was 2.75%, for the US dollar denominated Term Loans maturing November 2028 it was 2.50%.

The Senior Secured Term Loans rank pari passu with the Senior Secured Notes due May 2026, Senior Secured Notes due 2025, Senior Secured Notes due 2028 and the Senior Secured Notes due 2029. The Term Loans are guaranteed by INEOS Group Holdings S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The Term Loans and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the senior secured notes.

The Term Loans have numerous customary operating and financial incurrence covenants all of which have been complied with during the period, including covenants relating to, among other things, limitations on indebtedness, ability to give guarantees, creation of security interests, making acquisitions and investments, disposing of assets and paying dividends. The Term Loans have no financial maintenance covenants.

The June and December 2024 refinancing of the Senior Secured Term Loans resulted in a substantial modification of the Euro Term Loans and therefore there was a write-off of €33.6 million and €7.4 million, respectively, of unamortised debt issue costs which has been classed as an exceptional finance cost (see Note 4). The Senior Secured Term Loans are stated net of debt issue costs of €71.9 million (2023: €103.0 million; 2022: €95.0 million). These costs are allocated to the profit and loss account over the term of the Term Loans.

**Senior Secured Notes due 2025**

In November 2017 the Group issued €550 million of Senior Secured Notes due 2025. The proceeds from the new Notes were used to partially repay the Senior Secured Term Loans. The Senior Secured Notes due 2025 are listed on the Euro MTF - Luxembourg Stock Exchange. The Senior Secured Notes due 2025 bear interest at 2.125% per annum, payable semi-annually in arrears on 15 May and 15 November of each year. Unless previously redeemed as noted below, the Senior Secured Notes due 2025 will be redeemed by the Group at their principal amount on 15 November 2025.

In February and December 2024, the Group redeemed €312.2 million and €45.0 million, respectively, of the Senior Secured Notes and expensed €1.0 million of unamortised associated debt issue costs (see Note 4).

The Senior Secured Notes due 2025 can be subject to redemption at any time on or after 15 November 2020, at the option of the Issuer, in whole or in part, on not less than 10 nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning November 15 of the year indicated below:

Year	Redemption Price
2022 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).



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**18. INTEREST-BEARING LOANS AND BORROWINGS (continued)**

The Senior Secured Notes due 2025 rank pari passu with the Senior Secured Term Loans, the Senior Secured Notes due May 2028 and the Senior Secured Notes due May 2026. The notes are guaranteed by INEOS Group Holdings S.A., INEOS Luxembourg I S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.

In February 2025 the Group repaid in full the outstanding Senior Secured Notes due 2025 (see Note 31).

The Senior Secured Notes due 2025 are stated net of debt issue costs of €0.2 million (2023: €1.4 million, 2022: €2.1 million). These costs are allocated to the profit and loss account over the term of the Senior Secured Notes due 2025.

**Senior Secured Notes due May 2026**

In April 2019, the Group issued €770 million of Senior Secured Notes due May 2026. The Senior Secured Notes due May 2026 are listed on the Euro MTF - Luxembourg Stock Exchange. The Senior Secured Notes due May 2026 bear interest at 2.875% per annum, payable semi-annually in arrears on 1 May and 1 November of each year, beginning 1 November 2020. Unless previously redeemed as noted below, the Senior Secured Notes due May 2026 will be redeemed by the Group at their principal amount on 1 May 2026.

In February 2024, the Group redeemed €488.9 million of the Senior Secured Notes due May 2026 and expensed €1.8 million of unamortised associated debt issue costs (see Note 4).

The Senior Secured Notes due May 2026 can be subject to redemption at any time on or after 1 May 2022, at the option of the Issuer, in whole or in part, on not less than 10 nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning 1 May of the year indicated below:

<b>Year</b>	<b>Redemption Price</b>
2024 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 Secured Notes due May 2026 rank pari passu with the Senior Secured Term Loans, Senior Secured Notes due 2028 and the Senior Secured Notes due 2025. The notes are guaranteed by INEOS Group Holdings S.A., INEOS Luxembourg I S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains a number of operating and financial covenants including limitations on indebtedness, restricted payments, transactions with affiliates, liens, sale of assets and dividend payments.



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**18. INTEREST-BEARING LOANS AND BORROWINGS (continued)**

In February 2025 the Group repaid in full the outstanding Senior Secured Notes due May 2026 (see Note 31).

The Senior Secured Notes due May 2026 are stated net of debt issue costs of €0.6 million (2023: €2.9 million, 2022: €4.2 million). These costs are allocated to the profit and loss account over the term of the Senior Secured Notes due May 2026.

**Senior Secured Notes due March 2026**

In October 2020, the Group issued €325 million of Senior Secured Notes due March 2026. The Senior Secured Notes due March 2026 were listed on the Euro MTF - Luxembourg Stock Exchange. The Senior Secured Notes due March 2026 had an interest rate of 3.375% per annum, payable semi-annually in arrears on 15 May and 15 November of each year, beginning 15 May 2021.

The Senior Secured Notes due March 2026 have now been redeemed in full by the Group following redemptions in February and December 2024, when the Group redeemed €246.9 million and €78.1 million, respectively, of the Senior Secured Notes due March 2026 resulting in €1.5 million of unamortised associated debt issue costs being expensed as an exceptional finance cost (see Note 4).

The Senior Secured Notes due March 2026 were stated net of debt issue costs of €nil (2023: €2.0 million, 2022: €2.9 million).

**Senior Secured Notes due 2028**

In February 2023, the Group issued €400 million and \$425 million of Senior Secured Notes due 2028. The Senior Secured Notes due 2028 are listed on the Euro MTF—Luxembourg Stock Exchange. The Senior Secured Notes due 2028 denominated in euros bear interest at 6.625% per annum. The Senior Secured Notes due 2028 denominated in dollars bear interest at 6.750% per annum. Interest is payable semi-annually in arrears on 15 May and 15 November of each year, beginning 15 November 2023. Unless previously redeemed as noted below, the Senior Secured Notes due 2028 will be redeemed by the Group at their principal amount on 15 May 2028.

The Senior Secured Notes due 2028 can be subject to redemption at any time on or after 15 February 2025, at the option of the Issuer, in whole or in part, on not less than five nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning 15 February of the year indicated below:

<b>Year</b>	<b>Euro Notes redemption price</b>	<b>Dollar Notes redemption price</b>
2025 .....	103.3125%	103.375%
2026 .....	101.6563%	101.6875%
2027 and thereafter .....	= 100.000%	= 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).



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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**18. INTEREST-BEARING LOANS AND BORROWINGS (continued)**

The Senior Secured Notes due 2028 rank pari passu with the Senior Secured Term Loans, the Senior Secured Notes due 2025, and the Senior Secured Notes due May 2026. The notes are guaranteed by INEOS Group Holdings S.A., INEOS Luxembourg I S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains 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 2028 are stated net of debt issue costs of €12.0 million (2023: €7.1 million). These costs are allocated to the profit and loss account over the term of the Senior Secured Notes due 2028.

**Senior Secured Notes due 2029**

In February 2024 the Group issued €850 million and \$725 million of Senior Secured Notes due 2029. The Senior Secured Notes due 2029 are listed on the Euro MTF - Luxembourg Stock Exchange. The Senior Secured Notes due 2029 denominated in euros bear interest at 6.375% per annum. The Senior Secured Notes due 2029 denominated in dollars bear interest at 7.500% per annum. Interest is payable semi-annually in arrears on 15 April and 15 October of each year, beginning 15 April 2024. Unless previously redeemed as noted below, the Senior Secured Notes due 2029 will be redeemed by the Group at their principal amount on 15 April 2029.

The Senior Secured Notes due 2029 can be subject to redemption at any time on or after 15 April 2026, at the option of the Issuer, in whole or in part, on not less than five nor more than 60 days' prior notice at the following redemption prices (expressed as percentages of the aggregate principal amount), if redeemed during the 12-month period beginning 15 April of the year indicated below:

<b>Year</b>	<b>Euro Notes redemption price</b>	<b>Dollar Notes redemption price</b>
2026.....	103.1875%	103.750%
2027.....	101.594%	101.875%
2028 and thereafter.....	100.000%	100.000%

The Senior Secured Notes due 2029 rank pari passu with the Senior Secured Term Loans, the Senior Secured Notes due 2025, the Senior Secured Notes due May 2026 and the Senior Secured Notes due 2028. The notes are guaranteed by INEOS Group Holdings S.A., INEOS Luxembourg I S.A., INEOS Holdings Limited and certain of their subsidiaries on a senior secured basis. The notes and the guarantees are secured by first ranking liens on the same assets (subject to certain exceptions) that secure INEOS Holdings Limited's obligations under the Senior Secured Term Loans.

The Indenture contains 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 2029 are stated net of debt issue costs of €12.6 million.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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18. INTEREST-BEARING LOANS AND BORROWINGS (*continued*)

**Receivables Securitisation Facility**

The Group has entered into a €800 million receivables securitisation facilities agreement (“Receivables Securitisation Facility”) which matures in December 2026. The total amount outstanding at 31 December 2024 before issue costs was €19.5 million (2023: €18.3 million, 2022: €18.9 million). The facility is secured by pledges over the trade receivables sold into the programme. Interest is charged on the facility at a rate of either EURIBOR, SOFR or SONIA plus a margin or short term commercial paper rates plus a margin.

The Receivables Securitisation Facility is stated net of debt issue costs of €nil (2023: €0.1 million, 2022: €0.2 million).

**Koln CoGen Facility**

As part of a project at the Group’s Koln site to replace part of its incineration or cogeneration unit, the Group has entered into a €120 million loan facility which matures in December 2024. In May 2021 the Group entered into an additional facility of €60 million which matures in June 2026. The total amount outstanding under the loan facilities (“Koln CoGen Facility”) at 31 December 2024 was €22.5 million (2023: €71.3 million, 2022: €100.5 million) of which €15.0 million (2023: 39.0 million, 2022: €39.0 million) is due within one year.

The €120 million loan facility was to be repaid in equal quarterly instalments of €6 million, starting from March 2020 and had a fixed interest rate of 2.85% per annum. The facility was repaid in full in December 2024.

The €60 million additional loan facility is to be repaid in equal quarterly payments of €3.75 million starting in September 2022 and bears a fixed interest rate of 2.00% per annum.

The Koln CoGen Facility is secured by pledges over the plant and equipment of INEOS Manufacturing Deutschland GmbH’s new cogeneration assets.

**Rafnes Facility**

As part of the Group’s purchase of the remaining 50% interest in the Noretyl ethylene cracker at Rafnes, Norway from the Kerling group on 1 July 2015, the Group also assumed the obligations of a €140 million loan facility that Noretyl had in place. In November 2019 following the repayment of the initial loan the term loan facility was amended and restated with a new facility amount (“Rafnes Facility”) of €250.0 million. In November 2022 the Group amended and extended the facility to be €305.0 million. The total amount outstanding at 31 December 2024 before issue costs was €305.0 million (2023: €305.0 million, 2022: €305.0 million) of which €101.7 million (2023: nil, 2022: nil) is due within one year.

The Rafnes Facility is to be repaid in six equal semi-annual instalments commencing in May 2025. The facility matures in November 2027. The facility is secured by pledges over the property, plant and equipment of INEOS Rafnes AS. The Rafnes Facility bears interest at a rate per annum equal to EURIBOR (subject to a floor of 0% per annum) plus a margin of 2.25%.

The Rafnes Facility is stated net of debt issue costs of €1.6 million (2023: €2.9 million, 2022: €4.3 million).

**Inventory Financing Facilities**

In June 2019 the Group entered into an inventory monetisation agreement with J Aron & Company LLC (‘J Aron’), for an initial term of one year which was extendable by mutual agreement. The facility was moved from J Aron to Goldman Sachs International (‘GSI’) in June 2023. The new facility is for an initial term of one year to expire in June 30, 2025 and is extendable by mutual agreement. Under this arrangement, the Group sells certain inventory to GSI and agreed to buy-back equivalent inventory at the end of the term at the same price. During the term, and subject to certain covenants and rights of GSI, GSI provides the Group with a just-in-time service for use of the inventory, and the ability to substitute used inventory with equivalent inventory, in return for a transaction fee. The arrangement is supported by a Group parent company guarantee and a cash collateral mechanism.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 18. INTEREST-BEARING LOANS AND BORROWINGS (*continued*)

The total amount outstanding at 31 December 2024 before issue costs was €288.3 million (2023: €155.1 million, 2022: €202.6 million). The Inventory Financing Facility is stated net of debt issue costs of €nil (2023: €0.1 million, 2022: €0.1 million).

As part of the Lavera common control acquisition in April 2024 (see Note 3), the Group acquired an additional monetisation agreement with Goldman Sachs. The new facility is for a term of one year to expire in 30 June 2025 and is extendable by mutual agreement.

The total amount outstanding at 31 December 2024 before issue costs was €31.7 million. The facility is stated net of debt issue costs of nil.

#### ***Gemini Facility***

As part of the Group's purchase of the remaining 50% interest in the Gemini HDPE plant in Texas, USA, from Sasol Chemicals on 31 December 2020, the Group amended and upsized the existing Term Loan facility within the acquired Gemini HDPE LLC legal entity. The amended loan facility was upsized to \$600.0 million ("Gemini Facility") and the maturity was extended to 31 October 2027. The total amount outstanding at 31 December 2024 before issue costs was €485.8 million (\$504.2 million) (2023: €477.7 million (\$505.2 million), 2022: €521.0 million (\$530.5 million)) of which €24.2 million (\$26.9 million) (2023: €23.6 million (\$26.2 million), 2022: €23.7 million (\$25.3 million)) is due within one year.

