



Sustainability Report **2023**

Fuelling a Brighter Future

**PRO
MAN**

Who we are

Proman is a global leader in natural gas-derived products and services. We are committed to developing low-carbon and green methanol and ammonia solutions as cleaner alternatives to conventional fossil fuels, offering a pathway to drastically cutting emissions in a range of sectors including transport, electricity generation and heavy industry.

Founded in 1984, we are one of the largest global producers of methanol, fertilizers and other products such as melamine - all crucial ingredients for the production of many everyday commercial, consumer and industrial products. Our fertilizers help feed an ever-growing global population.

We are a family of companies, unique in our breadth of expertise across our fully integrated value chain. We cover project development and financing, all aspects of the molecule's journey from extraction through production, and onwards to the transportation and delivery of the final product to our end customers.

We believe that operating and optimising a fully integrated, diversified platform across the whole value chain gives us a competitive edge. We can operate more flexibly and efficiently, increase our collaboration opportunities across our group, create alignment with information flows and deliver for our partners.

Long-term sustainable business planning and resource efficiency have been integral to our business since our beginning. We are proud of our foundational principles of prioritising local content and lasting skills development, long-standing work supporting local communities and of safeguarding employees and the environment.

Today, Proman works with decisiveness, adaptability, integrity, camaraderie and with a long-term commitment to bring our stakeholders with us on this journey.

We are headquartered in Wollerau, Switzerland, employ over 1,800 people worldwide and serve more than 200 customers via more than 55 ports globally.

We are a family-owned company and are not publicly listed.



OUR VISION

We are a global leader in natural gas-derived products and services. Our customers and partners trust us to deliver.

We will continue to set the industry standard for employee care, customer satisfaction, safety, environmental responsibility, performance and reliability.

We are unique in combining the entrepreneurial spirit, flexibility and integrity of a family-owned business with the efficiencies of full value chain integration and a global footprint.

We are proud of our track record and of sharing our success with all our stakeholders.

OUR VALUES

Commitment

Integrity

Adaptability

Camaraderie

Decisiveness

Long-Term Thinking

Welcome to our 2023 Sustainability Report in which we provide information on our sustainability priorities and commitments, and disclose our 2023 performance on environmental, social and governance topics. This report is approved and signed by The Proman Board and Executive Leadership Team.

We welcome feedback or comments on the report at sustainability@proman.org

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The terms 'Proman', 'we,' 'our' and 'Group' refer to Proman AG as a whole unless otherwise specified in the report. All figures are quoted in U.S. dollars unless otherwise specified.

Overview

This section provides an overview of who we are, what we do, where we operate, and provides background information on our stakeholders and industry leadership.



A message from our Chief Executive

I am delighted to introduce our 2023 Sustainability Report, which showcases sustainability in action throughout our business. As a global leader in the production and marketing of methanol, ammonia and other natural gas-derived products, we are committed to and excited about our role in supporting and enabling the energy transition, while assisting food production for an ever growing global population with our fertilizers. On the former, our efforts this year underlined the power of methanol to deliver immediate and tangible improvements in air quality, further emphasising its viability as a pathway fuel with an expanding portfolio of applications.



David Cassidy

Cutting global shipping emissions

Proman is a leading driver of methanol as a marine fuel. In 2023, with our partner Stena Bulk, we celebrated the naming of four more of our low-emission methanol-fuelled vessels: *Stena Promise*, *Stena Pro Marine*, *Stena Provident* and *Stena Progressive*. This meant that at the end of the year, we had five of our IMOII MeMAX tanker fleet on the water, with the sixth delivered in January 2024. We also successfully completed the first ever barge-to-ship methanol bunkering on the U.S. Gulf Coast at the Port of Houston, and in the Port of Antwerp and Bruges in Europe. These state-of-the-art ships and our bunkering efforts are a constant reminder of the viability of methanol as a marine fuel and our commitment to cutting global emissions.

While using conventional methanol brings immediate clean air benefits, with a positive impact on nitrogen oxides, sulphur oxides and particulate matter, adding green and low carbon methanol into the mix leads to additional greenhouse gas emissions savings. The properties of methanol are the same, whether it is produced from different feedstocks or with the use of carbon capture technology, meaning that it can be blended or produced at a lower carbon intensity as production of green methanol ramps up, with no impact on product performance. This has given vessel owners the confidence to turn to it as a viable alternative fuel for the complete operational life of their ships, making methanol the most ordered alternative dual-fuelled propulsion system globally in 2023.

We and our partners are aware that the transition to sustainable shipping requires significant capital investment to bring forward the crucial shipping and associated infrastructure that will help the global marine sector to reduce its emissions. To this end, we, along with Stena Bulk, launched an industry-first, Article 9 rated sustainable shipping fund called LEMSCO in 2023. By providing an alternative financing mechanism, LEMSCO plays a crucial role in bridging the gap to facilitate the industry's transition.

Making the case for methanol as power

Alongside shipping, methanol is also a versatile, lower-emission alternative to petroleum-based fuels for other industries. In 2023, we actively explored opportunities to use it to deliver cleaner road and rail transportation, and power generation solutions. This included testing methanol enabled electricity generators in collaboration with several leading engine specialists to deliver cleaner air at locations requiring base load, low-emission electricity such as ports, airports and data centres. We will continue this work moving forward as we seek to develop commercially viable options to help multiple industries to cut their emissions.

Meeting the growing demand for cleaner products

As demand for our products increases, growing our production capacity in a sustainable way remains a priority.

Throughout 2023, work continued on the Varennes Carbon Recycling plant, our flagship green methanol facility in Canada, which will produce bio-methanol from non-recyclable industrial, commercial, and institutional waste and will produce green hydrogen from 100% hydroelectricity. Work also continued on our low-carbon methanol plant in Ruwais, Abu Dhabi following the signing of the shareholders' agreement in January 2023. On completion, this 1.8 million tonne/year facility will be one of the world's most efficient and low-emission natural gas to methanol plants.

We already produce low-carbon methanol in our plants in Trinidad, using recycled sources of CO₂ from adjacent plants to enhance the production process. In Texas, our Pampa plant was re-certified to produce bio-methanol under ISCC (International Sustainability & Carbon Certification) and for the first time under the RSB (Roundtable on Sustainable Biomaterials). I am also pleased to report that the facility once again ran entirely on renewable power in 2023.

Demand for ammonia continues to grow for use in fertilizers to meet the needs of a growing population, as well as an alternative fuel. In 2023, we reached financial close of our project in Mexico. Construction has now begun on what will be the largest merchant ammonia plant in Latin America and an important fertilizer producer for the local market. We also signed a Memorandum of Understanding in collaboration with Mitsubishi to develop a world-scale ultra-low carbon ammonia plant in Lake Charles, Louisiana, U.S. The ultra-

low carbon ammonia produced would then be transported to Japan and utilised for various industrial applications.

Supporting our people and our communities

As a business, we strive constantly to challenge ourselves to improve and grow. This year we were proud to be once again awarded the Responsible Care Attestation for our Trinidad methanol plants, and also for our Pampa facility in the U.S., underlining our commitment to continuously enhance our health, safety, environmental and security performance. We also drove forward initiatives to help our people develop and reach their full potential, while building teams for long term success. This included delivering LEAD training for all leadership teams and new joiners across the business in 2023 and extending the roll-out of the Proman Leadership Academy, which engaged over 50 people from diverse business units and functions. In total, this amounted to over 750 days of leadership training during the year.

