

# Summary of the Environmental and Social Management System

## Table of Contents

Introduction .....	2
1 Policies .....	2
1.1 Corporate policies and procedures .....	2
1.2 Project policies and procedures .....	3
2 Procedures and documents .....	3
2.1 Identification of risks and impacts .....	3
2.2 Management programs and measures .....	4
3 Organizational capacity and competency .....	4
4 Emergency Preparedness and Response Plan .....	4
5 Monitoring and review .....	5
6 Stakeholder Engagement .....	5

## Introduction

INEOS Olefins Belgium, will build and operate a new world-scale ethylene plant in the Port of Antwerp, Belgium (“Project One”). This involves an Ethane Cracker (ECR) unit.

To start building these installations, extensive preparatory work has been done, addressing all the needed studies regarding environment, energy and safety.

In order to manage the environmental and social risks and impacts related to the project, an Environmental and Social Management System (**ESMS**) has been designed and implemented by INEOS Olefins Belgium for Project One. The ESMS draws on the assessments, plans, philosophies, procedures developed as part of

1. The **Environmental Impact Assessment (EIA)** according to the ‘m.e.r.’ procedure (local regulation);
2. **Management documents developed for Project One**, including the project’s specific Integrated Program Management Team (IPMT), existing policies and procedures at INEOS Group level adopted by INEOS Olefins Belgium; and
3. Additional tasks performed for the **Environmental and Social Impact Assessment (ESIA)** according to international standards, namely the Equator Principles (2020) and the IFC Performance Standards (2012).

The system is comprised of the following elements:

1. Policies (including INEOS Group corporate policies and Project One policies);
2. Procedures and documents where the impacts and risks are identified, assessed, managed and monitored;
3. A dedicated ESMS team and different functions across the organization for managing environmental and social performance;
4. An Emergency Preparedness and Response Plan (EPRP);
5. A Monitoring and Review plan; and
6. A Stakeholder Engagement Framework and Plan.

## 1 Policies

The ESMS must be aligned with corporate as well as project policies and procedures. These policies serve to provide a framework for the environmental and social assessment and management process and also maintains that the project will comply with applicable local regulations. Various INEOS Group level policies serve as the E&S framework for Project One. These policies that are included in the ESMS are listed below.

### 1.1 Corporate policies and procedures

INEOS Group has several corporate policies that are applicable to Project One and are included in the ESMS. These policies are listed below:

- [INEOS Code of Conduct](#).
- [INEOS SHE Policy](#).
- [INEOS Anti-Bribery and Corruption Policy](#).
- INEOS social media policy.
- [INEOS Speak-Up Policy](#); and
- [Modern Slavery Transparency Statement](#).

The INEOS Code of Conduct defines the principles applicable throughout INEOS Group business. The main purpose of the Code of Conduct is twofold, to encourage employees to take responsibility for their actions and to provide them with guidance and to outline the ethical principles which guide the business activities of INEOS Group.

Additionally, INEOS Group has developed several INEOS Group Guidance Notes (IGGNs) at the corporate level to combine best practice on specific topics that have caused Safety, Health or Environmental (‘SHE’) concerns within INEOS Group. An extensive list of these Guidance Notes is available in the ESMS document.

## 1.2 Project policies and procedures

In addition to corporate policies and procedures, there are three policy principles that have been developed for Project One. These are listed below:

- Project One Safety, Health and Environmental Policy, which establishes a plan to ensure that Project One will maintain the highest standards of health, safety and wellbeing.
- Project One Quality Policy, which states the commitment for continuous improvement and aspires to define, implement and maintain Program Integrated SHEQ Management System that conforms to specific ISO and OHSAS requirements; and
- Project One Sustainability Protocol, which contains the joint sustainability intentions and cooperation between INEOS Olefins Belgium and the Port of Antwerp with respect to Project One.

Additionally, a set of Project One management documents have also been developed by the Integrated Program Management Team (IPMT) which include a number of procedures, philosophies, specifications, standard drawing and templates. It includes both internal documents and those that will be shared with contractors. An extensive list of the management documents is described in the ESMS document.

## 2 Procedures and documents

As part of the ESMS, the implementation and operationalization of policies are done through procedures. Project One's procedures are described below.

### 2.1 Identification of risks and impacts

The overall framework for identifying risks and impacts for and from Project One consists of three main sources:

1. Project One IPMT procedures;
2. The EIA and permitting process; and
3. The reports and procedures defined in the context of the ESIA.

Project One's risk and opportunity management approach is defined in the **IPMT procedure Risk Management Plan**. Risk and opportunity identification is undertaken in order to create a list of possible events that could either negatively (risk) or positively (opportunity) impact the objectives of the project. A detailed description of the process of risk and opportunity assessment is provided in the ESMS document.