The Gemini Facility is to be repaid in quarterly instalments starting on 30 April 2021 with a final payment of \$420.0 million on 31 October 2027 when the facility matures. The facility is secured by pledges over the plant and equipment of Gemini HDPE LLC. The outstanding Gemini Facility bears interest at a rate per annum equal to SOFR plus a credit spread adjustment of 0.3% plus a margin of 3.0%. Gemini HDPE LLC has been designated as an unrestricted subsidiary in accordance with the Group's Senior Secured Term Loans and Senior Secured Notes.

The Gemini Facility is stated net of debt issue costs of €4.4 million (2023: €5.8 million, 2022: €7.7 million).

In February 2025 the Group repaid in full the outstanding Gemini Facility (see Note 31).

#### ***Rain Facility***

As part of the Group's acquisition of a 50% interest in Shanghai SECCO Petrochemical Company Limited ("SECCO") from Sinopec in December 2022 the Group entered into a RMB 1,045 million and \$525 million term loan facility agreement maturing in June 2026 (the "Rain Facility"). In April 2023, the Group successfully completed a syndication of the acquisition financing originally funded in December 2022. As part of the syndication, which increased the numbers of lenders to ten, the debt was increased to \$785 million and RMB 1,045 million.

The Rain Facility is to be repaid when the facility matures in June 2026. The Rain Facility is secured by pledges of the shares held by INEOS Investment (Shanghai) Company Limited in SECCO and of the shares held by INEOS China Holdings Limited in INEOS Investment (Shanghai) Company Limited. The Rain Facility carries an interest rate per annum equal to SOFR plus a margin of 3.75% on the US dollar denominated loan and HIBOR plus a margin of 4.50% on the RMB denominated loan. INEOS China Holdings Limited has been designated as an unrestricted subsidiary in accordance with the Group's Senior Secured Term Loans and Senior Secured Notes.

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**18. INTEREST-BEARING LOANS AND BORROWINGS (continued)**

INEOS China Holdings Limited as borrower is subject to financial covenants under the terms of the Rain Facilities, which are tested by reference to SECCO EBITDA, as well as net debt incurred by SECCO. The EBITDA covenant is tested with effect from the year ended 31 December 2024, while the net debt covenant is tested with effect from 31 December 2024. If INEOS China Holdings Limited breaches any of these covenants, the lenders of the Rain Facilities may be permitted to take certain actions, including declaring all amounts that INEOS China Holdings Limited has borrowed (and IGH and IHL have guaranteed) under the Rain Facilities to be due and payable, together with accrued and unpaid interest, unless INEOS China Holdings Limited cures such breaches. The Group made an equity cure repayment of €73.9 million (\$79.8million) on the U.S. dollar term loan facility during the year ended 31 December 2024. In January 2025, the Group made an additional equity cure repayment on the RMB term loan facility of €104.7 million (CNY 793.1 million).

The total amount outstanding at 31 December 2024 before issue costs was €817.2 million (2023: €839.2 million).

The Rain Facility is stated net of debt issue costs of €0.6 million (2023: €1.0 million, 2022: €7.3 million).

***Project One Facility***

On 22 December 2022, the Group entered into certain agreements (the “Project One Facility”) providing for loans in an aggregate principal amount of €3,500 million under (i) facilities guaranteed by export credit agencies (UKEF, SACE and CESCE), (ii) a facility partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government) and (iii) a Commercial Facility to fund the construction of Project One, a 1,450 ktpa ethane cracker and olefins complex located in the port of Antwerp. The ability to draw the funds was contingent on the receipt of certain guarantees which completed in February 2023.

The Group expects the Project One Facility to be drawn in stages throughout the construction period to the end of 2026.

The total amount outstanding at 31 December 2024 before issue costs was €1,888.6 million (2023: €522.0 million, 2022: nil).

The Project One Facility is stated net of debt issue costs of €176.5 million (31 December 2023: €190.6 million, 31 December 2022: nil). The debt issue costs relate to legal and advisory fees, upfront fees to banks, agency fees to the facilities agents and the upfront Export Credit Agency Guarantee premiums paid to UKEF, CESCE and SACE.

On 20 July 2023 the Group received a decision from the Council for Permit Disputes annulling the permit for Project One. As a result of the annulment of the permit, no further drawings may be made until such time as a new permit is reissued. Under the terms of the facility there is a period of up to 18 months to achieve this. In January 2024 a new permit was reissued for Project One when the Group’s appeal to reconfirm the permit was granted by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism, so construction of Project One has now resumed.

***Project One Interim Facility***

On 15 September 2023, the Group entered into certain agreements (the “Project One Interim Facility”) providing for loans in an aggregate principal amount of €400 million under a facility partially guaranteed by Gigarant (a special purpose vehicle of the Flemish government). This is a short dated facility repayable within 364 days. The debt will continue to be drawn in stages based on the ongoing cash requirements of the project. In January 2024 a new permit was reissued for Project One when the Group’s appeal to reconfirm the permit was granted by the Flemish Minister for Justice and Enforcement, Environment and Spatial Development and Energy and Tourism, so construction of Project One has now resumed. On 29 February 2024 the Group repaid the Project One Interim Facility from borrowings under the Project One Facility.



**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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The total amount outstanding at 31 December 2024 before issue costs was €nil (2023: €365.0 million, 2022: nil). The facility is stated net of debt issue costs of €nil (2023: €1.3 million, 2022: nil).

***O&P South Revolving Credit Facilities ('RCF')***

Following the Lavera common control acquisition in April 2024 (see Note 3), the Group acquired three revolving credit facilities:

The Group now has a €80.0 million RCF facility with BNP Paribas S.A. which expires in June 2025. The RCF bears interest at a rate per annum equal to EURIBOR (subject to a floor of 0% per annum) plus a margin of 2.05%. As at 31 December 2024 €70.0 million had been drawn under the facility.

The Group also has a €15.0 million RCF facility with Caisse d'Epargne, which is repayable on demand with 90 days' notice. The facility bears interest at a rate per annum equal to EURIBOR plus a margin of 0.80%. As at 31 December 2024, €15.0 million had been drawn under the facility.

The Group also acquired a €20.0 million RCF facility with Credit Agricole CIB which has no set maturity date, but is reviewed annually. The facility bears interest at a rate per annum equal to EURIBOR plus a margin of 0.80%. As at 31 December 2024, €20.0 million had been drawn under the facility.

**19. TRADE AND OTHER PAYABLES**

	2024	2023	2022
	€m		
<b>Current</b>			
Trade payables .....	429.8	460.6	422.9
Amounts due to related parties (see Note 28) .....	194.3	234.1	312.0
Other payables .....	1,019.2	807.2	906.9
Deferred consideration (see Note 12a) .....	623.6	598.7	2.1
Accruals and deferred income .....	1,031.0	492.7	801.2
	<u>3,297.9</u>	<u>2,593.3</u>	<u>2,445.1</u>
<b>Non-current</b>			
Amounts due to related parties (see Note 28) .....	28.7	-	-
Other payables .....	88.3	98.2	82.0
Accruals and deferred income .....	67.3	55.4	25.4
	<u>184.3</u>	<u>153.6</u>	<u>107.4</u>

Included within other payables is a capital creditors balance of €429.3 million (2023: €362.5 million, 2022: €341.8 million) and a balance relating to payroll accruals and creditors of €344.1 million (2023: €246.1 million, 2022: €343.1 million).

**20. EMPLOYEE BENEFITS**

***Pension plans***

The Group operates a number of pension plans throughout the world, devised in accordance with local conditions and practices. The plans are generally of the defined benefit type and are funded by payments to separately administered funds or insurance companies. The principal funded plans are in the United Kingdom, North America, Belgium, Switzerland, Germany and France.

The Group also operates a number of unfunded defined benefit pension schemes in Germany and France.

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**20. EMPLOYEE BENEFITS (continued)**

The most recent full valuations of the significant defined benefit plans were carried out as follows:

Plan	Country	Valuation date
All Plans .....	United Kingdom	31 December 2024
All Plans .....	North America	31 December 2024
All Plans .....	Belgium	31 December 2024
All Plans .....	France	31 December 2024
All Plans .....	Germany	31 December 2024
All Plans .....	Switzerland	31 December 2024

These valuations have been updated where appropriate to 31 December 2024 by independent qualified actuaries.

The Group's pension schemes have been disclosed on a geographical basis as those schemes in the United Kingdom, North America and Other European. Other European principally includes the Group's pension plans in Germany, Belgium, France and Switzerland.

The UK defined benefit pension plans were historically final salary in nature, with a normal retirement age of 60. The majority of the UK plans are either closed to new entrants, or frozen to 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 American pension arrangements consist of two funded plans, both closed to new entrants and future accrual. Both plans were final salary defined benefit in nature, and the plans' liabilities are valued regularly in line with US statutory funding requirements. Around 90% of both plans' assets are invested in bond instruments, to closely match the profile of each plans' liabilities.

The Other European pension arrangements are primarily final salary in nature, the majority of which remain open to new entrants. The majority of plans in Germany are funded through plan assets from contractual trust arrangements. There are no legal minimum funding requirements, thus the Group can decide on any plan contributions considering local conditions and practices. The Swiss benefits are insured, the Belgian plan assets are held in trust, and the remaining schemes are unfunded with associated provisions held on the Group's balance sheet.

In June 2023, the High Court handed down a decision (*Virgin Media Limited v NTL Pension Trustees II Limited and others*) which potentially has potential implications for the validity of amendments made by pension schemes which were contracted-out on a salary-related basis between 6 April 1997 and the abolition of contracting-out in 2016. The High Court ruled that any amendments made to these pension schemes during the relevant period would be void unless the scheme actuary had confirmed that the pension scheme would continue to satisfy the statutory standard for contracted-out schemes. On 25 July 2024, the Court of Appeal upheld the original decision. The Group understands that the trustees have reviewed all available scheme documents and, following legal advice, have not found any issues with scheme amendments in any schemes. However, the Group understands that in respect of the EVC UK plan the trustees are seeking to locate and review further historical documents in order to be able to assess whether there are any issues in this plan. The Group's legal advisors have reviewed the advice given to the trustees so far and have agreed with the conclusions reached. Therefore the Group has not made any allowance for the possible impact of the ruling as it is currently unclear whether any additional liabilities might arise on the EVC UK plan given the ongoing nature of the due diligence. As at 31 December 2024, the EVC UK plan is in a net surplus position of £1.7 million.



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20. EMPLOYEE BENEFITS (continued)

*Pension plan assumptions*

The principal actuarial assumptions (expressed as weighted averages or ranges) at the year end were as follows:

	United Kingdom			North America			Other European		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
	%								
<b>Major assumptions</b>									
Rate of general increase in salaries .....	N/A	N/A	3.2	N/A-3.0	N/A	N/A	2.0-3.5	2.0-3.5	2.0-3.5
Rate of increase to pensions in payment.....	3.0	2.9	3.0	N/A	0.0	0.0	0.0-2.1	0.0-2.3	0.0-2.5
Discount rate for scheme liabilities .....	5.5	4.7	5.0	4.7-5.6	5.0	5.4	0.9-3.5	1.3-3.5	2.2-3.8
Inflation .....	3.2	3.1	3.2	N/A-2.0	N/A	N/A	1.3-2.1	1.3-2.4	1.3-2.5

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:

	United Kingdom			North America			Other European		
	2024	2023	2022	2024	2023	2022	2024	2023	2022
	Years								
Longevity at age 65 for current pensioners .....	21.4-23.6	21.4-23.5	21.9-24.2	21.6-23.1	21.5-22.9	21.4-22.9	20.9-28.9	20.8-28.7	20.6-28.6

The following table presents the sensitivity of the defined benefit obligation to each significant actuarial assumption:

	United Kingdom	North America	Other European
	2024		
	%		
<b>Major assumptions</b>			
Discount rate: 1.0% decrease .....	13.6	15.1	16.5
Rate of inflation: 0.5% increase <sup>1</sup> .....	4.2	1.4	5.2
One year increase in longevity for a member currently aged 65 .....	3.3	1.4	2.5

1. 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.