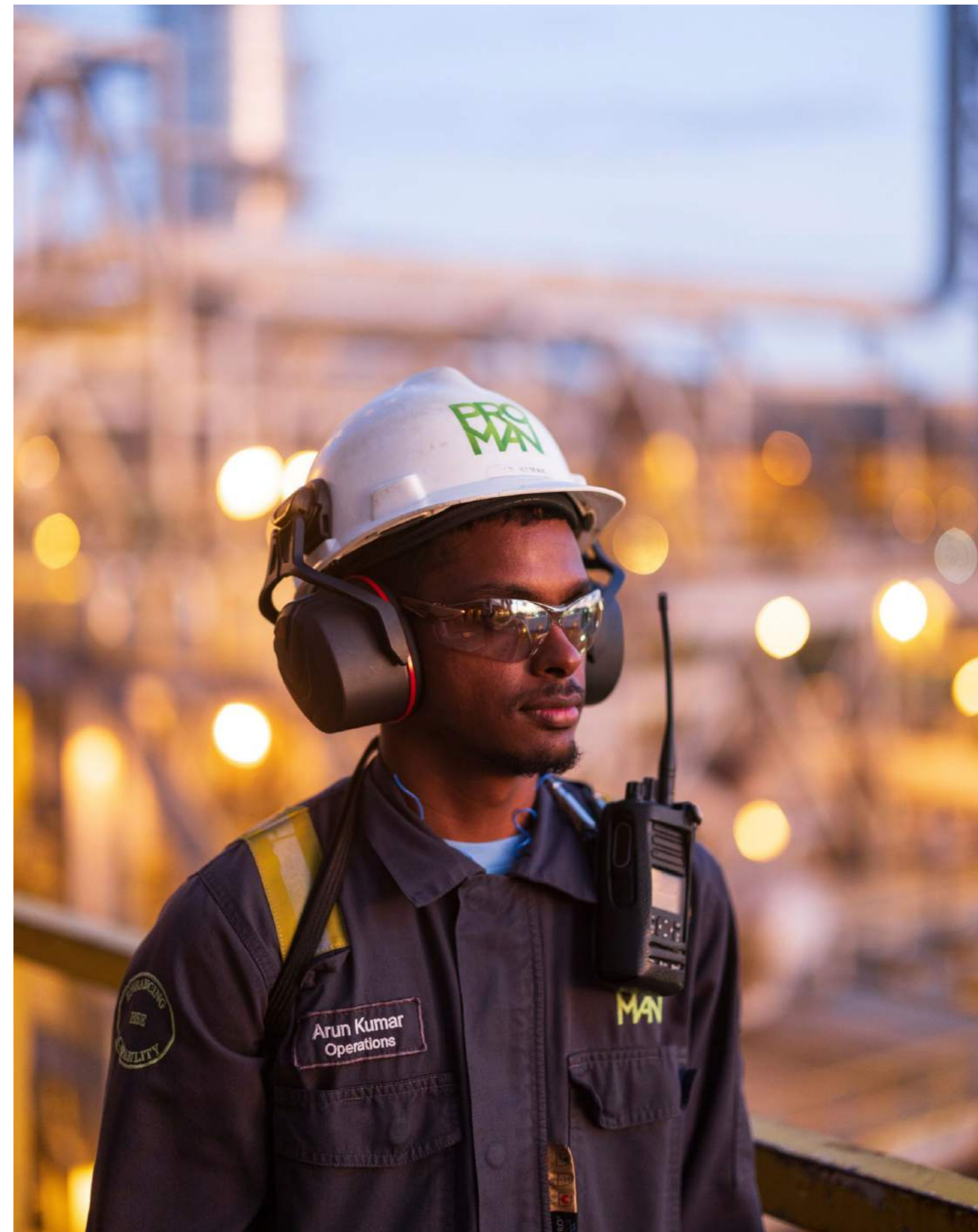
Building enduring relationships with the communities in which we live and operate has always been at the core of our business. Last year we were proud to launch the Proman Foundation which has positively impacted lives and communities across Trinidad and Tobago. To date, the foundation has invested over TT\$3.8 million (over U.S.\$550,000) to deliver high-impact sustainable programmes to benefit over 7,700 people in more than 60 communities nationally.

Building a sustainable future

Our actions this year have continued to embed sustainability practices throughout the business. I am confident that in 2024, our 40th year of operation, the role of methanol and ammonia in the energy transition will continue to grow, enabling us to support the shift to a lower carbon and lower emission future.



David Cassidy
Chief Executive



Our business in 2023 - at a glance

We are the world's second largest producer of methanol and one of the top ten global producers of fertilizers.

Years of operation	Employees	Installed production capacity (tonnes)	Petrochemical plants globally
39	1,800	10M	17
	2022: c. 1,740	2022: 10M	2022: 17
Revenue (USD)	Assets (USD)	Vessels	Global customers
2.35B	7B	16	+200
		of which 5 are methanol-powered	

What we do - the Proman family of companies

We were founded in 1984 as a project management company with extensive experience in project development, management and finance. We have since grown our capabilities and experience across the entire value chain and have transformed into a significant production asset owner. With our critical expertise and almost 40 years' experience at the forefront of the international methanol and ammonia industry, we are uniquely positioned to offer an end-to-end solution to our global customers.



Figure 1: The Proman family of companies

Where we operate

Our global business currently spans 10 countries of operation, allowing us to leverage our geographic positioning to serve more than 200 customers worldwide.

- Distribution & storage hubs
- Existing plants
- Ports of destination
- Principal office locations
- Projects in construction
- Projects in development

Canada
Green methanol plant

U.S.
Texas ●
2 methanol plants ●
Louisiana
Low-carbon methanol plant
Ultra-low carbon ammonia plant

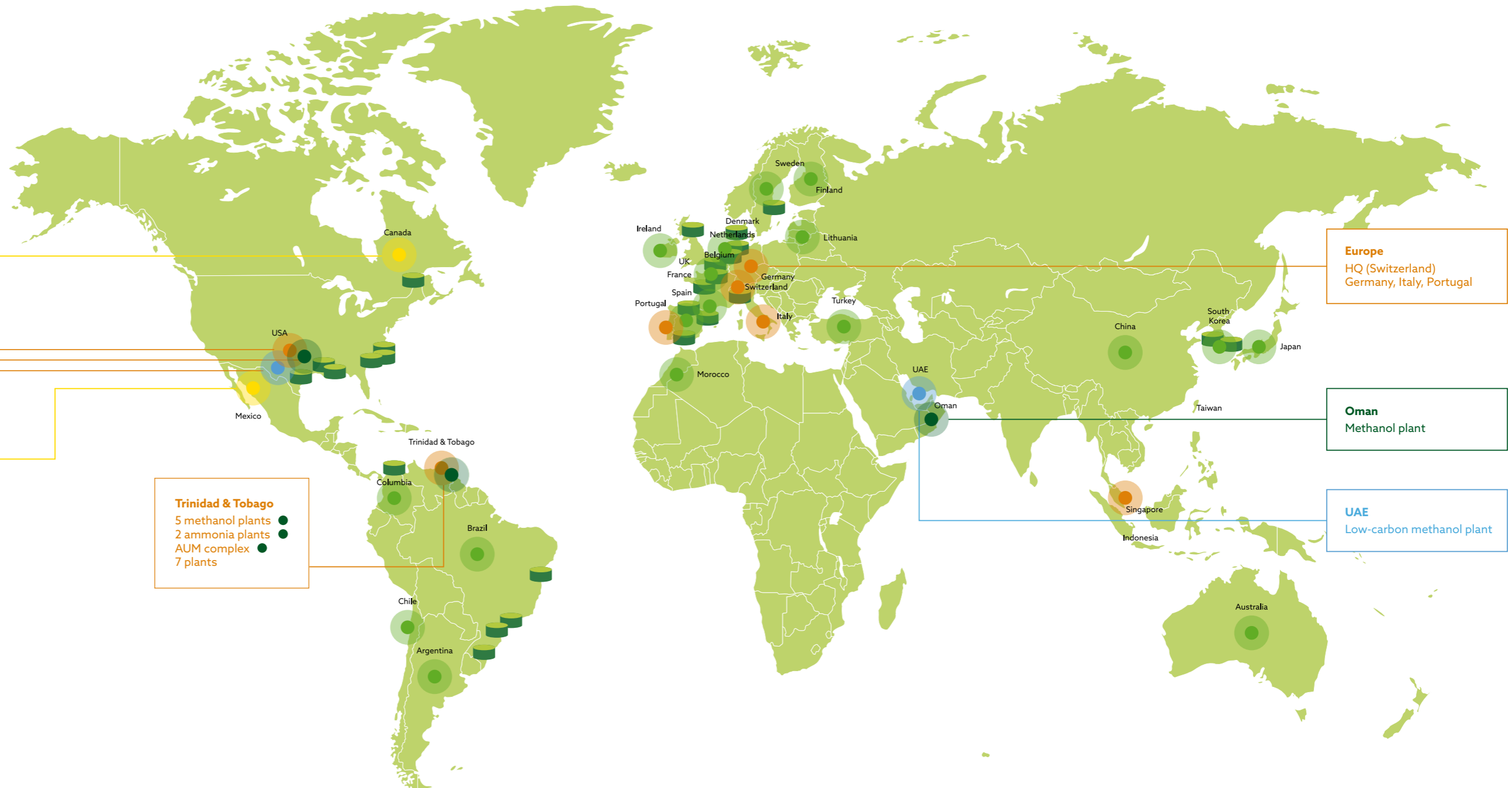
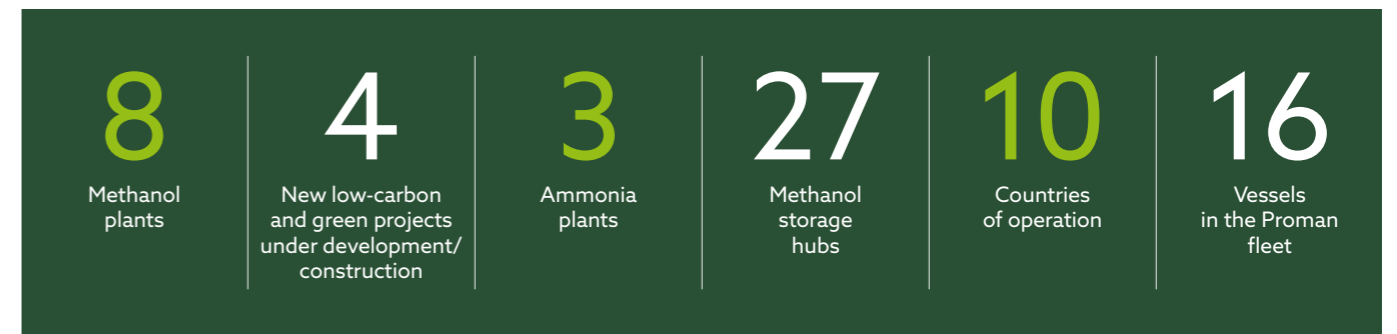
Mexico ●
Ammonia plant