An **EIA** has been performed in accordance with the European and Flemish 'm.e.r.' procedure and an environmental permit has been granted for Project One. The EIA can be found on the following website: [MER-dossierdatabank - Departement Omgeving \(vlaanderen.be\)](https://mer-dossierdatabank-departement-omgeving.vlaanderen.be). The additional documents have been produced in the context of the ESIA are listed below:

- Environmental and Social Management System (ESMS)
- Social and Intangible Cultural Heritage Impact Scan
- Ecosystem Services and Impact Assessment and Management Plan
- Environmental and Social Management Plan (ESMP)
  - Biodiversity Management Plan
  - Working Conditions Management Program
  - Occupational and Community Health and Safety Program
  - Security Management Plan
- Stakeholder Engagement Framework
- Emergency Preparedness and Response Plan
- Contractor Management Plan- Non-EPC Contractors
- Contractor Management Plan- Main/EPC Contractors
- Human Rights Due Diligence in the Supply Chain
- Grievance Mechanism
- TCFD Climate Change Risk Assessment

## 2.2 Management programs and measures

For each of the potential environmental and social risks and impacts that have been identified and assessed for the Project, adequate management programs need to be put in place. The framework for defining environmental and social management programs includes Project One procedures, EIA Environmental Management Plans, and ESIA Environmental and Social Management Plans.

The ESMS includes a detailed description of the risk management process in the context of the IPMT Project One Risk and Opportunity Management approach, as well as a summary of mitigation measures in relation to the assessed impacts and monitoring measures provided for the EIA and ESIA.

## 3 Organizational capacity and competency

The successful implementation of environmental and social management system requires involving knowledgeable professionals from different departments within an organization. INEOS Olefins Belgium is the owner and proponent of Project One and is therefore responsible for the implementation and functioning of the ESMS. Senior management support is critical to successfully implementing the ESMS. In addition, a team for the implementation of the ESMS, which considers the different roles that the Project One has for the management of the environmental and social aspects, will be formed. The responsibilities of each function will be distributed across different team members.

The functions for the implementation of the ESMS include the following:

1. ESMS leader
2. Risk Management
3. Safety, health, environment and security
4. Procurement
5. Production/operations
6. Human Resources
7. Communications
8. CSR/Sustainability
9. Quality control

The people involved in the implementation and functioning of the ESMS will also be provided with permanent training. Thus, training will be provided to senior management, the ESMS team, the HR department, workers and managers and procurement.

Additionally, key roles in the ESMS have been defined in the ESMS document. These key roles include a social specialist and a SHE Manager. The main goal of the social specialist is to link the social performance skillsets to the relevant phase of Project One's lifecycle. The person(s) undertaking the tasks related to social performance, will work in close collaboration with the ESMS team leader and the SHE&S specialist as well as with different stakeholders, such as contractors, consultants, local officials, and the host community. The purpose of the Project SHE Manager is to ensure that Project One meets national, international and INEOS standards and deliver a safe plant.

## 4 Emergency Preparedness and Response Plan

An Emergency Preparedness and Response Plan (EPRP) has been developed for Project One. There are three documents that carry relevance for emergency preparedness and response for Project One. One of these documents is a high-level Safety Report that describes and evaluates the safety management system of INEOS Olefins Belgium. In keeping with the local regulatory framework, the Safety Report has been developed as part of the permit application for Project One.

In addition, for day-to-day management of on-site emergency situations, two site-specific plans contain detailed procedures for emergency response:

1. Worksite Emergency Plan for Project One, which applies to the construction phase for Project One; and
2. Emergency Plan for Project One operations, which will be developed taking into consideration both the standard requirements set by INEOS Group in its policies and procedures and the applicable international EHS standards.

## 5 Monitoring and review

The monitoring approach for Project One includes elements that monitor the overall implementation of ESMS, ensure continuous monitoring of E&S risks and opportunities arising from the project, and monitor the effectiveness of the actions taken and of the ESMS.

An annual management review of the ESMS will be performed to ensure its continuing suitability, adequacy, and effectiveness while addressing the possible need for changes to policies, objectives, targets and other elements of the ESMS.

## 6 Stakeholder Engagement

The stakeholder engagement process for Project One has been developed in compliance with the requirements outlined in the Equator Principles, IFC Performance Standards and Flemish legislation.

A Stakeholder Engagement Framework has been developed for Project One in order to support the identification and engagement of stakeholders, and to promote the adequate consideration of their views, inputs and concerns about the project. A specific Stakeholder Engagement Plan (SEP) will be written for each the construction and operation phases. Construction SEP will be ready for Financial Close and Operations SEP will be ready a month before the commencement of the Operations Phase. The SEP will follow this Stakeholder Engagement Framework, INEOS policies, local regulation regarding citizen's engagement and public participation and it will be aligned with international standards that serve as a framework for this Environmental and Social Impact Assessment process.

A communications mechanism, a grievance mechanism for workers and a grievance mechanism for external stakeholders are required to be put in place according to requirements prescribed by the international standards.

Project One will implement these requirements through the following:

1. Existing INEOS Speak-Up! Grievance mechanism for INEOS Group employees;
2. Grievance Mechanisms that will be made available by key contractors for their workers; and
3. Project One Communications and Grievance Mechanism for other external stakeholders.