*Post-retirement health care plans*

The Group also operates a number of post-retirement healthcare plans in the United States, which provide employees with other post-employment benefits in respect of health care. The plans are unfunded and the liability in respect of these benefits is included in provisions. The liability is assessed by qualified independent actuaries under the projected unit method, assuming the following rates:

	2024	2023	2022
	%		
<b>Rates</b>			
Liability discount rate .....	5.6	5.0	5.4
Long-term healthcare trend rate .....	N/A	N/A	5.0



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20. EMPLOYEE BENEFITS (continued)

*History of plans*

The history of the plans for the current and prior years is as follows:

Consolidated balance sheet

	2024	2023	2022
	€m		
Present value of the defined benefit obligation in respect of pension plan ..	1,657.1	1,484.1	1,353.4
Present value of obligations in respect of post-retirement health care plan .....	14.8	15.6	17.7
Fair value of plan assets .....	(885.9)	(795.5)	(775.9)
<b>Net deficit</b> .....	<b>786.0</b>	<b>704.2</b>	<b>595.2</b>

	2024	2023	2022
	€m		
Non-current assets.....	(44.0)	(38.1)	(35.0)
Non-current liabilities .....	830.0	742.3	630.2
<b>Net deficit</b> .....	<b>786.0</b>	<b>704.2</b>	<b>595.2</b>

The Group's net liability in respect of defined benefit obligations (DBO) is as follows:

	2024	2023	2022
	€m		
Obligations in respect of pension plans:			
United Kingdom .....	(22.8)	(21.6)	(21.1)
North America .....	(21.2)	(16.3)	(13.7)
Other European.....	815.2	726.5	612.3
	771.2	688.6	577.5
Obligations in respect of post-retirement health care plans .....	14.8	15.6	17.7
<b>Recognised liability for defined benefit obligations</b> .....	<b>786.0</b>	<b>704.2</b>	<b>595.2</b>

The Group expects to contribute approximately €24.4 million to its funded defined benefit plans in the next financial year. This excludes direct company benefit payments and payments in relation to unfunded defined benefit plan schemes.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

20. EMPLOYEE BENEFITS (continued)

Expense recognised in the consolidated income statement

	United Kingdom	North America	Other European	Post retirement health care plans	Total
€m					
<b>Year ended 31 December 2024</b>					
Current service cost.....	0.6	0.6	34.2	0.2	35.6
Past service cost.....	-	-	2.1	-	2.1
Cost of termination benefits .....	-	-	5.6	-	5.6
Interest cost on DBO.....	10.5	8.2	37.2	0.8	56.7
Interest income on assets .....	(11.6)	(8.9)	(11.7)	-	(32.2)
	<b>(0.5)</b>	<b>(0.1)</b>	<b>67.4</b>	<b>1.0</b>	<b>67.8</b>

	United Kingdom	North America	Other European	Post retirement health care plans	Total
€m					
<b>Year ended 31 December 2023</b>					
Current service cost.....	0.6	1.0	28.4	0.3	30.3
Past service cost.....	-	-	-	0.2	0.2
Cost of termination benefits.....	-	-	4.4	-	4.4
Interest cost on DBO.....	10.5	9.0	33.6	0.9	54.0
Interest income on assets .....	(11.6)	(9.7)	(12.4)	-	(33.7)
	<b>(0.5)</b>	<b>0.3</b>	<b>54.0</b>	<b>1.4</b>	<b>55.2</b>

	United Kingdom	North America	Other European	Post retirement health care plans	Total
€m					
<b>Year ended 31 December 2022</b>					
Current service cost.....	0.6	0.8	43.8	0.3	45.5
Past service cost.....	-	-	2.6	-	2.6
Cost of termination benefits .....	-	-	2.3	-	2.3
Interest cost on DBO.....	6.7	6.7	14.8	0.6	28.8
Interest income on assets .....	(7.9)	(7.4)	(4.1)	-	(19.4)
	<b>(0.6)</b>	<b>0.1</b>	<b>59.4</b>	<b>0.9</b>	<b>59.8</b>

The expense is recognised in the following line items in the consolidated income statement:

	2024	2023	2022
€m			
Cost of sales and administrative expenses .....	43.3	34.9	50.4
Finance cost .....	24.5	20.3	9.4
	<b>67.8</b>	<b>55.2</b>	<b>59.8</b>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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20. EMPLOYEE BENEFITS (continued)

*Pension plans*

	United Kingdom	North America	Other European	Total
	€m			
<b>As at 31 December 2024</b>				
Present value of funded obligations.....	216.1	151.0	1,085.8	1,452.9
Present value of unfunded obligations.....	-	-	204.2	204.2
	216.1	151.0	1,290.0	1,657.1
Fair value of plan assets.....	(238.9)	(172.2)	(474.8)	(885.9)
	<b>(22.8)</b>	<b>(21.2)</b>	<b>815.2</b>	<b>771.2</b>
	€m			
<b>As at 31 December 2023</b>				
Present value of funded obligations.....	223.6	167.0	1,054.2	1,444.8
Present value of unfunded obligations.....	-	-	39.3	39.3
	223.6	167.0	1,093.5	1,484.1
Fair value of plan assets.....	(245.2)	(183.3)	(367.0)	(795.5)
	<b>(21.6)</b>	<b>(16.3)</b>	<b>726.5</b>	<b>688.6</b>
	€m			
<b>As at 31 December 2022</b>				
Present value of funded obligations.....	214.2	175.3	927.6	1,317.1
Present value of unfunded obligations.....	-	-	36.3	36.3
	214.2	175.3	963.9	1,353.4
Fair value of plan assets.....	(235.3)	(189.0)	(351.6)	(775.9)
	<b>(21.1)</b>	<b>(13.7)</b>	<b>612.3</b>	<b>577.5</b>

Included within the Other European deficits are amounts relating to German plans of €621.0 million (2023: €668.8 million, 2022: €590.6 million) and French plans of €174.8 million (2023: €7.8 million, 2022: €7.5 million).

The pension plan surplus is recognised on the balance sheet on the basis that the Group is entitled to a refund of any remaining assets once all members have left the plan or it can be used to fund future employer contributions.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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20. EMPLOYEE BENEFITS (continued)

Movements in present value of defined benefit obligation:

	United Kingdom	North America	Other European	Total
	€m			
At 1 January 2022.....	363.1	234.1	1,319.8	1,917.0
Current service cost.....	0.6	0.8	43.8	45.2
Past service credit.....	-	-	2.6	2.6
Interest cost on DBO.....	6.7	6.7	14.8	28.2
Member contributions.....	-	-	1.8	1.8
Actuarial loss – experience.....	22.1	0.8	41.0	63.9
Actuarial (gain)/loss – demographic assumptions.....	(0.2)	0.3	-	0.1
Actuarial (gain) – financial assumptions.....	(148.2)	(51.9)	(447.4)	(647.5)
Disbursements from plan assets.....	(16.3)	(30.2)	(5.2)	(51.7)
Disbursements paid directly by the employer.....	-	(0.3)	(15.0)	(15.3)
Termination benefits.....	-	-	2.3	2.3
Exchange.....	(13.6)	15.0	5.4	6.8
<b>At 31 December 2022.....</b>	<b>214.2</b>	<b>175.3</b>	<b>963.9</b>	<b>1,353.4</b>
Current service cost.....	0.6	1.0	28.4	30.0
Interest cost on DBO.....	10.5	9.0	33.6	53.1
Member contributions.....	-	-	2.2	2.2
Actuarial loss/(gain) – experience.....	7.0	(1.7)	19.3	24.6
Actuarial gain – demographic assumptions.....	(8.1)	(0.3)	(0.1)	(8.5)
Actuarial loss – financial assumptions.....	6.0	5.2	69.3	80.5
Disbursements from plan assets.....	(10.2)	(14.3)	(14.6)	(39.1)
Disbursements paid directly by the employer.....	-	(0.2)	(17.7)	(17.9)
Termination benefits.....	-	-	4.4	4.4
Exchange.....	3.6	(7.0)	4.8	1.4
<b>At 31 December 2023.....</b>	<b>223.6</b>	<b>167.0</b>	<b>1,093.5</b>	<b>1,484.1</b>
Current service cost.....	0.6	0.6	34.2	35.4
Interest cost on DBO.....	10.5	8.2	37.2	55.9
Member contributions.....	-	-	2.2	2.2
Actuarial loss/(gain) – experience.....	0.6	(4.1)	10.2	6.7
Actuarial gain – demographic assumptions.....	(0.3)	(0.3)	-	(0.6)
Actuarial gain – financial assumptions.....	(19.4)	(7.7)	(83.3)	(110.4)
Disbursements from plan assets.....	(10.0)	(22.6)	(16.5)	(49.1)
Disbursements paid directly by the employer.....	-	(0.2)	(28.4)	(28.6)
Past service cost.....	-	-	2.0	2.0
Settlements.....	-	(17.5)	-	(17.5)
Termination benefits.....	-	-	5.5	5.5
Acquisitions.....	-	-	217.1	217.1
Reclassifications.....	-	17.8	17.3	35.1
Exchange.....	10.5	9.8	(1.0)	19.3
<b>At 31 December 2024.....</b>	<b>216.1</b>	<b>151.0</b>	<b>1,290.0</b>	<b>1,657.1</b>



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20. EMPLOYEE BENEFITS (continued)

Movements in fair value of plan assets:

	United Kingdom	North America	Other European	Total
	€m			
At 1 January 2022.....	430.9	260.5	415.2	1,106.6
Interest income on plan assets.....	7.9	7.4	4.1	19.4
Return on plan assets less than discount rate.....	(173.8)	(65.6)	(83.4)	(322.8)
Employer contributions.....	2.0	0.3	31.2	33.5
Member contributions.....	-	-	1.8	1.8
Disbursements.....	(16.3)	(30.6)	(20.1)	(67.0)
Exchange.....	(15.4)	17.0	2.8	4.4
<b>At 31 December 2022.....</b>	<b>235.3</b>	<b>189.0</b>	<b>351.6</b>	<b>775.9</b>
Interest income on plan assets.....	11.6	9.7	12.4	33.7
Return on plan assets greater/(less) than discount rate.....	2.9	6.5	(3.1)	6.3
Employer contributions.....	1.6	0.2	32.1	33.9
Member contributions.....	-	-	2.2	2.2
Disbursements.....	(10.2)	(14.5)	(32.3)	(57.0)
Exchange.....	4.0	(7.6)	4.1	0.5
<b>At 31 December 2023.....</b>	<b>245.2</b>	<b>183.3</b>	<b>367.0</b>	<b>795.5</b>
Interest income on plan assets.....	11.6	9.0	11.6	32.2
Return on plan assets (less)/greater than discount rate.....	(20.1)	(8.1)	29.6	1.4
Employer contributions.....	0.7	0.2	44.0	44.9
Member contributions.....	-	-	2.2	2.2
Disbursements.....	(10.0)	(22.8)	(44.8)	(77.6)
Settlements.....	-	(17.7)	-	(17.7)
Acquisitions.....	-	-	49.0	49.0
Other.....	-	17.3	17.3	34.6
Exchange.....	11.5	11.0	(0.9)	21.4
<b>At 31 December 2024.....</b>	<b>238.9</b>	<b>172.2</b>	<b>474.8</b>	<b>885.9</b>

The overall expected rate of return is calculated by weighting the individual rates in accordance with the anticipated balance in the plan's investment portfolio.

The fair value of the plan assets were as follows:

	United Kingdom	North America	Other European	Total
	€m			
<b>At 31 December 2024</b>				
Equities.....	-	26.7	180.9	207.6
Bonds.....	181.3	140.6	95.6	417.5
Property.....	-	-	76.9	76.9
Other.....	57.6	4.9	121.4	183.9
<b>Total plan assets.....</b>	<b>238.9</b>	<b>172.2</b>	<b>474.8</b>	<b>885.9</b>



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20. EMPLOYEE BENEFITS (continued)

	United Kingdom	North America	Other European	Total
	€m			
<b>At 31 December 2023</b>				
Equities.....	-	18.3	141.4	159.7
Bonds.....	150.3	163.4	83.1	396.8
Property.....	-	-	69.4	69.4
Other.....	94.9	1.6	73.1	169.6
<b>Total plan assets.....</b>	<b>245.2</b>	<b>183.3</b>	<b>367.0</b>	<b>795.5</b>

	United Kingdom	North America	Other European	Total
	€m			
<b>At 31 December 2022</b>				
Equities.....	-	18.8	140.9	159.7
Bonds.....	138.5	168.1	83.0	389.6
Property.....	-	-	58.8	58.8
Other.....	96.8	2.1	68.9	167.8
<b>Total plan assets.....</b>	<b>235.3</b>	<b>189.0</b>	<b>351.6</b>	<b>775.9</b>

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.

*Post-retirement health care plans*

Reconciliation of present value of scheme liabilities:

	2024	2023	2022
	€m		
At 1 January.....	15.6	17.7	22.8
Current service cost.....	0.2	0.3	0.3
Interest cost on DBO.....	0.8	0.9	0.6
Actuarial (gain) – experience.....	(0.2)	(0.7)	(1.0)
Actuarial (gain)/loss – financial assumptions.....	(0.6)	0.5	(4.1)
Disbursements directly paid by the employer.....	(2.0)	(2.7)	(2.4)
Past service cost.....	-	0.2	-
Exchange adjustments.....	1.0	(0.6)	1.5
<b>At 31 December.....</b>	<b>14.8</b>	<b>15.6</b>	<b>17.7</b>

The post-retirement healthcare plans do not hold any assets.