Trinidad & Tobago
5 methanol plants ●
2 ammonia plants ●
AUM complex ●
7 plants

Europe
HQ (Switzerland)
Germany, Italy, Portugal

Oman
Methanol plant

UAE
Low-carbon methanol plant



Our products

We have a global presence in the production, sale and distribution of natural gas-derived products, including methanol, anhydrous ammonia, urea ammonium nitrate (UAN) and melamine. Our products are crucial components in many everyday commercial, consumer and industrial products, while our fertilizer products support food production to feed an ever-growing global population.

Methanol

Methanol is emerging as a key enabler in the global energy transition, offering a cleaner and practical future-proofed fuel for maritime and land-based power generation. Its adaptability and compatibility with existing technologies make it an essential contributor to the worldwide shift towards a more sustainable and low-carbon future.

Uses of methanol

As a raw chemical

Methanol is an essential building block for numerous end-use products such as engineered wood products, solvents for the textile industry and polyester fibres for clothing, automobiles and carpeting.

As a fuel

Methanol also has increasingly diverse applications as an energy product; it is cleaner burning and biodegradable and is already used in marine and road transportation and in power generation – all sectors which have further opportunities to significantly reduce their greenhouse gas emissions by converting to using methanol as a fuel.

We have an annual installed production capacity of 7.1 million tonnes of methanol via our eight methanol plants - five are in Trinidad, two are in the United States and one is in Oman. In 2022, we announced that a new world-scale low-carbon methanol plant will be built in partnership with ADNOC in Ruwais, United Arab Emirates (UAE) and further progress was made on this during 2023. We also have a late-stage, world-scale low-carbon methanol plant in development in Lake Charles, Louisiana, U.S. Subject to final agreements and construction, these projects would bring our installed production capacity to almost 11 million tonnes.

Our low-carbon methanol production

The methanol we currently produce is low-carbon. Our methanol plants in Trinidad use recycled sources of CO₂ from adjacent plants to enhance the methanol production process; and our world-scale methanol plant in Beaumont, Texas, uses a significantly less carbon-intensive process than nearly all of the globally installed production base today. Our plant at Pampa, Texas, used 100% renewable power in 2023, and we have a green methanol plant currently under construction in Quebec, Canada.

An enabler for the energy transition

Methanol's versatility and inherently cleaner-burning properties make it one of the most attractive alternatives to conventional fossil fuels today, as it produces fewer greenhouse gas emissions, improves air quality, and reduces the environmental impact of energy consumption. With a proven and highly scalable decarbonisation pathway, methanol is an ideal bridge fuel today, and is expected to be part of the low-carbon transition in the coming decades.

Our methanol customers today are primarily chemical companies, who can benefit from our low-carbon methanol in terms of their own sustainability reporting. However, given the advantages methanol has as a transition fuel, we have a growing portfolio of strategic customers and partners for methanol as an alternative fuel in road, rail and maritime transportation, and for power generation.

Our existing low-carbon methanol, when blended with increasing global inventories of green methanol over time, will help our customers achieve their own sustainability goals and commitments, and where needed, meet evolving compliance requirements for cleaner and lower emission fuels and products. In doing so, we are expanding our role and contribution in the energy transition as a key enabler, with a positive impact that goes well beyond the emissions associated with our own operations.

Read more on pages 39-53 about our progress in promoting methanol as a fuel for the future and how it can help the wider decarbonisation of fuel-based industries to significantly reduce global greenhouse gas emissions and other pollutants.

Fertilizers (Ammonia and Urea Ammonium Nitrate)

We are a significant producer of fertilizers, which are essential to improving crop yields and soil quality in the global agricultural industry. As such, they are crucial to increasing food production and key to delivering UN Sustainable Development Goal 2, Zero Hunger.

We produce ammonia, the most common source of nitrogen content in the fertilizers required to feed a growing global population. It is also used for industrial applications such as pollution control for selective catalytic reduction processes, as a stabiliser and neutraliser, and as a source of nitrogen in industries such as waste and wastewater management, paper production and pharmaceuticals.

We also produce Urea Ammonium Nitrate (UAN), a 32% solution nitrogen-based fertilizer, which is versatile as a source of plant nutrition, as it can be combined with other nutrients to ensure any soil can support efficient crop production.

Activated nitrogen, contained in our ammonia and UAN products, allows efficient farming to support a growing global population, which has now surpassed 8 billion people. With the global population forecast to be around 9.7 billion by 2050¹ - implying an additional 60+ million people per annum – fertilizers are critical to feeding the growing population.

We have an annual production capacity of 1.95 million tonnes of ammonia, of which 0.65 million tonnes is used in our own Ammonia-Urea-Melamine (AUM) downstream production to produce 1.5 million tonnes of UAN and 30,000 tonnes of melamine. 1.3 million tonnes of ammonia are also sold to third parties. At present, all our UAN and ammonia is made in Trinidad, comprising almost a third of our total globally installed production capacity.

Our customers for UAN are primarily food and agricultural businesses who work directly with food producers.

In 2023, we announced the financial close of a \$1.5bn investment in a 2,220 MT/day ammonia plant in Topolobampo, Mexico and construction has now begun on what will be one of the largest and most efficient ammonia plants in Latin America. The ammonia produced will primarily be used as a fertilizer, augmenting domestic crop production in Mexico and supporting the growing population. It is also expected to reduce emissions from the maritime import of ammonia to Mexico that is taking place today.



¹ United Nations' World Population Prospects 2022 Report

In collaboration with Mitsubishi, we signed a Memorandum of Understanding (MoU) in October 2023 to spearhead the development of a world-scale ultra-low-carbon ammonia plant in Lake Charles, Louisiana, U.S. Development of the project will be a key focus in 2024.

Read more on page 51 about our partnership with CropX, to make our fertilizers even more efficient by supporting precision farming.

Melamine

Melamine is a white, organic, crystalline compound manufactured from urea and is therefore rich in nitrogen. Melamine is a constant presence in our everyday lives and various household items, from kitchen surfaces and dinnerware to cooking utensils and flooring, owe their durability and heat-resistance to melamine's binding properties.

We have an annual production capacity of 30,000 tonnes of melamine and supply to customers in the chemical industry primarily in the United States and Europe.

Eurotecnica - A developer of leading technologies

Our subsidiary Eurotecnica has pioneered the development of three technologies - Euromel® Melamine Process, ET Black™ Process and ET Sun Energy™ Process.

Our new total green melamine concept

In addition to its best-in-class environmental and efficiency performance, in 2023 Eurotecnica launched the fifth generation (G5) Euromel® Melamine technology, an important development that further reduces energy consumption for producers.

Also the (G5) Euromel® technology is designed to enable zero CO₂ emissions from the melamine plant. The combination of G5 Euromel® melamine technology and the experience gained in the implementation of thermal energy storage systems provides melamine producers with the possibility to run a melamine plant wholly on renewable energy, thus eliminating any fossil fuel for the supply of the necessary power to operate the plant. Such plants would emit zero CO₂ emissions and would significantly contribute to the transition of the melamine industry.

The Euromel® melamine process is now used in thirty-two plants worldwide, accounting for 1.4 million tonnes in global licensed capacity, making Eurotecnica the global leader in state-of-the-art melamine technology.

Eurotecnica became part of the Proman family of companies in 2007, and celebrated 60 years in business in 2022.

In September 2023 the team won the contract for the implementation of the world's largest melamine plant with a nameplate capacity of 160,000 tonnes per year. Once commissioned, the plant in Xinjiang, China will have a total capacity of 1,000 tonnes per day of melamine, which will be a record for this industry.





Sustainability at Proman

In our 39-year history, we have always taken the long-term view. Whether it is developing and embedding lasting skills and capabilities, safeguarding local biodiversity and communities, or prioritising local content, sustainable business has been a foundational principle since the very beginning.

This is our third annual sustainability report in which we have set out our approach to sustainability and shared our highlights, key plans and actions with our wider stakeholders.

The global energy transition is at the core of our corporate strategy. We believe the transition towards a lower carbon and lower emission future is both essential and exciting. As a business, our approach has always been to deliver through results; our approach to the energy transition is therefore focused on meaningful action and tangible outcomes.

We believe that fast-tracking the development of methanol as a lower-emission fuel will be an essential part of this transition. Widely available, low-emission methanol from natural gas can be blended with increasing quantities of low-carbon and green methanol over the coming years, offering a versatile and future-proof pathway to decarbonising a range of industries.

Transparency and data

Our report is produced with reference to the Global Reporting Initiative (GRI) standards, and we publish a variety of data covering our material topics using the most recent standards available.

GRI data and information is complemented by the Taskforce on Climate-Related Financial Disclosures (TCFD) and the Sustainability Accounting Standards Board (SASB) chemical standard. This report also meets our requirements under the Swiss Code of Obligations to publish a report on non-financial matters.

The relevant indexes are outlined on pages 110-113.

Embedding sustainability

Our dedicated Sustainability Team works closely with our global teams to embed the sustainability focus across our business. This includes engagement and ongoing discussions with employees to highlight the links between their day-to-day work and our sustainability pillars, how they contribute to our commitments, and how they can use their expertise to drive solutions.

On a more strategic level, we continue to seek out measures that will lower our carbon intensity and support diverse feedstock sourcing, the potential for carbon capture and storage, and the application of technology to further improve our resource efficiency. We are also focusing on other elements within our supply chain.

Demonstrating progress

We recognise that stakeholder expectations will rightly continue to increase and we will therefore continue to review our material topics and update our plans where relevant. We have endeavoured to highlight the progress we have made on each topic throughout this report.

Boundaries

The data disclosures outlined in this report are aggregated at Proman Group level, with any exceptions noted. We have included emissions and performance data primarily from our 17 production facilities and from our low-emission methanol-powered tankers which began operations during 2022. We include emissions data on an equity basis and irrespective of operational control. Emissions and environmental data from our office-based locations have been excluded on the basis that any emissions are immaterial relative to our production facilities.

Changes in 2023

In 2023 we reached financial close of our project to build an ammonia plant in Topolobampo, Mexico. As we had four of our methanol-fuelled vessels on the water for the full year and one for part of the year, we have included the greenhouse gas emissions from these vessels in our scope 1 emissions data.

Sustainability ratings

We recognise the importance of having an external view of our sustainability performance, as this helps to validate the progress we are making, while highlighting areas where we need to improve. External ratings also help us understand how we perform relative to our peers and industry and gives confidence to our stakeholders that we are meeting their expectations.



Proman performed in the top 6%, ranking 4 out of 64 companies in diversified chemicals.

Date: February 2024

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"This is now our third Sustainability Report and it has been fantastic to see how our desire to improve and our commitment to transparency on our performance has driven change through the business. It is easy to see these reports as the conclusion of a year's work; we see them as fundamental to the continued sustainability focus that is essential to our business performance and partnerships."

Peter Schild, Managing Director Sustainability



Sustainability highlights 2023



Environmental



Social



Governance

1/3

of our vessels are now methanol fuelled

Launched LEMSCO

An industry first sustainable shipping fund

7,700 beneficiaries in 60 communities in Trinidad and Tobago

Since the inception of the Proman Foundation

50+ people participated in Proman Leadership Academy

0.62

Greenhouse gas emissions intensity for methanol

tonnes of CO₂-e per tonne of methanol

ISCC and RSB certified

For the production of Biomethanol

Medium Risk

Ranked 4th out of 64 companies in diversified chemicals

Morningstar Sustainability

0.19

Total Recordable Injury Rate

Per 200,000 hours worked (more than 10.3 million total hours)

100%

Renewable electricity

Used at our Pampa methanol plant in Texas, U.S.

11%

The *Stena Pro Patria* had an energy efficiency rating 11% better than the EEDI phase 3 design requirements

Responsible Care Attestation renewed

Recognising our commitment to health, safety and environmental performance

24%

of management positions are filled by women

Our sustainability approach, priorities and commitments

Our products, particularly our globally-available, low-carbon methanol combined with our green production projects and third-party off-take agreements provide an affordable and scalable net-zero pathway, enabling a diverse range of fuel-based and chemical industries to accelerate their emissions reductions and to meet regulatory goals.



We believe methanol and ammonia will play a critical role in enabling the energy transition. We are actively taking steps to expand our role and contribution to this transition, delivering a positive and tangible impact that goes well beyond the emissions associated with our own operations.

A key part of our approach is to continue to empower and support our people to make the best use of their talents and skills, maintain safe and efficient operations, and to continue to develop long-term opportunities for our local communities.

Our efforts are underpinned by strong governance and a commitment to being a responsible business in all that we do.

Our six sustainability pillars, which have been informed by our materiality assessment in 2021 and agreed by the Executive Leadership Team, continue to be of strategic importance to the business, and critical to our success. They are: further strengthening our position on safe operations, meaningful action on climate change, environmental protection, our people, communities, and our business ethics.

Taken together, they place sustainability at the heart of our business strategy and serve as a guide for our family of companies.

Our sustainability pillars

Our priorities	Our focus areas and commitments	Our current targets
Meaningful action on climate change A major focus of our strategy is on addressing the impacts of climate change by positioning ourselves as an enabler for decarbonisation   	Drive and accelerate the journey towards a cleaner shipping future Promote methanol as power Increase our supply of low-carbon and green methanol Further improve the emissions intensities of our products	Halve the carbon intensity of our methanol over time
Environmental protection Protect, and where possible, enhance the natural environments in which we operate  	Reduce the environmental impacts from our vessels and operations Protect natural resources and biodiversity in the communities in which we operate Wherever possible, improve ecosystems and biodiversity beyond our project boundaries	Zero reportable spills and chemical releases
Safe operations Protect and safeguard our people - employees, contractors, suppliers, customers and local communities - and the environment - from the risks associated with our business activities 	Maintain a safe workplace, free from harm to people, assets and the environment Continuously improve our culture of safety - focusing on behaviours, safety leadership, risk management and process safety management	Aim for zero accidents, injuries or harm to people or the environment Zero recordable injuries and tier 1 process safety incidents
Our people Forge strong relationships with our people by ensuring a values-based and inclusive culture  	Provide a rewarding workplace which treats everyone with respect and values diversity and inclusion Provide a workplace which offers equal opportunities for training and career progression Provide an environment that facilitates and supports the health and well-being of our employees	Zero incidents of discrimination
Our communities Continue to build strong local relationships, and to make a sustainable and positive difference in the communities in which we operate    	Engage, support and develop opportunities for the communities where we operate Maintain our focus on our core CSR pillars - education and skills training, environment, health, safety and sustainability, arts and culture, sports and community development	
Business ethics and transparency Operate with high ethical standards in all the countries in which we operate	Promote and embody our Code of Conduct Ensure we live our values and act with integrity in all our business activities Respect for human rights	Zero incidents of bribery and corruption

UN Sustainable Development Goals

Delivering on our sustainability priorities and commitments will help contribute to the United Nations’ (UN) 2030 sustainable development agenda. We are focused on those areas where we have a stronger connection between our sustainability commitments and the UN Sustainable Development Goals (SDGs); this places the SDGs firmly at the heart of our corporate strategy.