The following table presents the sensitivity of the post-retirement healthcare plans to each significant actuarial assumption:

	2024
	%
<b>Major assumptions</b>	
Discount rate: 1.0% decrease.....	7.6
1 year increase in longevity for a member currently aged 65.....	1.3



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
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21. PROVISIONS

	Severance and restructuring costs	Remediation	Other	Total
	€m			
At 1 January 2024.....	17.4	19.0	4.0	40.4
Credited to the income statement.....	-	(0.9)	-	(0.9)
Utilised in the year.....	-	-	(1.0)	(1.0)
Transfers.....	-	(9.8)	(2.3)	(12.1)
Business acquisitions (see Note 3).....	1.0	-	10.7	11.7
Effects of movements in foreign exchange.....	(3.0)	(0.3)	(0.5)	(3.8)
<b>At 31 December 2024.....</b>	<b>15.4</b>	<b>8.0</b>	<b>10.9</b>	<b>34.3</b>
Non – current.....	19.7	12.6	0.1	32.4
Current.....	1.0	1.9	4.2	7.1
Balance at 31 December 2022.....	<b>20.7</b>	<b>14.5</b>	<b>4.3</b>	<b>39.5</b>
Non – current.....	17.1	17.1	0.1	34.3
Current.....	0.3	1.9	3.9	6.1
Balance at 31 December 2023.....	<b>17.4</b>	<b>19.0</b>	<b>4.0</b>	<b>40.4</b>
Non – current.....	15.2	5.3	1.8	22.3
Current.....	0.2	2.7	9.1	12.0
<b>Balance at 31 December 2024.....</b>	<b>15.4</b>	<b>8.0</b>	<b>10.9</b>	<b>34.3</b>

**Severance and restructuring costs**

The severance and restructuring costs provision includes €15.2 million relating to the Köln site following reorganisations within the O&P North business and is expected to be fully utilised by 2029.

**Remediation costs**

The Group has provided for the cost of remediation works of €8.0 million where there is a legal or constructive obligation for such work to be carried out. Provisions are established to meet the clean-up costs of contaminated soil and groundwater, the removal of potentially hazardous substances and rectification work required to ensure compliance with license to operate obligations. These costs relate mainly to the Group's production facilities at the Green Lake site and a pilot plant at the Lavera site. The provision only covers items of specific work for which a reasonable estimate can be determined. By their nature the amounts and timing of any outflows in respect of remediation costs are difficult to predict.

**Other provisions**

Other provisions primarily relates to commercial disputes in respect of licencing agreements with €9.1 million (2023: €3.9 million, 2022: €4.2 million) are expected to be fully utilised within the next year.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 22. SHARE CAPITAL

	2024	2023	2022
		€m	
<b>Fully paid</b>			
924,803 (2023: 924,803, 2022: 924,803) Ordinary shares of €1 each .....	0.9	0.9	0.9

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.

The Company did not hold or acquire any of its own shares during the year ended 31 December 2024 (2023: none, 2022: none).

### 23. DIVIDENDS

The following dividends were recognised during the year:

	2024	2023	2022
		€m	
Interim dividend declared (2024: €nil per share, 2023: €754.2 per share, 2022: €216.3 per share).....	-	697.5	200.0

No dividends were declared during the year.

### 24. FINANCIAL INSTRUMENTS

#### 24a Fair value of financial instruments

##### *Investments in debt and equity securities*

The fair value of financial assets at fair value through profit or loss is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date.

Financial assets at fair value through other comprehensive income are accounted for at fair value based on the present value of future cash flows where such information is readily available based on the present value of future cash flows estimated from financial information made available during the year as a result of a recent transaction in the investment. However, as explained in Note 13, the Group's financial assets at fair value through other comprehensive income include certain equity interests which are not quoted and for which there is no active market. The Group considers that the acquisition cost to be a reasonable approximation for fair value.

##### *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.



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24. FINANCIAL INSTRUMENTS (continued)

*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 reporting date.

*Interest-bearing borrowings*

The fair value of the Senior Secured Term Loans and Senior Secured Notes, which after initial recognition is determined for disclosure purposes only are based on the market yields derived from quotes obtained at the year end from leading financial institutions. The fair value of the Receivables and Inventory Securitisation, Rafnes Facility, Koln CoGen Facility, Gemini Facility, Rain Facility, Project One Facility, O&P South Revolving Credit Facility and Other loans is the same as the carrying value before unamortised debt issue costs.

*Derivative financial instruments*

The fair value of interest rate swaps and commodity contracts are based on market or broker quotes.

*Fair values*

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:

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	2024		2023		2022	
	€m					
<b>Financial assets held at fair value through profit or loss:</b>						
Derivative commodity contracts.....	58.0	58.0	63.3	63.3	20.3	20.3
Interest rate swap contracts.....	8.8	8.8	29.5	29.5	121.9	121.9
<b>Financial assets held at fair value through other comprehensive income:</b>						
Equity investments .....	27.1	27.1	27.1	27.1	28.3	28.3
<b>Financial assets held at amortised cost:</b>						
Trade receivables.....	1,356.0	1,356.0	1,179.7	1,179.7	1,313.8	1,313.8
Amounts due from related parties.....	2,746.2	2,746.2	2,521.8	2,521.8	1,723.6	1,723.6
Other receivables .....	228.7	228.7	132.0	132.0	201.5	201.5
Cash and cash equivalents .....	2,477.0	2,477.0	1,774.1	1,774.1	2,639.1	2,639.1
<b>Total financial assets .....</b>	<b>6,901.8</b>	<b>6,901.8</b>	<b>5,727.5</b>	<b>5,727.5</b>	<b>6,048.5</b>	<b>6,048.5</b>



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24. FINANCIAL INSTRUMENTS (continued)

	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
	2024		2023		2022	
	€m					
<b>Financial liabilities held at fair value through profit and loss:</b>						
Derivative commodity contracts.....	64.9	64.9	73.9	73.9	26.0	26.0
Interest rate swap contracts.....	36.4	36.4	43.1	43.1	-	-
Consideration payable (see Note 12a) ...	623.6	623.6	598.7	598.7	-	-
<b>Financial liabilities carried at amortised cost:</b>						
Senior Secured Term Loans.....	6,244.2	6,329.2	5,005.8	5,074.4	5,329.7	5,318.0
Senior Secured Notes.....	2,806.4	2,889.1	2,414.3	2,377.4	1,635.8	1,454.7
Securitisation Facility.....	19.5	19.5	18.2	18.3	18.7	18.9
Inventory Financing Facility.....	288.3	288.3	155.0	155.1	202.5	202.6
Rafnes Facility.....	303.4	305.0	302.1	305.0	300.7	305.0
Koln CoGen Facility.....	22.5	22.5	71.3	71.3	100.5	100.5
Project One Facility.....	1,712.1	1,888.6	331.4	522.0	-	-
Project One Interim Facility .....	-	-	363.7	365.0	-	-
O&P South Revolving Credit Facility ...	105.0	105.0	-	-	-	-
Other loans .....	21.8	21.8	18.2	18.2	27.1	27.1
Gemini Facility.....	481.4	485.8	471.9	477.7	513.3	521.0
Rain Facility .....	816.6	817.2	838.2	839.2	625.5	632.8
Lease liabilities.....	1,029.9	1,029.9	1,069.9	1,069.9	1,089.3	1,089.3
Trade payables.....	429.8	429.8	460.6	460.6	422.9	422.9
Amounts due to related parties .....	223.0	223.0	234.1	234.1	312.0	312.0
Accruals.....	1,012.7	1,012.7	485.1	485.1	751.4	751.4
Other payables .....	1,107.5	1,107.5	908.3	908.3	988.9	988.9
<b>Total financial liabilities.....</b>	<b>17,349.0</b>	<b>17,699.8</b>	<b>13,863.8</b>	<b>14,097.3</b>	<b>12,344.3</b>	<b>12,171.1</b>

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).



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24. FINANCIAL INSTRUMENTS (continued)

	Fair value	Level			Fair value	Level			Fair value	Level		
		1	2	3		1	2	3		1	2	3
		2024			2023			2022				
€m												
<b>Financial assets held at fair value through profit or loss:</b>												
Derivative commodity contracts.....	58.0	5.5	52.5	-	63.4	5.4	58.0	-	20.3	9.9	10.4	-
Interest rate swap contracts .....	8.8	-	8.8	-	29.4	4.1	25.3	-	121.9	20.7	101.2	-
<b>Financial assets held at fair value through other comprehensive income:</b>												
Equity investments.....	27.1	-	-	27.1	27.1	-	-	27.1	28.3	-	-	28.3
<b>Financial liabilities held at fair value through profit and loss:</b>												
Derivative commodity contracts.....	(64.9)	(8.2)	(56.7)	-	(73.9)	(10.6)	(63.3)	-	(26.0)	(11.9)	(14.1)	-
Interest rate swap contracts .....	(36.4)	-	(36.4)	-	(43.1)	-	(43.1)	-	-	-	-	-
Consideration payable (see Note 12a) .....	(623.6)	-	-	(623.6)	(598.7)	-	-	(598.7)	-	-	-	-
<b>Total financial assets and liabilities held at fair value ....</b>	<b>(631.0)</b>	<b>(2.7)</b>	<b>(31.8)</b>	<b>(596.5)</b>	<b>(595.8)</b>	<b>(1.1)</b>	<b>(23.1)</b>	<b>(571.6)</b>	<b>144.5</b>	<b>18.7</b>	<b>97.5</b>	<b>28.3</b>

The commodity derivatives are fair valued using rates in quoted markets. There have been no transfers between any levels in 2024 (2023 and 2022: no transfers between levels).

24b Net gains and losses from financial instruments

Net gains and losses from financial instruments comprise the results of valuations, the amortisation of discounts, 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 discounts, results from the translation of foreign currencies, interest expense and other financing related expenses.

The item 'financial instruments at fair value through profit or loss' 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.



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24. FINANCIAL INSTRUMENTS (continued)

	Assets measured at amortised cost			Fair value through OCI		
	2024	2023	2022	2024	2023	2022
	€m					
Interest income .....	262.2	253.2	89.3	-	-	-
Dividend income .....	-	-	-	6.2	2.0	4.4
Foreign exchange (losses)/gains .....	(282.7)	(188.1)	206.4	-	-	-
<b>Net result .....</b>	<b>(20.5)</b>	<b>65.1</b>	<b>295.7</b>	<b>6.2</b>	<b>2.0</b>	<b>4.4</b>
<b>Carrying value at 31 December .....</b>	<b>6,807.9</b>	<b>5,607.6</b>	<b>5,878.0</b>	<b>27.1</b>	<b>27.1</b>	<b>28.3</b>

	Liabilities measured at amortised cost			Financial instruments at fair value through profit or loss		
	2024	2023	2022	2024	2023	2022
	€m					
Interest cost.....	(923.2)	(754.2)	(324.9)	-	-	-
Other finance cost.....	62.5	(58.3)	(32.9)	-	-	-
Net fair value gains/(losses) on derivatives .....	-	-	-	12.9	(24.1)	186.2
Foreign exchange (losses)/gains .....	(98.4)	273.9	(210.3)	(0.1)	-	2.3
<b>Net result .....</b>	<b>(959.1)</b>	<b>(538.6)</b>	<b>(568.1)</b>	<b>12.8</b>	<b>(24.1)</b>	<b>188.5</b>
<b>Carrying value at 31 December .....</b>	<b>(16,624.1)</b>	<b>(13,148.1)</b>	<b>(12,318.3)</b>	<b>(658.1)</b>	<b>(622.9)</b>	<b>116.2</b>

24c 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 derivatives.

Group Treasury policy and objectives in relation to credit risk is to minimize 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 equivalent*

Surplus cash investments are only made with banks with which the Group has a relationship.



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**24. FINANCIAL INSTRUMENTS (continued)**

***Guarantees***

The Group's policy is to provide financial guarantees only to wholly-owned subsidiaries. At December 31, 2024 no guarantees were outstanding (2023: none, 2022: none).

***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 are given in Note 17.

**24d 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, and it maintains the most appropriate mix of short, medium and long-term borrowings from the Group's lenders.

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 period.

In addition, the Group maintains various lines of credits in the form of Senior Secured Notes, Senior Secured Term Loans, Securitisation, Rafnes Facility, Koln CoGen Facility, Gemini Facility, Rain Facility, Project One Facility, Project One Interim Facility, O&P South Revolving Credit Facility and Other loans. (See Note 18 – "Interest-Bearing Loans and Borrowings" for more information).



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24. FINANCIAL INSTRUMENTS (continued)

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	Carrying amount	Contractual cash flows	2024			
			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 Term Loans.....	6,244.2	(8,560.5)	(468.0)	(471.3)	(2,712.8)	(4,908.4)
Senior Secured Notes.....	2,806.4	(3,516.8)	(365.3)	(445.9)	(2,705.6)	-
Securitisation Facility.....	19.5	(31.1)	(5.8)	(25.3)	-	-
Inventory Financing Facility.....	288.3	(291.8)	(291.8)	-	-	-
Rafnes Facility.....	303.4	(331.6)	(115.6)	(110.5)	(105.5)	-
Koln CoGen Facility.....	22.5	(22.8)	(15.3)	(7.5)	-	-
Rain Facility.....	816.6	(489.8)	(204.6)	(285.2)	-	-
Project One Facility.....	1,712.1	(2,693.6)	(101.7)	(102.2)	(610.2)	(1,879.5)
O&P South Revolving Credit Facility.....	105.0	(109.6)	(109.6)	-	-	-
Other loans.....	21.8	(22.5)	(4.8)	(1.8)	(15.9)	-
Gemini Facility.....	481.4	(574.2)	(60.3)	(55.7)	(458.2)	-
Lease liabilities.....	1,029.9	(1,333.2)	(266.2)	(266.2)	(327.3)	(473.5)
Trade payables.....	429.8	(429.8)	(429.8)	-	-	-
Amounts due to related parties.....	223.0	(223.0)	(194.3)	(28.7)	-	-
Accruals.....	1,012.7	(1,012.7)	(1,012.7)	-	-	-
Other payables.....	1,107.5	(1,107.5)	(1,019.2)	(88.3)	-	-
<b>Derivative financial liabilities</b>						
Commodity contracts.....	64.9	(64.9)	(64.9)	-	-	-
Interest rate swap contracts.....	36.4	(36.4)	(36.4)	-	-	-
Consideration payable.....	623.6	(623.6)	(623.6)	-	-	-
	<b>17,349.0</b>	<b>(21,475.4)</b>	<b>(5,389.9)</b>	<b>(1,888.6)</b>	<b>(6,935.5)</b>	<b>(7,261.4)</b>



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24. FINANCIAL INSTRUMENTS (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 Term Loans.....	5,005.8	(7,026.2)	(461.3)	(455.0)	(4,984.2)	(1,125.7)
Senior Secured Notes.....	2,414.3	(2,768.1)	(97.1)	(647.1)	(2,023.9)	-
Securitisation Facility.....	18.2	(35.7)	(5.8)	(5.8)	(24.1)	-
Inventory Financing Facility.....	155.0	(156.9)	(156.9)	-	-	-
Rafnes Facility.....	302.1	(368.7)	(23.2)	(122.9)	(222.6)	-
Koln CoGen Facility.....	71.3	(62.8)	(40.0)	(15.3)	(7.5)	-
Rain Facility.....	838.2	(1,028.7)	(75.7)	(75.9)	(877.1)	-
Project One Facility.....	331.4	(883.3)	(47.8)	(47.7)	(169.1)	(618.7)
Project One Interim Facility.....	363.7	(369.0)	(369.0)	-	-	-
Other loans.....	18.2	(19.5)	(1.6)	(1.5)	(16.4)	-
Gemini Facility.....	471.9	(600.0)	(63.2)	(56.4)	(480.4)	-
Lease liabilities.....	1,069.9	(1,446.4)	(225.1)	(225.1)	(393.1)	(603.1)
Trade payables.....	460.6	(460.6)	(460.6)	-	-	-
Amounts due to related parties..	234.1	(234.1)	(234.1)	-	-	-
Accruals.....	485.1	(485.1)	(485.1)	-	-	-
Other payables.....	908.3	(908.3)	(811.1)	(97.2)	-	-
<b>Derivative financial liabilities</b>						
Commodity contracts.....	73.9	(73.9)	(73.9)	-	-	-
Interest rate swap contracts.....	43.1	(43.1)	(43.1)	-	-	-
Consideration payable.....	598.7	(598.7)	(598.7)	-	-	-
	<b>13,863.8</b>	<b>(17,569.1)</b>	<b>(4,273.3)</b>	<b>(1,749.9)</b>	<b>(9,198.4)</b>	<b>(2,347.5)</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 Term Loans.....	5,329.7	(6,715.1)	(382.2)	(2,237.1)	(2,940.3)	(1,155.5)
Senior Secured Notes.....	1,635.8	(1,794.6)	(44.8)	(44.8)	(1,705.0)	-
Securitisation Facility.....	18.7	(28.5)	(4.8)	(23.7)	-	-
Inventory Financing Facility.....	202.5	(204.9)	(204.9)	-	-	-
Rafnes Facility.....	300.7	(351.3)	(12.3)	(12.4)	(326.6)	-
Koln CoGen Facility.....	100.5	(103.9)	(41.0)	(40.0)	(22.9)	-
Other loans.....	27.1	(30.2)	(3.5)	(8.0)	(18.7)	-
Gemini Facility.....	513.3	(601.4)	(41.5)	(41.5)	(518.4)	-
Rain Facility.....	625.5	(803.6)	(47.9)	(48.0)	(707.7)	-
Lease liabilities.....	1,089.3	(1,396.7)	(203.2)	(203.2)	(440.6)	(549.7)
Trade payables.....	422.9	(422.9)	(422.9)	-	-	-
Amounts due to related parties..	312.0	(312.0)	(312.0)	-	-	-
Other payables.....	988.9	(988.9)	(906.9)	(82.0)	-	-
<b>Derivative financial liabilities</b>						
Commodity contracts.....	26.0	(26.0)	(26.0)	-	-	-
	<b>11,592.9</b>	<b>(13,780.0)</b>	<b>(2,653.9)</b>	<b>(2,740.7)</b>	<b>(6,680.2)</b>	<b>(1,705.2)</b>



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24. FINANCIAL INSTRUMENTS (continued)

24e Net investment and cash flow hedges

The Group does not have derivative commodity contracts that qualify as cash flow hedges at 31 December 2024.

The Group has US\$ and Sterling financial liabilities in respect of the Senior Notes and Securitisation Facility that are designated net investment hedges of US\$ and Sterling operations in accordance with the requirements of IFRS 9. The US\$ and Sterling net investment hedges had a carrying value and fair value as follows:

	Carrying amounts 2024	Fair value 2024	Carrying amounts 2023	Fair value 2023	Carrying amounts 2022	Fair value 2022
	€m					
US Dollars .....	(1,795.9)	(1,827.1)	(722.9)	(723.0)	(503.0)	(509.1)
Sterling .....	(2.2)	(2.2)	(2.1)	(2.1)	(2.0)	(2.0)
	<u>(1,798.1)</u>	<u>(1,829.3)</u>	<u>(725.0)</u>	<u>(725.1)</u>	<u>(505.0)</u>	<u>(511.1)</u>

For the year ended 31 December 2024 net gains on translation of foreign operations and hedge of net investment in foreign operations, net of tax, of €604.8 million were taken directly to reserves and reported in the Statement of Comprehensive Income for the year then ended (2023: losses €545.4 million, 2022: gains €193.5 million). There was no ineffectiveness recognised in the income statement for the year ended 31 December 2024 (2023: €nil, 2022: €nil). The cumulative net investment hedge reserve amount as at 31 December 2024 was €695.6 million (2023: €90.8 million, 2022: €636.2 million).

24f Market risk

*Financial risk management*

Market risk reflects the possibility that changes in market prices, such as crude oil, feedstock refined products, chemicals or currency exchange rates or changes in interest rates will adversely affect the value of the Group's assets, liabilities or expected future cash flows. The Group holds commodity and interest rate swap contracts in order to manage market risk. The use of derivative instruments is confined to specialist teams that have the appropriate skills, experience, supervision, control and reporting systems.

*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 U.S. Dollar and Sterling.

Foreign exchange risk arises from net investments in foreign operations, future commercial transactions, and recognised assets and liabilities.

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 operation is neither planned nor likely in the foreseeable future, foreign exchange gains and losses arising from such a monetary item is considered to form part of a net investment in a foreign operation and changes in the fair value are recognised directly within equity.

A substantial portion of the Group's revenue is generated in, or linked to, the U.S. dollar and the euro. In the European petrochemical business, product prices, certain feedstock costs and most other costs are denominated in euro and sterling. In the U.S. petrochemical and specialty chemicals businesses, product prices, raw materials costs and most other costs are primarily denominated in U.S. dollars.



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24. FINANCIAL INSTRUMENTS (continued)

The Group generally does not enter into foreign currency exchange instruments to hedge foreign currency transaction exposure, although the Group has done so in the past and 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 external 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 other comprehensive income of the Group.

	2024	2023	2022
	€m		
Euros.....	(303.9)	(302.2)	(273.2)
US Dollars .....	(723.5)	(710.1)	(494.9)
Sterling .....	75.6	5.8	2.1
Other.....	23.5	(0.2)	(17.9)
	<u>(928.3)</u>	<u>(1,006.7)</u>	<u>(783.9)</u>

*Sensitivity analysis*

A ten percent weakening of the following currencies at 31 December, 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 years.

	Equity			Profit or loss		
	2024	2023	2022	2024	2023	2022
	€m					
Euro .....	30.3	30.2	30.1	0.1	-	(2.8)
US Dollars .....	69.6	72.3	50.3	2.7	(1.3)	(0.8)
Sterling .....	0.2	0.2	0.2	(7.8)	(0.8)	(0.4)
Other.....	(0.2)	(0.2)	(0.4)	(2.1)	0.3	2.2

A ten percent strengthening of the above currencies against the euro at 31 December, 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.



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24. FINANCIAL INSTRUMENTS (continued)

Market risk – Interest rate risk

*Profile*

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments was:

Carrying amount – asset/(liability)	2024	2023	2022
	€m		
<b>Fixed rate instruments</b>			
Financial assets .....	2,562.7	2,325.7	1,494.1
Financial liabilities.....	(4,168.9)	(3,728.7)	(3,055.2)
	<u>(1,606.2)</u>	<u>(1,403.0)</u>	<u>(1,561.1)</u>
<b>Variable rate instruments</b>			
Financial assets .....	2,477.0	1,774.1	2,639.1
Financial liabilities.....	(9,682.2)	(7,331.3)	(6,787.9)
	<u>(7,205.2)</u>	<u>(5,557.2)</u>	<u>(4,148.8)</u>

*Sensitivity analysis*

A change of 1% in interest rates at the reporting date 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 foreign currency rates, remain constant and considers the effect of financial instruments with variable interest rates, financial instrument at fair value through profit or loss or available for sale with fixed interest rates and the fixed rate element of interest rate caps. The analysis is performed on the same basis for 2024, 2023 and 2022.

	2024	2023	2022
	€m		
<b>Profit or loss</b>			
Loss on increase in interest rates by 1% .....	<u>(72.1)</u>	<u>(55.6)</u>	<u>(41.5)</u>

A 1% change in the opposite direction of the above interest rates at 31 December, 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.

*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 and its Refining joint venture are 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 crude oil 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.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 24. FINANCIAL INSTRUMENTS (continued)

The Group manages commodity price exposures through trading refined products and chemical feedstock and using commodity swaps, options and futures as a means of managing price and timing risks. In 2024 there was a net mark to market derivative liability in respect of commodity contracts of €6.9 million entered into by the Group to manage such risk (2023: net derivative liability of €10.5 million, 2022: net derivative liability of €5.7 million).

The Group operates within procedures and policies designed to ensure that risks, including those relating to the default of counterparties, are minimised.

#### **Market risk – Equity price risk**

The Group's exposure to equity price risk arises from its investment in equity securities which are classified as financial assets at fair value through other comprehensive income. These financial assets are accounted for at fair value based on the present value of future cash flows where such information is readily available.

For the financial assets at fair value through other comprehensive income a 10 percent increase and decrease in transaction prices at the reporting date would have decreased and increased the loss for the year by €2.7 million (2023: €2.7 million, 2022: €2.8 million). Management consider that a change of 10 percent gives an appropriate benchmark to assess the risks that the Group is expected to be exposed to. 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.

#### **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 €15,434.0 million (2023 : €12,703.6 million, 2022: €11,636.1 million) as shareholders' equity of €5,089.8 million (2023: €4,482.6 million, 2022: €5,521.4 million) and net debt (net of debt issue costs) of €10,344.2 million (2023: €8,216.0 million, 2022: €6,114.7 million).

The principal sources of debt available to the Group at 31 December 2024 include the Senior Secured Term Loans, Senior Secured Notes due May 2026, Senior Secured Notes due 2025, Senior Secured Notes due 2028, Senior Secured Notes due 2029, Receivables Securitisation Facility, Inventory Financing Facility, Rafnes Facility, Koln CoGen Facility, Gemini Facility, Project One Facility, O&P South Revolving Credit Facility, and the Rain Facility and are described in Note 18 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.

### 25. LEASE OBLIGATIONS

<i>Analysed as:</i>	2024	2023	2022
	€m	€m	€m
Current lease liabilities .....	201.9	175.1	162.3
Non-current lease liabilities .....	828.0	894.8	927.0
	<u>1,029.9</u>	<u>1,069.9</u>	<u>1,089.3</u>



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

25. LEASE OBLIGATIONS (continued)

<i>Maturity analysis – contractual undiscounted cash flows:</i>	2024	2023	2022
	€m	€m	€m
Less than one year.....	266.2	225.1	203.2
Between one and five years .....	593.5	618.2	643.8
More than five years .....	473.5	603.1	549.7
<b>Total undiscounted lease liabilities at 31 December.....</b>	<b>1,333.2</b>	<b>1,446.4</b>	<b>1,396.7</b>

<i>Amounts recognized in the statement of cash flows:</i>	2024	2023	2022
	€m	€m	€m
<b>Total cash outflow for leases .....</b>	<b>308.5</b>	<b>273.0</b>	<b>248.1</b>

The Group has entered into a number of significant lease arrangements relating to shipping capacity in respect of the supply chain activities for the European cracker assets. These leases typically run for a period of between 10 and 15 years with options to extend after that date.

The Group does not face a significant liquidity risk with regard to its lease liabilities. Lease liabilities are monitored within the Group's treasury function.

26. CAPITAL COMMITMENTS

Outstanding capital expenditure authorised by the Board and for which contracts had been placed as at 31 December 2024 by the Group amounted to approximately €1,841.6 million (2023: €2,227.7 million, 2022: €502.7 million).