Goal	Proman support	Key initiatives
<div><div>2</div><div>ZERO HUNGER</div><div></div></div>	With the world’s population now exceeding 8 billion people, food production and security is more important than ever. Our nitrogen-based fertilizers contribute to healthy plant growth and improved crop efficiency, supporting farmers around the world – and are vital to support the goal of zero hunger.	Partnership with Crop X, pg. 51
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<p>We believe one of the most meaningful contributions we can make as a business is to invest in quality education for our local communities - at all levels, from primary to tertiary. Improving access to quality education is therefore a central focus of our ongoing efforts.</p> <p>We are particularly committed to creating opportunities to develop young people’s skills in sectors that will be important as we transition to more sustainable forms of energy in the future.</p>	<p>Cadets Apprenticeship Programme, pg. 83</p> <p>Partnership with Prince’s Trust International, pg. 84</p>
<div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div>	<p>We are committed to developing low and ultra low-carbon methanol and ammonia as cleaner alternatives to fossil fuels, and we are a global leader in developing the market for methanol as a safe, clean-burning and high-scalable sustainable energy product.</p> <p>We are also investing in innovative technologies, solutions and partnerships to solve some of the most pressing challenges of the energy transition, for example, long-duration energy storage - in doing so, helping the move to a more sustainable future.</p>	<p>Methanol as a marine fuel , pg. 40-45</p> <p>Methanol as power, pg. 46</p> <p>Significant investment in Malta Inc, pg. 51</p>
<div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div>	<p>We promote economic growth through a strong focus on local content, capacity and skills development, supporting long-term growth and sustainable development.</p> <p>Ensuring a safe working environment for all people is also our top priority and an absolute commitment.</p>	<p>Approach to local content, pg. 89</p> <p>Safe operations, pg. 62-71</p>
<div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div>	<p>Proman is actively working on innovative solutions with our partners. We are promoting a more sustainable shipping future by driving the up-take of methanol as a low-emission marine fuel. We are also developing fuel supply solutions for the wider shipping sector, helping put the industry on the path to decarbonisation. Other partnerships include Crop X, where we have an innovative solution to improving the efficient use of fertilizers.</p>	<p>Methanol as a marine fuel, pg. 40-45</p> <p>Methanol as power, pg.46</p> <p>Partnership with Crop X , pg. 51</p>
<div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>	<p>We work with our partner Habitat for Humanity to support a range of home building, disaster resilience and emergency response projects across Trinidad and Tobago.</p>	<p>Partnership with Habitat for Humanity, pg. 86</p>
<div><div>13</div><div>CLIMATE ACTION</div><div></div></div>	<p>Our ambition is to make a meaningful and tangible difference in the global energy transition – we are developing methanol as a future-proof fuel with a pathway to net-zero emissions and are actively exploring opportunities in the alternative fuels markets. In doing so, we are acting as an enabler to help drive decarbonisation in the fuel-based industries that are currently making significant contributions to global greenhouse gas emissions.</p>	<p>Transitioning our own fleet, pg. 42-43</p> <p>Low carbon and green methanol projects, pg. 47</p>
<div><div>14</div><div>LIFE BELOW WATER</div><div></div></div>	<p>Our commitment is to not only protect biodiversity from our operations, but to make a positive impact wherever possible. Methanol is both water soluble and readily biodegradable and therefore, in the event of spillage, it is significantly safer for the marine environment than other forms of fuel.</p>	<p>Methanol as a cleaner, bio-degradable fuel, pg.40</p>
<div><div>15</div><div>LIFE ON LAND</div><div></div></div>	<p>We are also actively improving biodiversity through comprehensive environmental management plans, including addressing local issues where we operate, thereby making a positive contribution to biodiversity – and in doing so supporting local livelihoods.</p>	<p>Topolobampo water quality restoration programme, pg.61</p>

Stakeholders

Engaging with our key stakeholders and maintaining an open and ongoing dialogue is important to us as a company. It helps us build trust, understand which topics our stakeholders care about, and allows us to communicate our challenges, initiatives and progress. Given our scale and global presence, we have a wide variety of stakeholders which helps us gather a diverse range of views and deepens our perspectives.

Stakeholders	Key sustainability topics	How we are responding
Employees 1,800 global employees. Our employees make us who we are, and a motivated, engaged and diverse workforce driving forward our innovation is critical to our success.	Wellbeing (including mental health) Occupational safety Process Safety Management Careers and progression Recognition Employee assistance	Engagement occurs in our every-day work activities, including the performance review process, senior management walks, engagement committees and townhalls, as well as through our regular training sessions. We are continually improving how we engage with employees, through new surveys, online platforms and employee engagement committees.
Customers +200 end customers worldwide. Understanding our customers' needs and expectations is critical to our success – we can help our customers meet their own sustainability goals.	Climate change and emissions, carbon intensity, and provision of low-carbon or green products Product quality and compliance Product Certification	We are engaging with customers directly on their sustainability objectives to understand their needs and provide tailored solutions. We are developing strategic agreements with key customers to provide low-carbon and green methanol.
Investors Providers of capital to allow us to grow. Investors are increasingly looking for information related to sustainability performance for sound and sustainable investments.	Risks and opportunities around climate change. Performance and outlook Future plans and strategy Regulatory outlook Investment opportunities	Providing transparent information and disclosing our sustainability performance to our investors through direct engagement (e.g., meetings, presentations, site visits, sustainability report). In 2023, we launched the LEMSCO fund, and industry first, Aricle 9 rated sustainable shipping fund, alongside Stena.
Partners Joint ventures Being in business with partners requires a shared outlook on our sustainability vision and commitments.	Occupational health and safety Process safety Business ethics and human rights Climate change and emissions Shared values	Day-to-day conversations at all levels.

Stakeholders	Key sustainability topics	How we are responding
Industry associations E.g., the Methanol Institute, ISCC. Key industry associations help provide leadership.	Product and regulatory compliance Benefits of methanol Safe product use Industry alignment	Direct involvement and senior positions in key industry associations helps us play a central role in driving forward sustainable solutions.
Regulators Establishing technical and compliance obligations. Understanding local permitting through to European and international policy changes is crucial.	Greenhouse gas emissions reduction targets Product compliance and regulatory approvals	Routine compliance activities and meetings to discuss legislation. We are engaging with European and U.S. regulators directly to understand changes to legislation and the implications for our business.
Communities People who live, work and play near or close to where we operate. Engaging people who could be impacted by our activities – positive or negative – is about being a good neighbour, providing opportunities and sharing our success.	Supplier opportunities Employment opportunities (local content) Access to resources Investments and support in the community	Direct engagement at the development stages of new projects. Direct engagement with fence-line communities. Community forums and outreach activities. Building long-term sustainable partnerships with the community. Local Content Policy.
Suppliers Suppliers of small and large goods to raw materials extraction and supply. It is crucial for sustainability efforts to influence the entire supply chain.	Responsible business conduct Ongoing opportunities	Regular dialogue with key suppliers and development of long-term relationships. Contract reviews and vendor pre-qualification. Including our supplier code of conduct into our contracts. Working with local suppliers to develop their capabilities and to enhance competitiveness.

Key memberships and our industry leadership

We believe that collaborating with others and demonstrating industry leadership gives us a critical voice at the table when promoting our products and the role they can play in the energy transition.

	We were instrumental in the founding of the Methanol Institute, the global trade association for the methanol sector. We continue to play an active role in promoting methanol in both existing and new markets, including methanol's role and potential role in sustainable energy applications and as a major enabler for decarbonisation in the fuels-based industries. In 2023 Proman's Executive Director Marketing and Logistics was Chair of the Institute, while our Managing Director Sustainability is an Executive Board Member and chair of the Marine Fuels committee.
	In 2022, we registered with the Swiss Standardisation Institute. We were invited by the ISO to be part of a working group on the development of an ISO standard for methanol as a marine fuel –ISO/TC28/SC4/WG 18, to cover the different quality grades of methanol required for different applications.
	IMPCA is the International Methanol Producers and Consumers Association. Our Global Director Marketing, Valenz, a Proman family company, is a Board member of IMPCA and actively supports the organisation by driving efforts to harmonise the industry to centralise life-cycle analysis calculation methodologies. The aim is to ensure a level playing field in emissions reporting, which is critical to better alignment within the industry.
	The Energy Chamber represents the oil, gas, petrochemical, and heavy industrial sectors in Trinidad and Tobago; we play an active role in promoting the sustainability ambitions of the sector and collaborate with key industry partners to speed up the sector's transition to a lower-carbon world. Our Managing Director of MHTL, CNC & N2000, all Proman companies, was elected as Chair of the Chamber in November 2022, and served in the role throughout 2023.
	In 2023, Proman sought certification from the Roundtable on Sustainable Biomaterials (RSB) for the production of bio-methanol in the U.S. The certification was granted in early 2024, providing proof of compliance with the regulatory framework of several jurisdictions, including the European Union.
	In 2022, we joined the International Sustainability and Carbon Certification (ISCC) Association. This leading international certification system covers all types of bio-based feedstocks and renewable energy sources, with a focus on the traceability of raw materials within the supply chain. Membership gives us an opportunity to shape the future strategy of the body, which is important given our industry efforts.
	In 2023, Proman joined The European Renewable Gas Registry, a cooperation between established national renewable gas registries in Europe, facilitating the cross-border transfer of renewable gas certificates among these registries.