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT

	2024	2023	2022
		€m	
Increase/(decrease) in cash and cash equivalents in the year .....	599.5	(803.5)	456.0
Cash outflow from change in debt financing .....	(2,305.0)	(1,609.4)	(967.4)
Change in net debt before issue costs resulting from cash flows .....	(1,705.5)	(2,412.9)	(511.4)
Debt acquired with acquisition of businesses .....	(131.5)	-	-
Foreign exchange and other net non-cash transactions .....	(253.4)	117.2	(48.0)
<b>Movement in net debt before issue costs in year.....</b>	<b>(2,090.4)</b>	<b>(2,295.7)</b>	<b>(559.4)</b>

On 4 May 2012, the Group entered into an on-demand letter of credit facility (the "LC Facility") with Barclays Bank PLC (the "Issuing Bank"), under which the Group may request the Issuing Bank to issue letters of credit, guarantees, performance bonds and indemnities (or any other instrument in a form agreed by the Issuing Bank) ("LC Utilizations"), the outstanding aggregate base currency amount of which is not more the €300 million. Under the terms of the LC Facility, the Company undertakes to provide cash collateral in an amount at least equal to the aggregate of 100% of the maximum actual and / or contingent liability of the Issuing Bank under each outstanding LC Utilizations (or 105%, to the extent cash cover is provided in a currency other than the currency of an LC Utilization) standing to the credit of an account or certain accounts of the Company which are subject to a lien in favour of the Issuing Bank.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (continued)

An analysis of changes in the Group's liabilities arising from financing activities is as follows:

	1 Jan 2024	Cash Flow	Acquisitions (Note 3)	Foreign Exchange and Other Non Cash Changes	31 Dec 2024
	€m	€m	€m	€m	€m
Interest-bearing loans and borrowings .....	(9,990.1)	(2,260.9)	(131.5)	(438.7)	(12,821.2)
Lease liabilities .....	(1,069.9)	206.3	(25.5)	(140.8)	(1,029.9)
<b>Total .....</b>	<b>(11,060.0)</b>	<b>(2,054.6)</b>	<b>(157.0)</b>	<b>(579.5)</b>	<b>(13,851.1)</b>

\* Represents net cash used in financing activities excluding cash flows from dividend payments and interest paid.

	1 Jan 2023	Cash Flow	Acquisitions (Note 3)	Foreign Exchange and Other Non Cash Changes	31 Dec 2023
	€m	€m	€m	€m	€m
Interest-bearing loans and borrowings .....	(8,753.8)	(1,361.0)	-	124.7	(9,990.1)
Lease liabilities .....	(1,089.3)	171.2	-	(151.8)	(1,069.9)
<b>Total .....</b>	<b>(9,843.1)</b>	<b>(1,189.8)*</b>	<b>-</b>	<b>(27.1)</b>	<b>(11,060.0)</b>

\* Represents net cash used in financing activities excluding cash flows from dividend payments and interest paid.

	1 Jan 2022	Cash Flow	Acquisitions (Note 3)	Foreign Exchange and Other Non Cash Changes	31 Dec 2022
	€m	€m	€m	€m	€m
Interest-bearing loans and borrowings .....	(7,739.3)	(874.0)	-	(140.5)	(8,753.8)
Lease liabilities .....	(977.6)	163.3	-	(275.0)	(1,089.3)
<b>Total .....</b>	<b>(8,716.9)</b>	<b>(710.7)*</b>	<b>-</b>	<b>(415.5)</b>	<b>(9,843.1)</b>

\* Represents net cash used in financing activities excluding cash flows from dividend payments and interest paid.

An analysis of net debt before issue costs is as follows:

	1 Jan 2024	Cash Flow	Acquisi- tions (Note 3)*	Foreign Exchange and Other Non Cash Changes	31 Dec 2024
	€m	€m	€m	€m	€m
Cash at bank and in hand .....	1,774.1	599.5	-	103.4	2,477.0
Debt due within one year .....	(616.8)	280.2	(125.5)	(118.1)	(580.2)
Debt due after more than one year .....	(9,691.5)	(2,585.2)	(6.0)	(238.7)	(12,521.4)
Total external borrowings .....	(10,308.3)	(2,305.0)	(131.5)	(356.8)	(13,101.6)
<b>Net debt before issue costs .....</b>	<b>(8,534.2)</b>	<b>(1,705.5)</b>	<b>(131.5)</b>	<b>(253.4)</b>	<b>(10,624.6)</b>

\*Excludes cash



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

27. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT (continued)

	1 Jan 2023	Cash Flow	Foreign Exchange and Other Non Cash Changes	31 Dec 2023
	€m	€m	€m	€m
Cash at bank and in hand .....	2,639.1	(803.5)	(61.5)	1,774.1
Debt due within one year .....	(324.2)	(312.9)	20.3	(616.8)
Debt due after more than one year .....	(8,553.4)	(1,296.5)	158.4	(9,691.5)
Total external borrowings .....	<u>(8,877.6)</u>	<u>(1,609.4)</u>	<u>178.7</u>	<u>(10,308.3)</u>
Net debt before issue costs .....	<u>(6,238.5)</u>	<u>(2,412.9)</u>	<u>117.2</u>	<u>(8,534.2)</u>

	1 Jan 2022	Cash Flow	Foreign Exchange and Other Non Cash Changes	31 Dec 2022
	€m	€m	€m	€m
Cash at bank and in hand .....	2,106.1	456.0	77.0	2,639.1
Debt due within one year .....	(414.7)	36.1	54.4	(324.2)
Debt due after more than one year .....	(7,370.5)	(1,003.5)	(179.4)	(8,553.4)
Total external borrowings .....	<u>(7,785.2)</u>	<u>(967.4)</u>	<u>(125.0)</u>	<u>(8,877.6)</u>
Net debt before issue costs .....	<u>(5,679.1)</u>	<u>(511.4)</u>	<u>(48.0)</u>	<u>(6,238.5)</u>

28. RELATED PARTIES

*Identity of related parties with which the Group has transacted*

Related parties comprise:

- Parent entities and their subsidiaries not included within the INEOS Group Holdings S.A. group;
- Entities controlled by the shareholders of INEOS Limited, the ultimate parent company of INEOS Group Holdings S.A.;
- Key management personnel; and
- Joint ventures.

Mr JA Ratcliffe, Mr AC Currie and Mr J Reece are shareholders in INEOS Limited.

INEOS Limited, provides operational management services to the Group through a management services agreement. During the year ended 31 December 2024 management fees of €122.4 million (2023: €111.1 million, 2022: €98.5 million) were charged to the income statement. During December 2022 the Group disposed of its non-voting ordinary shares in INEOS Investments (Jersey) Limited to INEOS Limited, a related party for €420 million. As at 31 December 2024 €30.0 million (2023: €34.8 million, 2022: €25.1 million) was owed to INEOS Limited and Enil (2023: Enil million, 2022: €410.3 million) was owed by INEOS Limited. As at 31 December 2024 there was Enil owed to INEOS AG (2023: nil, 2022: €2.2 million) and €44.2 million owed by INEOS AG (2023: €42.9 million, 2022: €23.9 million). As at 31 December 2024 amounts owed by INEOS Holdings AG, a wholly owned subsidiary of INEOS AG were €102.2 million (2023: €102.5 million, 2022: €99.5 million). As at 31 December 2024 amounts owed by INEOS Holdings Luxembourg S.A., a wholly owned subsidiary of INEOS Holdings AG were Enil (2023: €14.6 million, 2022: €13.2 million). As at 31 December 2024 amounts owed to INEOS Holdings Luxembourg S.A. was €28.7 million (2023: nil, 2022: nil).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)**

**28. RELATED PARTIES (continued)**

*Identity of related parties with which the Group has transacted (continued)*

INEOS Limited owns and controls a number of operating subsidiaries that are not included in the INEOS Group Holdings S.A. group, including INEOS Industries Limited, INEOS Enterprises Holdings Limited and before the acquisition by the Group on 1 April 2024, the Lavéra petrochemical assets and businesses together with other French and Italian assets of INEOS O&P South.

During the year ended 31 December 2024 the Group has made sales to these subsidiaries of €1,320.8 million (2023: €1,447.8 million, 2022: €2,036.7 million), recovered net costs of €42.4 million (2023: €136.3 million, 2022: €360.5 million) and made purchases of €828.7 million (2023: €1,405.3 million, 2022: €2,095.6 million). As at 31 December 2024, €861.9 million (2023: €684.0 million, 2022: €596.7 million) was owed by and €97.9 million (2023: €197.6 million, 2022: €283.2 million) was owed to these subsidiaries (excluding the INEOS Upstream Limited loan).

In January 2023 the Group provided a loan of €309.3 million via INEOS Industries Holdings Limited to INEOS Grangemouth Limited, a related party, to facilitate the repayment of its Senior Term and Revolving Loan Facilities. The loan facility is unsecured, matures in January 2028 and bears interest at 5.75% per annum. As at 31 December 2024 €309.3 million (2023: €309.3 million) was outstanding under the facility.

In April 2023 the Group provided a loan of €811.9 million via INEOS Industries Holdings Limited to INEOS Upstream Holdings Limited, a related party, to partly fund its acquisition of US onshore oil and gas assets in the Eagle Ford shale field from Chesapeake Energy. The loan facility is unsecured, matures in April 2028 and bears interest at 8.5% per annum. As at 31 December 2024, €811.9 million (31 December 2023: €811.9 million) was outstanding under the facility.

During 2015 the Group provided a loan of \$623.7 million to INEOS Upstream Limited, a related party, in connection with its acquisition of natural gas assets in the North Sea. The loan facility is unsecured and matures in June 2024 and bears interest at 7% per annum. On 29 September 2017, INEOS Upstream Limited, a related party, acquired further natural gas assets in the North Sea through its acquisition of the entire oil and gas business of DONG Energy A/S. In connection with the DONG Acquisition, the Group advanced a loan of \$376.2 million (€315.7 million) to INEOS Upstream Limited, the proceeds of which were on lent to certain of its subsidiaries. The loan is unsecured and matures in June 2024 and bears interest at 7% per annum. There were no loan repayments during 2024 (2023: nil, 2022: nil). As at 31 December 2024 \$617.1 million (€594.5 million) (2023: \$617.1 million (€555.6 million), 2022: \$617.1 million (€578.5 million)) was outstanding under the facility.

INEOS Limited owns interests in a number of joint ventures that are not included in the INEOS Group Holdings S.A. group, including the French joint ventures associated with the Lavera petrochemical assets and businesses which were divested by the Group on 1 July 2014 before most were reacquired on 1 April 2024 and the refining joint ventures between PetroChina and INEOS Investments (Jersey) Limited, a related party.

On 1 April 2024, the Group acquired the Lavera group of companies from INEOS Holdings Luxembourg S.A. and INEOS Chemicals Holdings Luxembourg S.A. for a total consideration of €250.0 million (see Note 3).

During the year ended 31 December 2024 and before the acquisition, the Group made sales of €nil million (2023: €0.1 million, 2022: €nil), recovered net costs of €23.7 million (2023: €7.6 million, 2022: €13.1 million) and made €9.3 million of purchases (2023: €nil, 2022: €nil) from the French joint ventures. As at 31 December 2024, €2.4 million (2023: €0.1 million, 2022: €0.1 million) was owed by the French joint ventures and €0.6 million (2023: €0.2 million, 2022: €0.2 million) was owed to the French joint ventures.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

### 28. RELATED PARTIES (continued)

The Refining joint ventures are between PetroChina and INEOS Investments (Jersey) Limited, a related party. During the year ended 31 December 2024 the Group made sales to the Refining joint ventures of €162.6 million (2023: €5.8 million, 2022: €3.8 million), recovered costs of €4.9 million (2023: €10.8 million, 2022: €23.0 million) and made €607.5 million of purchases (2023: €nil, 2022: €40.8 million). Insurance proceeds amounting to €12.2 million (\$12.6 million) were received by INEOS Holdings Limited on behalf of the Refining joint venture. As at 31 December 2024, €19.8 million (2023: €0.9 million, 2022: €0.9 million) was owed by the Refining joint ventures and €78.0 million (2023: €1.5 million, 2022: €1.6 million) was owed to the Refining joint ventures.

The Group has entered into a number of derivative contracts with INEOS UK SNS Limited and INEOS Energy Trading Limited, both related parties. The net fair value loss on these derivatives during the year ended 31 December 2024 was €nil (2023: €nil, 2022: €14.3 million). As at 31 December 2024, the mark to market derivative asset was €52.5 million (2023: €58.1 million, 2022: €10.4 million) and the mark to market liability was €52.5 million (2023: €45.1 million, 2022: €10.2 million) in respect of these related party derivative financial instruments.

In general, any trading balances with related parties are priced based on contractual arrangements and are to be settled in cash. The transactions are made on terms equivalent to those that prevail in arm's length transactions.

None (2023: none, 2022: none) of the related party balances are secured and no guarantees have been given or received. There were no provisions for doubtful debt related to any related parties as at 31 December 2024 (2023: nil, 2022: nil).

#### ***Compensation to key management personnel (including directors)***

The Group defines key management as the directors of the Company. Details of Directors' remuneration are given in Note 7.

### 29. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is INEOS Holdings Luxembourg S.A.. The ultimate parent undertaking at 31 December 2024 was INEOS Limited, a company registered in the Isle of Man. The ultimate controlling party is Mr JA Ratcliffe, director and majority shareholder of the ultimate parent undertaking. INEOS Group Holdings S.A. and its subsidiaries are not included within any other consolidated financial statements.

### 30. 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.

#### **Key sources of estimated uncertainty**

Estimates and associated assumptions are based on historical experience and other factors that the Group believe are reasonable, including assets and expected economic conditions, and in certain cases actuarial assumption. Although these estimates are based on the Group's knowledge of current events and circumstances, actual numbers may differ.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (*forming part of the financial statements*)

30. ACCOUNTING ESTIMATES AND JUDGEMENTS (*continued*)

*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; and
- Expected rates of return on the scheme assets.

Details of post-retirement benefits are set out in Note 20.

*Investment in equity-accounted investees*

In July 2023, the Group signed a shareholders' agreement with Sinopec relating to a proposed joint arrangement in respect of the construction and operation of a 1,200kt per annum ethylene cracker and related derivative plants in Tianjin, China. The joint arrangement will be structured through a separate legal entity: INEOS Sinopec (Tianjin) Petrochemicals Limited.

The Group has applied its accounting policies when assessing whether it has control, joint control, or significant influence over INEOS Sinopec (Tianjin) Petrochemicals Limited.

'Significant influence' is the power to participate in an entity's financial and operating policy decisions, but it is not control or joint control of those policies. Significant influence is presumed when an entity owns 20% or more of the voting power of the investee.

To assess whether the Group controls or joint controls INEOS Sinopec (Tianjin) Petrochemicals Limited, the Group has evaluated whether it has the power to direct the relevant activities of INEOS Sinopec (Tianjin) Petrochemicals Limited when the Group acquires its 50% equity interest. In making this judgement, the Group assessed what the relevant activities of the entity are, and how these are directed. INEOS Sinopec (Tianjin) Petrochemicals Limited is currently in the construction phase of the cracker. Although the Group has a 50% equity interest and has representation on the board of directors of INEOS Sinopec (Tianjin) Petrochemicals Limited, the Group concluded that it currently does not have control or joint control because it does not currently have the power to direct the relevant activities of INEOS Sinopec (Tianjin) Petrochemicals Limited. This is because, Sinopec has contractual rights to direct all of the relevant activities of the construction phase. However, the Group assessed that, through its participation in the Board, it has the ability to exercise significant influence over the financial and operational decision of the INEOS Sinopec (Tianjin) Petrochemicals Limited. The Group will therefore account for its interest in INEOS Sinopec (Tianjin) Petrochemicals Limited as an equity-accounted associate under IAS 28 (see Note 12a).

The Group will continue to reassess the conclusion on control if facts and circumstances indicate that there has been a change in the assessment of power over the relevant activities in INEOS Sinopec (Tianjin) Petrochemicals Limited.



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2024 (forming part of the financial statements)

30. ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

*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 to 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.

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 are disclosed in Note 11.

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.

The only operating segment where the recoverable amount would become lower than the carrying value as a result of the sensitivity analysis was the O&P South business, which would result in the following impairments:

	<u>2024</u>
	€m
Growth rate: 10% decrease.....	-
EBITDA: 10% decrease .....	<b>(104.3)</b>
Discount rate: 10% increase .....	<b>(10.8)</b>

31. SUBSEQUENT EVENTS

In January 2025 the Group made an equity cure repayment on the Rain RMB term loan facility of €104.7 million (CNY 793.1 million) (see Note 18).

In February 2025 the Group issued new Senior Secured Notes Term Loans due 2031 and Senior Secured Notes due 2030. The Senior Secured Term Loans included €425 million and \$440 million maturing in 2031. Interest rates are EURIBOR plus a margin of 3.00% and SOFR plus a margin of 3.25% respectively. The Senior Secured Notes consisted of €400 million and mature in 2030 with an interest rate of 5.625%. Proceeds were used to redeem in full the Group’s outstanding Senior Secured Notes due 2025 and Senior Secured Notes due 2026, to repay the Gemini Facility, and for general corporate purposes, including to partially prefund Project ONE. The outstanding amount of Senior Secured Notes due 2025 and 2026 at 31 December 2024 before issue costs was €474.0 million, and the outstanding Gemini Facility was €485.8 million (see Note 18).



Skatteetaten

Vår dato 12.12.2019	Din/Deres dato 27.11.2019	Saksbehandler Joakim Engebretsen
800 80 000 Skatteetaten.no	Din/Deres referanse AR344748904	Telefon 92251412
Org.nr 974761076	Vår referanse 2019/6723310	Postadresse Postboks 9200 Grønland 0134 OSLO

U.off. offl. § 13, sktfvl. § 3-1

INEOS SALES NORGE AS  
Asdalstrand 291  
3962 STATHELLE

## Dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk – INEOS Sales Norge AS (org.nr. 991 191 801)

Vi viser til INEOS Sales Norge AS' søknad om dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering selskapet dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at engelsk språk benyttes i stedet ved utarbeidelsen, og at øvrige opplysninger som vedtaket baserer seg på, heller ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Fra søknaden siteres:

Vi viser til regnskapslovens § 3-4 første ledd som omfatter reglene om at årsregnskapet og årsberetningen skal utarbeides og leveres på norsk. For vårt selskap ser vi at dette vil bli en tungvint løsning fremover. Årsakene til dette er som følger:

#### Konsernspråk; Engelsk.

**Eiere;** Er en del av et stort utenlandsk konsern hvor ingen av eierne er norsk språklige, konsernspråk er Engelsk. Selskapet er 100% eiet av Ineos Holdings Norge AS som igjen er eiet 100% av INEOS Holdings Ltd. i England. Det er viktig at eierne har full forståelse av innholdet i regnskapet og leveranse av årsregnskap og årsberetning på Engelsk vil sikre dette.

**Styremedlemmer;** 1 av 3 eierrepresentanter i styret er ikke norsk språklige. Dette styremedlemmet er Engelskspråklig.

**Kunder;** Selskapet har i hovedsak konserninterne kunder. Alle disse har Engelsk som sitt konsernspråk. De norske kundene er aktører i en bransje som operer internasjonalt og som derfor benytter engelsk i sin korrespondanse med selskapet.



**Bransje;** Selskapet driver innen det internasjonale gass/plast segmentet. All korrespondanse foregår på Engelsk.

**Brukere av regnskapet;** Basert på at verken eiere, kunder, 1/3 av eierrepresentantene i styret eller forretningforbindelser er direkte tilknyttet Norge, anser vi brukersegmentet for å være internasjonalt, dvs. uten norsk språkforståelse. Brukerne har alle Engelsk som sitt språk.

Basert på ovenstående kriterier tillater selskapet seg å søke om unntak fra regnskapslovens § 3-4 første ledd, vi søker herved om å få levere årsregnskap og årsberetning på Engelsk fra og med inntektsåret 2019.

#### **Skattekontorets vurdering**

Etter regnskapsloven § 3-4 tredje ledd skal *"årsregnskapet og årsberetningen ... være på norsk. Departementet kan ved ... enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."*

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:

Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon.

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til *"informative regnskaper for ulike grupper av regnskapsbrukere"*. Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte, kunder og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Som nevnt ovenfor er det særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I dette tilfellet er det opplyst at en større del av selskapets interessenter og regnskapsbrukere foretrekker informasjon på engelsk fremfor norsk. Skattekontoret finner på bakgrunn av opplysningene som er gitt i søknaden at dispensasjon fra kravet om å utarbeide årsregnskap og årsberetning på norsk kan gis.

Vennligst oppgi vår referanse ved henvendelse i saken.



Med hilsen

Roar Thorbjørnsen  
underdirektør  
Innsats, storbedrift  
Skatteetaten

Joakim Engebretsen

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.*

Side 3 / 3



# Deloitte.

Deloitte AS  
Leirvollen 23  
NO-3736 Skien  
Norway

+47 23 27 90 00  
www.deloitte.no

To the General Meeting of INEOS Sales Norge AS

## INDEPENDENT AUDITOR'S REPORT

### *Opinion*

We have audited the financial statements of INEOS Sales Norge AS (the Company), which comprise the balance sheet as at 31 December 2024, the income statement, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

### *Basis for Opinion*

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), 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.

### *Other Information*

The Board of Directors (management) is responsible for the information in the Board of Directors' report. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, and for such internal control as management determines is necessary to enable the

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

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## Deloitte.

Independent auditor's report  
INEOS Sales Norge AS

preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

### *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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Skien, 2 June 2025  
Deloitte AS



**Deloitte.**

Independent auditor's report  
INEOS Sales Norge AS

**Hans Ingar Jonskås**  
State Authorised Public Accountant  
(electronically signed)



## Independent auditor's report

Name	Date
Jonskås, Hans Ingar	2025-06-02

Identification

 bankID Jonskås, Hans Ingar



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



***ANNUAL REPORT***

***AND***

***FINANCIAL STATEMENT***

***2024***

***FOR***

***INEOS SALES NORGE AS***



## INEOS SALES NORGE AS

### 1. Enterprise

Ineos Sales Norge AS is 100 % owned by Ineos Holdings Norge AS. The company has been active since 01.09.07 and is established to be in charge of the sale of INEOS' products in Norway, independent on production country.

INEOS Sales Norge AS business premises and business address is Asdalstrand 291, 3962 Stathelle, Bamble municipal in Telemark.

#### **Continued conduct**

In accordance to the Norwegian Accounting Act section 2-2(8) it is declared that the premises for continued conduct is fulfilled.

#### **Employees, outside environment**

The company has not had any employees during the year.  
The board of directors exists of 2 male and 1 female members.  
The company aim at not discriminating based on gender.

The company's has assed if the operations has impact on the environment. It is the companys view that it does not have operations that can significantly impact the outside environment. The reason for this is that the company has no production and that is is a sales company with INCO terms that put minimal risk at the company. As a consequence of this, no additional measures have been taken to reduce this risk.

#### **Directors and Officers liability insurance:**

INEOS Group has an insurance policy for Directors and Officers liability insurance for INEOS Group and its subsidiaries. The company's Directors and Officers are covered by the policy.

#### **Transparency Act:**

The company has published an account of the due diligence assessments according to the transparency act at [ineos.no](http://ineos.no).

### 2. Account for the Financial Statement

INEOS Sales Norge AS had in 2024 a sales revenue at TNOK 1 812 715 compared to TNOK 2 146 429 in 2023. The operating result was TNOK 3 525 compared to TNOK 7 051 the year before. When it comes to net profit of the year, it is positive with TNOK 5 653 which will be transferred to other equity. In 2023 the net profit of the year was TNOK 6 696.

According to the opinion from the board of directors, the Financial Statement gives a good expression of the company' financial position at the turn of the year.

#### **Financial status and market risk**

The company's financial and liquidity situation is strong. The company is part of the group cash pool and the amount is TNOK 63 524. Bank deposits amount to TNOK 526 as of 31 December 2024.



## INEOS SALES NORGE AS

The company is not secured among interest and valuation risk. Purchases and sales are in NOK, EUR and USD.

The company's cash flow risk, is directly connected with the total Group. Credit risk is monitored continuously against the individual customers credit limit. The credit limit is revalued yearly. As of 31.12.2024 Ineos Sales Norge AS has not any credit risk that represented more than 5 % of total receivables and there have not been allocated for or demonstrated any loss.

The market risk for the company is directly related to the market conditions for the Polymer and Olefins market for the total INEOS Group. Based on the fact that the companies transactions are exclusively related to trade debtors (intercompany transactions) and customer receivables that are closely monitored, the company is in a low risk segment.

The company's cash flow from operational activities is negative with TNOK 7 392. This is mainly due to change in trade receivables and trade payables. Net changes in liquid capital during the year is positive with TNOK 154.

Equity rate is 18% by the end of the year and decreased from 20,6% last year.

The capital of shares is TNOK 100, and maintain of 100 000 shares at NOK 1.

### 3. Perspective of the future

If we look at the Polyolefin market, the volume has become quite stable during the last years. For the Polymer business, the turnover has been satisfactory in most of the segments, the sales in 2024 was at the same level as in 2023. For the Olefins business we have seen a reduced sales revenue in 2024 compared with 2023. In total the reduced revenue of the company is related to olefins. It is expected to be stable in 2025. The war in Ukraine is not expected to have significant impact on the legal entity.


The company is not involved in any research and development activities.