Material topics

Materiality analysis helps organisations to identify their most significant social, environmental, and economic impacts. We conducted a materiality assessment based on the GRI's Materiality Standard in 2021, identifying key aspects relevant to the business through a combination of research, internal reviews and stakeholder feedback. We have since kept this assessment under review.

From this process, we have identified the eight topics that are most material to our operations.

Material topics	Why is this topic material?
Climate change and greenhouse gas emissions	Natural gas is an essential feedstock and fuel for our petrochemical plants. This results in greenhouse gas emissions from the production process and during some forms of end-use, for example, when combusted as a fuel. Addressing climate change impacts is a key business driver for us and presents risks as well as opportunities. Our methanol product has enormous potential in the energy transition, providing a proven path to net zero emissions, and is core to our business strategy.
Occupational health and safety	Risks associated with our business activities have the potential to harm our employees and contractors, and our local environments, if not managed appropriately. Safety is an absolute priority and critical to our success and reputation.
Process safety and critical incident management	Process safety incidents in high reliability industries can have potentially serious impacts, not only on our employees and contractors, but on the communities and environments in which we live and operate. They can also have significant adverse impacts on reputation and associated financial costs.
Ethical behaviour and governance	Some of the jurisdictions where we operate may be more susceptible to bribery and corruption, therefore maintaining the highest ethical standards in our own operations and in our supply chains and partnerships is essential for our reputation and business performance.
Human rights	We are committed to ensuring human rights violations do not take place in our own operations, in our supply chain, or via our partners.
Employee support	Building an innovative, adaptable and engaged workforce is critical to our business success and building a team for the long-term. Our global scale and the importance of recruiting and retaining top talent means that treating our employees with respect, providing equal opportunities and investing in their talent is a material topic for us.
Local communities	Strong local relationships with communities who could be impacted by our activities are essential to building and maintaining trust. Providing opportunities and building shared success makes this a core part of our strategy.
Resource use and management	We use natural resources when making our products, including water and energy. How we manage these resources, and how we minimise and dispose of our waste are material topics for us.

Climate Change

As the world's second largest methanol producer, and a leading fertilizer company, we understand our responsibility to act on climate change. As governments, industries and our partners move towards a lower-carbon future, our ambition is to make a meaningful difference in enabling and accelerating the global energy transition.



We are taking action by investing in our people, capabilities, infrastructure, technologies and next generation projects to help the transition to a sustainable future.

We are focused on our own operations as well as driving wider industry decarbonisation efforts, through:

- Optimising our current assets and investing in state-of-the-art technology to make our operations more resource efficient and less greenhouse gas (GHG) intensive
- Assessing diverse feedstocks for our plants that will further reduce the emissions intensity of our products
- Taking a market-leading position in offering low-carbon and green methanol to reduce emissions across the chemicals, transportation and power generation markets

Key highlights from 2023

- Five of our low-emission, methanol-fuelled tanker fleet were on the water at the end of 2023, with the sixth formally delivered in January 2024
- Launched LEMSCO, an industry-first, Article 9 rated sustainable shipping fund with Stena
- Continued work on our new low-carbon natural gas-to-methanol plant in Ruwais, United Arab Emirates (UAE), which is in development phase, along with our partner ADNOC
- Progressed the construction of our new flagship green methanol plant in Quebec, Canada
- Continued to work with world-leading container, cruise liner, ferry, bulkier and tanker companies with methanol supply contracts for future bunkering at ports around the world
- Partnered with engine manufacturers to explore methanol as an economically and environmentally advantageous alternative to diesel

Read below for further details on our plans and progress made in 2023. Detailed data is provided in the appendices on page 103.

2023 performance at a glance

Scope 1 emissions (million tonnes CO ₂ -e)	Scope 2 emissions (million tonnes CO ₂ -e)	Methanol carbon intensity (tonnes CO ₂ -e / tonne methanol)	Ammonia carbon intensity (tonnes CO ₂ -e / tonne ammonia)
4.65	0.28	0.62	1.86
2022: 4.9m	2022: 0.3	2022: 0.61	2022: 1.78

Our approach

Our approach is to take tangible action to support global efforts to reduce the impact on climate change, this includes:

- Developing our internal capabilities and infrastructure to embed climate change considerations into everything that we do
- Identifying the risks and opportunities of climate change – including those associated with the energy transition, alongside physical climate-related risks
- Continually investing in our existing assets, new projects and developing our products and markets to support our own performance, wider emission reduction, and decarbonisation efforts
- Committing to disclosing our emissions performance transparently and verifiably, on an annual basis

Governance for climate change

The Proman Board is collectively responsible for the strategic direction and oversight of the Group's business objectives. The board delegates responsibility for climate-related strategy, risks and opportunities to the Executive Leadership Team, chaired by the Chief Executive. This group oversees the setting of the sustainability ambition and approves specific sustainability projects that align with the strategy and risk profile.

Given the importance of sustainability, responsibility for it rests with the Executive Director Corporate Finance, part of the Executive Leadership Team, who works closely with the Chief Executive, the Managing Director Corporate Development and Managing Director Sustainability, to deliver the global strategy.



"Whether via our own operations, our methanol-fuelled ships, green financing initiatives or through our value chain, we understand our role in the energy transition and in global greenhouse gas emissions reductions. Equally, I understand my role in maintaining the focus of the leadership on sustainability and driving it through our business. Fast-tracking the development of methanol as a lower-emission sustainable chemical and fuel is essential to this work and critical to our future strategy."

Andrew Craig, Executive Director Corporate Finance

Operationalising and embedding sustainability

In 2023, we continued to strengthen our internal capabilities and supporting infrastructure to deliver on our ambition. Our dedicated sustainability team acts as our global centre of excellence, supporting future business decisions and sales of our products. The team leads on emissions and intensity calculations and their verification, and works closely with the global businesses in supporting the understanding of the impact of our activities.

A global sustainability network supports our ongoing efforts. This community includes senior employees from across our family of companies, and meets regularly to share knowledge and information. This group is also driving awareness of sustainability into the business at every level, which is critical to embedding a culture of sustainability throughout our family of companies.



Climate change risk and opportunity management

Climate-related risks and opportunities are identified and assessed as part of the wider risk identification and review process overseen by our Director of Risk and Resilience and in accordance with the Proman Risk Policy. The Executive Leadership Team also uses and maintains the Chief Executive's Strategic Risk Framework, which assesses issues material to the business.

In line with the Taskforce for Climate-Related Financial Disclosures (TCFD) recommendations, we have summarised below the risks associated with climate change to our business. Alongside these risks, we see significant opportunities for our products to support the global energy transition in the short to medium and long-term.

Climate-related risks

Transition risks	Our mitigations
<p>Policy & legal</p> <p>Continued expansion of global regulations around greenhouse gas emissions could lead to additional compliance requirements for our products. This could result in increased feedstock and / or production costs to ensure products remain compliant with evolving regulations and could limit our ability to continue to produce certain products or to sell to certain markets. It could also increase the cost of transporting our products. Additional compliance costs may result in reduced demand for our products as customers seek potential alternatives elsewhere.</p>	<p>We are working with and educating policy makers in multiple markets and in multinational institutions, such as the European Union, on the benefits and advantages of methanol over other fuels.</p> <p>Key industry membership leadership positions allow us to help shape the conversation and the development of methodologies to account for carbon reduction in production (see page 28).</p>
<p>Technology</p> <p>For some of our existing assets, investments in new technologies may be required (such as carbon capture, utilisation and storage) to meet evolving legislation and / or stakeholder expectations. However, it may not be possible to implement carbon capture and storage technology if there is no established destination or local use for the CO₂. Even if feasible, this could result in potentially significant costs to implement this technology to existing assets to reduce our emissions and lower our GHG emission intensities.</p>	<p>We are actively exploring options for increasing our existing plant efficiency to reduce emissions, and exploring carbon capture technology utilisation and storage options, both for existing and new production assets (see pages 49 and 50).</p>
<p>Market</p> <p>Existing and future production capacity for low-carbon and green methanol may not be able to meet the anticipated demand over the short, medium and long-term.</p> <p>While there may be increasing customer demands for low-carbon and green products, market participants may be unwilling to pay a premium for these and seek alternatives elsewhere.</p>	<p>Our strategy is to focus on the chemicals and fuels markets where evolving regulations moving towards net zero will compel companies to act particularly in the global shipping and alternative fuels industries. We continue to support our main customer base in the chemicals industry by supplying low-carbon products and are working closely with customers on understanding their needs. Our strategy also focuses on expanding our production capacity and third-party sourcing of green methanol to meet projected demand for all forms of methanol (see page 47).</p>
<p>Reputation</p> <p>Our reputation may be impacted if we cannot meet the expectations of our stakeholders, resulting in negative feedback and lost customers. The petrochemicals sector may also experience significant negative media coverage if efforts to support the global energy transition are seen to be too slow or not going far enough.</p> <p>Reputational issues may result in reduced access to capital, loss of customer contracts and impact our ability to attract and retain the top talents we need.</p>	<p>Our strategy is to play our part in the energy transition, including providing significant industry leadership.</p> <p>We disclose our sustainability performance to our stakeholders and maintain regular communications with them to understand their concerns and issues.</p> <p>We have enhanced our internal sustainability capabilities and provide industry leading development opportunities for our people.</p>
<p>Macro global / geopolitical</p> <p>Geopolitical issues may impact our ability to deliver on our strategy – including access to and cost of energy, global inflation and conflicts impacting supply chains across the world.</p>	<p>The geographic positioning of our production facilities outside of Europe has ensured our business has been able to continue to meet the needs of our customers, while our gas sourcing and hedging strategies have ensured continued cost-effective access to our most important input resource.</p>