### 4. Proposal for application of this years profit

The proposal from the board of directors:

Result	TNOK 5 653
Transferred to other equity	TNOK 5 653

Bamble, May 23 2025

  
Øyvind Eriksen  
Chairman of the board

  
Sissel Groland Bjørngaas  
Board member

  
Michael John Maher  
Board member



## INEOS SALES NORGE AS

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Bamble, May 23 2025

Øyvind Eriksen  
Chairman of the board

Sissel Groland Bjørgaas  
Board member

  
Michael John Maher  
Board member



## INEOS Sales Norge AS Profit and loss statement

NOTE	OPERATING REVENUE AND OPERATING EXPENSES	2024	2023
	<b>Amounts in NOK thousands</b>		
2,3	Revenue	1 812 715	2 146 429
	<b>Total operating revenue</b>	<b>1 812 715</b>	<b>2 146 429</b>
3	Raw materials and consumables used	1 807 971	2 137 349
3, 4	Other operating expenses	1 219	2 029
	<b>Total operating expenses</b>	<b>1 809 190</b>	<b>2 139 378</b>
	<b>Operating profit/(loss)</b>	<b>3 525</b>	<b>7 051</b>
	<b>FINANCIAL INCOME AND FINANCIAL EXPENSES</b>		
3	Interest received from group companies	4 514	5 644
	Other interest income	49	405
5	Other financial income	75 745	86 386
5	Other financial expenses	-76 583	-90 901
	<b>Financial items, net</b>	<b>3 725</b>	<b>1 534</b>
	<b>Profit/(loss)before taxation</b>	<b>7 250</b>	<b>8 585</b>
6	Income tax	1 598	1 890
	<b>PROFIT/(LOSS) FOR THE FINANCIAL YEAR</b>	<b>5 653</b>	<b>6 696</b>
	<b>ALLOCATION OF NET PROFIT/(LOSS) AND EQUITY TRANSFERS</b>		
10	Transferred to other equity	5 653	6 696
	<b>Total allocations and equity transfers</b>	<b>5 653</b>	<b>6 696</b>



**INEOS Sales Norge AS**  
**Balance sheet at 31 December**

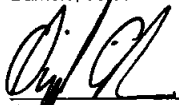
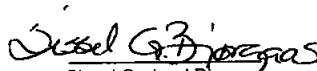
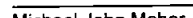
NOTE	ASSETS	2024	2023
	Amounts in NOK thousands		
	Current assets		
	Receivables		
7	Accounts receivable	252 804	178 094
7	Other receivables	<u>63 161</u>	<u>71 409</u>
	<b>Total receivables</b>	<u>315 965</u>	<u>249 503</u>
8	<b>Cash and cash equivalents</b>	<u>526</u>	<u>372</u>
	<b>Total current assets</b>	<u><b>316 491</b></u>	<u><b>249 875</b></u>
	<b>TOTAL ASSETS</b>	<u><u><b>316 491</b></u></u>	<u><u><b>249 875</b></u></u>



## INEOS Sales Norge AS Balance sheet at 31 December

NOTE	SHAREHOLDERS EQUITY AND LIABILITIES	2024	2023
	<b>Amounts in NOK thousands</b>		
	<b>Shareholders equity</b>		
	<b>Paid-in equity</b>		
9,10	Share capital	100	100
10	Other paid-in equity	<u>23 417</u>	<u>23 417</u>
	<b>Total paid-in equity</b>	<u>23 517</u>	<u>23 517</u>
	<b>Retained earnings</b>		
10	Other equity	<u>33 485</u>	<u>27 833</u>
	<b>Total retained earnings</b>	<u>33 485</u>	<u>27 833</u>
	<b>Total shareholders equity</b>	<u>57 002</u>	<u>51 349</u>
	<b>Liabilities</b>		
	<b>Other non-current liabilities</b>		
7	Other non-current liabilities	<u>12 657</u>	<u>12 657</u>
	<b>Total non-current liabilities</b>	<u>12 657</u>	<u>12 657</u>
	<b>Current liabilities</b>		
7	Accounts payable	236 475	181 722
6	Current income taxes payable	1 598	1 890
	Other taxes and withholdings	4 016	1 503
	Other current liabilities	<u>4 743</u>	<u>754</u>
	<b>Total current liabilities</b>	<u>246 832</u>	<u>185 869</u>
	<b>Total liabilities</b>	<u>259 489</u>	<u>198 526</u>
	<b>TOTAL SHAREHOLDERS EQUITY AND LIABILITIES</b>	<u>316 491</u>	<u>249 875</u>

Bamble, 23.05.2025

  
Øyvind Eriksen  
Chairman of the Board  
Sissel Groland Bjørge  
Member of the Board  
Michael John Maher  
Member of the Board



## INEOS Sales Norge AS Balance sheet at 31 December

NOTE	SHAREHOLDERS EQUITY AND LIABILITIES	2024	2023
	Amounts in NOK thousands		
	<b>Shareholders equity</b>		
	<b>Paid-in equity</b>		
9,10	Share capital	100	100
10	Other paid-in equity	<u>23 417</u>	<u>23 417</u>
	<b>Total paid-in equity</b>	<u>23 517</u>	<u>23 517</u>
	<b>Retained earnings</b>		
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Bamble, 23.05.2025

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Øyvind Eriksen  
Chairman of the Board

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Sissel Groland Bjørgaas  
Member of the Board



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Michael John Maher  
Member of the Board



## INEOS Sales Norge AS

### Cash flow statement

	2024	2023
<b>CASH FLOW FROM OPERATIONS:</b>		
Amounts in NOK thousands		
Profit/(loss) before taxation	7 250	8 585
Taxes paid for the period	-1 890	-1 411
Change in trade receivables	-74 710	-4 200
Change in trade payables	54 753	-20 931
Changes in other current assets and other liabilities	7 205	2 699
<b>Net cash flow from operations</b>	<b>-7 392</b>	<b>-15 258</b>
<b>CASH FLOW FROM INVESTMENT ACTIVITIES:</b>		
Changes in group cash pool	7 544	12 263
<b>Net cash flow from investment activities</b>	<b>7 544</b>	<b>12 263</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
<b>Net cash flow from financing activities</b>	<b>0</b>	<b>0</b>
Net change in bank deposits, cash and equivalents	154	-2 995
Bank deposits, cash and equivalents at 1 January	372	3 367
<b>Bank deposits, cash and equivalents at 31 December</b>	<b>526</b>	<b>372</b>



## INEOS Sales Norge AS

### Notes to the annual accounts, year ended 31 December 2024

Amounts in NOK thousands

#### Note 1 - Accounting policies

The financial statements have been prepared in accordance with the Norwegian Accounting Act and generally accepted accounting principles in Norway.

##### Valuation and classification of assets and liabilities

Assets intended for permanent ownership or use in the business are classified as non-current assets. Other assets are classified as current assets. Receivables due within one year are classified as current assets. The classification of current and non-current liabilities is based on the same criteria.

Current assets are valued at the lower of historical cost and fair value.

Fixed assets are carried at historical cost, but are written down to their recoverable amount if this is lower than the carrying amount and the decline is expected to be permanent. Fixed assets with a limited economic life are depreciated on a systematic basis in accordance with a reasonable depreciation schedule.

Other long-term liabilities, as well as short-term liabilities, are valued at nominal value.

##### Foreign currency

All balance sheet items denominated in foreign currencies are translated into NOK at the exchange rate prevailing at the balance sheet date. Transactions in foreign currencies are translated into NOK at the exchange rate prevailing at the date of the transaction. An average exchange rate is applied if that rate approximates the exchange rate at the date of transaction.

##### Revenue

###### Sale of goods:

Revenue is recognised when it is earned, i.e. when both the risk and control have been mainly transferred to the customer. This will normally be the case when the goods are delivered to the customer. The revenue is recognised with the value of the remuneration at the time of transaction.

##### Receivables

Trade receivables and other receivables are recognised at nominal value, less the accrual for expected losses of receivables. The accrual for losses is based on an individual assessment of each receivable.

##### Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other monetary instruments with a maturity of less than three months at the date of purchase.

##### Cost of sales and other expenses

In principle, cost of sales and other expenses are recognised in the same period as the revenue to which they relate. In instances where there is no clear connection between the expense and revenue, the apportionment is estimated. Other exceptions to the matching criteria are disclosed where appropriate.

##### Income taxes

Tax expenses are matched with operating income before tax. Tax related to equity transactions e.g. group contribution, is recognised directly in equity.

Tax expense consists of current income tax expense and change in net deferred tax. Deferred tax liabilities and deferred tax assets are presented net in the balance sheet.

##### Cashflow statement

The cash flow statement has been prepared according to the indirect method.

Cash and cash equivalents include cash, bank deposits and other short-term, liquid investments.

#### Note 2 - Sales revenue

Per area of operation:	2024	2023
Olefins products	1 528 680	1 861 762
Polymers products	284 035	284 666
<b>Total</b>	<b>1 812 715</b>	<b>2 146 429</b>

Per geographical area of operation:	2024	2023
Norway	1 775 423	2 013 983
Other	37 292	132 446
<b>Total</b>	<b>1 812 715</b>	<b>2 146 429</b>



## Note 3 - Transactions with related parties

Benefits to senior executives are discussed in note 4, and balances with group companies are discussed in note 7.

INEOS Sales Norge AS is 100 % owned by INEOS Holdings Norge AS  
INEOS Sales Norge AS purchases goods and sells goods with related parties in the INEOS Group.  
All transactions are based on market conditions.

Transactions with related parties:	2024	2023
<b>a) Sales of goods and services</b>		
<b>Sales of goods:</b>		
INOVYN Norge AS	204 976	199 212
INOVYN Europe Limited	72 243	51 725
<b>Total sales of goods</b>	<b>277 219</b>	<b>250 937</b>
<b>b) Purchase of goods and services</b>		
<b>Purchase of goods:</b>		
INEOS Europe AG	1 807 971	2 137 349
<b>Total purchase of goods:</b>	<b>1 807 971</b>	<b>2 137 349</b>
<b>Purchase of services:</b>		
INEOS Bamble AS - administrative	487	543
INEOS Sales Belgium - sales assistance	394	130
INEOS Köln GmbH	0	1 175
INEOS Olefins & Polymers USA	22	19
<b>Total purchase of services</b>	<b>903</b>	<b>1 866</b>
<b>Total purchase of goods and services</b>	<b>1 808 875</b>	<b>2 139 215</b>
<b>c) Interest</b>		
<b>Interest income</b>		
INEOS European Holdings Ltd	4 514	5 644
<b>Total interest income</b>	<b>4 514</b>	<b>5 644</b>

## Note 4 - Payroll costs, number of employees, benefits, loans to employees etc.

The company has none employees. It has not been charged salary or remuneration to the board of directors in 2024.

The company is not required to have an occupational pension plan in accordance with Norwegian legislation on occupational pensions ("lov om obligatorisk tjenestepensjon").

It has not been provided any loan or guarantees to Chair of the board or board members or other related parties.

### Auditor

Remuneration to Deloitte AS and their associates is as follows:

	2024	2023
Statutory audit	215	214
<b>Total</b>	<b>215</b>	<b>214</b>

## Note 5 - Financial items

Finance income	2024	2023
Foreign exchange income	75 745	86 386
<b>Total of miscellaneous financial income</b>	<b>75 745</b>	<b>86 386</b>
<b>Finance expense</b>		
Interest expense to group companies	0	39
Other interest expenses	11	7
Other financial expenses	56	93
Foreign exchange expenses	76 516	90 762
<b>Total of miscellaneous financial expenses</b>	<b>76 583</b>	<b>90 901</b>



## Note 6 - Income tax expense

Specification of income tax expense:	2024	2023
Current income taxpayable	1 598	1 890
<b>Tax on profit/(loss)</b>	<b>1 598</b>	<b>1 890</b>

Specification of current income tax payable:	2024	2023
This year's payable income tax expense	1 598	1 890
<b>Current income tax payable in the balance sheet</b>	<b>1 598</b>	<b>1 890</b>

Reconciliation from nominal to real income tax rate:	2024	2023
Profit/(loss) before taxation	7 250	8 585
Estimated income tax according to nominal tax rate (22%)	1 595	1 889
The tax effect of the following items:		
Other non-deductible expenses	3	1
<b>Income tax expense</b>	<b>1 598</b>	<b>1 890</b>
<b>Effective income tax rate</b>	<b>22 %</b>	<b>22 %</b>

### New rules on "top-up tax" - changes to tax regimes:

On 24 November 2023 the Norwegian Ministry of Finance published a draft resolution on the implementation of the OECD Pillar Two Model Rules into Norwegian legislation. The rules are introducing a global minimum tax of 15%.

The proposal was sanctioned in January 2024 and the Norwegian Top Up Tax Act (No: "Suppleringskatteloven") has entered into effect for the income year 2024. The Pillar Two rules are applicable to the INEOS companies in Norway, but our assessment under the Safe Harbour rules (rule 2 - ETR test) is that there is no impact for the Company in 2024 and we have therefore not made any accruals for deferred or payable tax.

## Note 7 - Balances with Group companies

Receivables	2024	2023
INOVYN Norge AS	20 961	19 318
INOVYN Europe Limited	6 627	2 790
<b>Total</b>	<b>27 588</b>	<b>22 108</b>

Other current receivables	2024	2023
INEOS European Holdings Ltd (Group cash pool)	63 524	71 068
INEOS Europe AG	-363	341
<b>Total</b>	<b>63 161</b>	<b>71 409</b>

Accounts payable	2024	2023
INEOS Europe AG	236 074	179 735
INEOS Koln GmbH	-	1 130
INEOS Olefins & Polymers US	2	-
INEOS Sales Belgium NV	399	125
INEOS Bamble AS	-	-
<b>Total</b>	<b>236 475</b>	<b>180 990</b>

Long-term liabilities	2024	2023
Contribution to INEOS Holdings Norge AS	12 657	12 657
<b>Total</b>	<b>12 657</b>	<b>12 657</b>

## Note 8 - Bank deposits

Bank deposits, cash etc. include no restricted tax deduction funds

The company is part of the group cash pool and the amount is 63.524 TNOK and is classified as a part of other accounts receivable, reference to note 7



## Note 9 - Share capital and shareholder information

The share capital in the company at 31 December 2024 consists of:

	Number	Nominal amount	Carrying value
Shares	100 000	1	100 000
<b>Total</b>	<b>100 000</b>		<b>100 000</b>

### Ownership structure

All the shares is owned by INEOS Holdings Norge AS. All the shares has the same privilege.

INEOS Group Holdings S.A. in Luxembourg is the head of the Group and by making contact with them you can get the consolidated accounts.

## Note 10 - Equity

Paid-in equity	Share capital	Other paid-in equity
Equity at 1 January 2024	100	23 417
Equity at 31 December 2024	100	23 417

Retained earnings	Other equity	Total retained earnings
Equity at 1 January 2024	27 833	27 833
<i>This year's change in equity:</i>		
Profit/(loss) of the year *	5 653	5 653
Equity at 31 December 2024	33 485	33 485