Physical risks

<p>Acute risks such as increases in extreme weather events could cause unplanned shutdowns or transport interruptions, leading to additional costs or reductions in production volumes; for example, a severe weather event in the United States or Trinidad could result in significant production losses, lost revenue, and significant costs to recover facilities.</p> <p>Chronic risks include rises in sea levels and long-term changes in weather patterns, which could result in significant costs to adapt facilities, increased insurance premiums and operating costs, and in the worst case, writing-off existing assets.</p>	<p>All plants are designed to applicable local and global standards.</p> <p>Existing facilities have detailed ride-out plans and safety management arrangements in place, as well as emergency response plans, which are regularly reviewed and tested.</p>
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Climate-related opportunities

Type	Climate-related opportunities
Resource efficiency	<p>Increasing plant production efficiency and reliability will result in consistently higher production volumes, meaning better GHG emission intensities for our low-carbon methanol – this in turn would result in decreased operating costs and potential premiums for our low-carbon products.</p>
Products and markets	<p>Regulatory changes (e.g. EU ETS, CBAM, FuelEU Maritime, Alternative Fuels Infrastructure Regulation (AFIR) and IMO regulations) driving evolving customer demand may result in increased uptake of existing low-carbon methanol and new products such as green methanol - particularly for industries and customers looking to purchase our products for compliance purposes, for example, in the shipping industry and alternative fuels markets.</p> <p>As technology matures and the production costs of both bio and e-fuels reduce with scale, our positioning as an early champion and adopter of low-carbon and green methanol production - combined with our engineering and construction (E&C), storage and logistics expertise - gives us significant opportunity to be a global leader in green methanol production and supply. We can gain an enhanced competitive position, meaning access to new customers and markets, and premiums for our products (see page 47).</p>
Resilience	<p>Our current customer profile consists mainly of chemical companies who will continue to be a major source of sales for our company. However, our strategy to explore and develop opportunities for methanol as a fuel – for the shipping industry and alternative fuels markets (including rail, automotive and power generation) - provides the diversification we need to build resilience to customer needs and changing regulations and ensures we can thrive as a business as the world moves through the energy transition (see pages 39-53).</p>
Reputation	<p>Methanol - particularly as a marine and alternative fuel - has the potential to significantly cut emissions and other pollutants to help meet evolving regulations and provides a viable pathway to net zero emissions, which is a significant reputational opportunity for Proman. Maximising on this through delivery of our business strategy would increase our brand capital, our ability to access capital and investment, attract and retain the talent we need to succeed, and to gain wider brand and industry recognition.</p>

The remainder of this chapter summaries our emissions performance in 2023 and how we are reducing risk while maximising our opportunities – and ultimately, delivering our ambition and Vision.

Our emissions performance in 2023

Our scope 1 footprint consists of those emissions arising from the petrochemical facilities owned or part-owned by Proman, and as we are now a vessel owner we have included our direct scope 1 emissions associated with our new methanol-fuelled tanker vessels. All figures are provided on an equity basis².

Scope 1 emissions from our petrochemical facilities are generated on-site, with the majority coming from the generation of electricity, heating, cooling or steam, as well as fugitive emissions related to

CO₂ and N₂O releases to the atmosphere. Scope 2 emissions are related to indirect electricity purchases and are relatively minor.

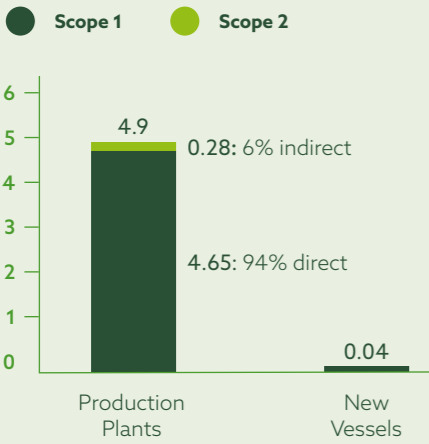
Scope 1 emissions from our new vessels are generated from combustion of the fuel, which could be either methanol, very low sulphur fuel oil (VLSFO) or diesel / gas oil (LSMGO).

Emissions intensity

Emissions intensity provides a measure of the GHG emissions generated for each tonne of product produced.³ This is a key metric for benchmarking our performance and provides a more meaningful measure of our progress, particularly as we expand our business and increase our production capacity over the coming years. It is also a key metric which

can give us a competitive advantage in promoting our products. To support our activities, we are pursuing third-party verification of our emissions intensity and the associated methodology for its calculation.

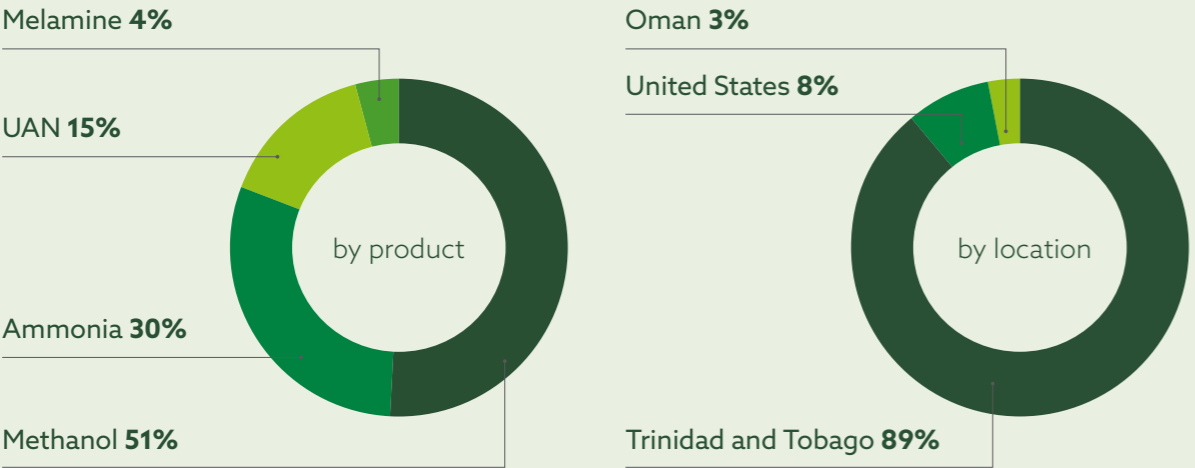
2023 scope 1 and 2 greenhouse gas emissions
million tonnes CO₂-e



Our overall scope 1 emissions for our production plants decreased slightly when compared to 2022; this was primarily due to downtime at our plants during the year.

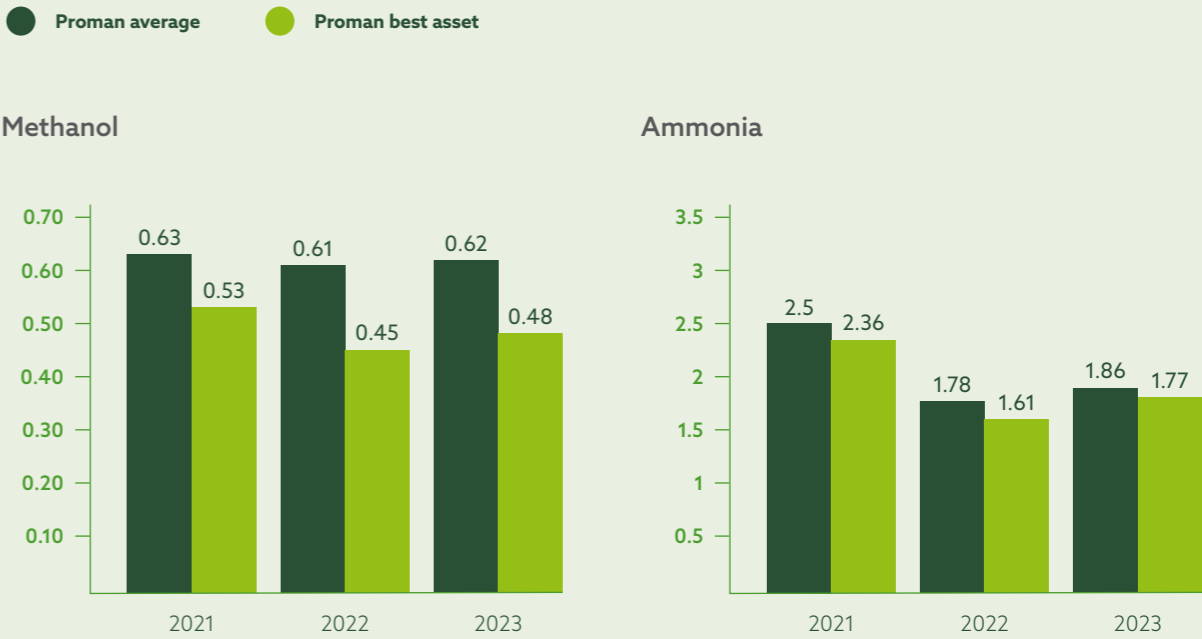
The emissions from our new vessels were relatively minor, although these increased over the previous year as 4 were on the water for the entire year and one for part of the year.

2023 scope 1 and 2 emissions by product group and geography



² Proman discloses its emissions in line with the Greenhouse Gas Protocol and GRI 305 Emissions Standard. Full data can be found in Appendix A.

2023 greenhouse gas emissions intensities
tonnes CO₂-e per tonne of product



Our 2023 emissions intensity declined marginally for both methanol and ammonia, driven primarily by unplanned outages and gas curtailments in Trinidad.

³ Based on the Greenhouse Gas Protocol and GRI 305 methodology.

Scope 3 emissions

We recognise that emissions also occur both upstream and downstream of our production facilities, including provision of feedstock from third-party suppliers, transportation and use of our products. We are currently considering our approach to scope 3 emissions reporting, recognising that challenges exist including the unavailability of information from suppliers, resulting in the reliance on default emission (if available) or public database values which tend to be much more conservative than actual emissions. Reporting of scope 3 emissions remains voluntary and selection of scope 3 categories and content leave room for different configurations, which can make comparisons difficult.

It is important to also note that presently most of our customers are chemical companies who use methanol as an intermediate product in the creation of many essential every-day products used by society. Some of the greenhouse gases are sequestered within these products and not emitted until the product is disposed of – which could be decades or longer, if at all. It therefore remains a challenge to quantify these emissions.

Certified Natural Gas

Irrespective of the challenges around quantifying our scope 3 emissions, we continue to explore options to reduce these wherever possible. For example, since 2022, we have purchased Certified Natural Gas for our Pampa plant in the U.S., meaning the gas we use has low methane emissions at the well-head, verified through independent third-party assessment by Project Canary's TrustWell® certification standard. This certifies that the molecules were produced under responsible procurement practices and helps us reduce our upstream emissions.

The confirmed data attributes – at a granular level of accuracy – were then digitally minted into Certified Environmental Tokens™ (CET) by blockchain technology company EarnDLT. This allowed us to decouple the environmental attributes from the physical molecules of natural gas, transacted on the EarnDLT accounting system. This is an innovative solution that helps reduce our scope 3 emissions, and is an approach we are also exploring for our own products and customers. This certification also provides direct confirmation of the provenance of our products for our customers and for their reporting purposes.

Further reducing our emissions intensities can help our customers fulfil their sustainability goals and we are actively engaging with our customers, understanding their needs and supporting their requirements with our low-carbon and future green products.



How we plan to deliver our ambition

Our ambition is to make a meaningful and measurable difference to the global energy transition.

We plan to deliver this ambition through five strategic, interlinked pillars:

Accelerate the transition to a sustainable shipping future

We are committed to accelerating the transition to a sustainable shipping future through:

- Demonstrating the benefits of methanol as a marine fuel including transitioning our own fleet

Promote methanol as an alternative power fuel

We are committed to developing opportunities in the combustion fuels market for cleaner and lower emission fuels:

- Rail and road transport
- Power generation at locations such as ports, harbours, data centres, and electric vehicle charging stations

Increase our supply of low-carbon and green methanol

We are committed to supporting our customers by increasing our supply of low carbon and green methanol:

- Developing new projects
- Replacing existing feedstocks
- Securing off-take opportunities for green methanol

Further improve the emissions intensity associated with our methanol production

We are committed to further reducing the emissions intensities associated with our production in the short, medium and long-term:

- Existing assets - reliability and efficiency improvements
- New assets - best-in-class technologies
- Exploring carbon capture and storage

Invest in new and innovative technologies and partnerships to support the energy transition

We are committed to investing in new and innovative projects which help solve some of the biggest challenges associated with the energy transition.

To support our strategy, we are working with industry stakeholders, policy makers and governments to ensure that the advantages of methanol over traditional fuels are well understood

– positioning methanol as the transitional fuel of the future in the shipping, rail, road and base load power generation markets.

“Proman has been in the methanol business for over 30 years. I don't think we could have dreamed back then that this versatile chemical could hold such a powerful key to the energy transition. The shipping sector has understood this. We now have to make the case for methanol beyond shipping so that multiple industries and sectors can also benefit.”

David Cassidy,
Chief Executive



Accelerate the transition to a sustainable shipping future

Regulations from the International Maritime Organisation (IMO) and the European Union (EU) are pushing the shipping industry, which contributes 3% of global annual greenhouse gas emissions, towards an eventual goal of net zero emissions by 2050.

To meet these requirements, the shipping industry needs to start reducing its emissions today. As a result, shipping companies are actively advancing their decarbonisation strategies. This includes deciding what investments to make now to ensure vessels, which have typical operating lives of 30 years, meet the most stringent emissions and air quality targets in the years ahead.

At Proman, we believe that methanol is the shipping industry's best, most viable and future-proofed decarbonisation solution available today, both for existing fleets and for those of tomorrow, and we are not the only ones who think so. Some of the world's biggest shipping companies are already operating new methanol fuelled ships, and in 2023 a record number of orders were placed for methanol-fuelled vessels. According to DNV, the number of these vessels on the water will more than double in 2024, and there will be over 250 methanol powered ships in operation by the end of 2026.

We are committed to further accelerating the transition to a sustainable shipping industry through the promotion of methanol as the future-proof marine fuel.

"The record increase in orders for methanol powered ships in 2023 underlines that methanol is already available and viable as an alternative fuel for shipping. While it is not possible to switch all diesel and oil bunker fuels to green methanol overnight, we are convinced that with a methanol blending strategy, ship owners can start to reduce their emissions immediately and comply with regulations such as FuelEU Maritime. The methanol that we produce is already low-carbon, and we have plans in place to ramp up green methanol production. It is certainly an exciting time for methanol in shipping!"

Anita Gajadhar,
Executive Director Marketing and Logistics



Why we believe methanol is a future proof fuel

Immediate GHG emissions reductions	Cleaner burning and biodegradable	Other practical advantages
<p>>90% - green methanol offers more than 90% GHG emissions savings.</p> <p>Offers a pathway to net zero: through a blending approach.</p> <p>Combusting methanol from natural gas in place of conventional fuels brings immediate CO₂ emissions reductions, these can be further enhanced by using abatement technologies such as Carbon Capture Storage and Utilisation in the production process.</p>	<p>All forms of methanol virtually eliminate particulate matter and sulphur oxides.</p> <p>...and cut nitrogen oxides by up to 80% during combustion.</p> <p>Helps meet targets for greenhouse gas emissions and air quality.</p> <p>Methanol is readily biodegradable in water.</p>	<p>Safe to handle using well-attested procedures.</p> <p>Relatively low infrastructure costs.</p> <p>It runs in existing engine technology with few modifications and lower CAPEX compared to alternative fuels.</p> <p>Producers, marketers, and most importantly, customers, can easily take advantage of existing distribution networks in place.</p>



⁴ www.dnv.com/maritime

Transitioning our own fleet to methanol-fuelled vessels

We distribute our products globally using a fleet of 16 ocean-going chemical tankers. At the end of 2023, eleven of these were conventional fuel vessels and five were methanol-fuelled.

As each of our time-chartered vessels ends its lease over the next few years, we are replacing them with new methanol-fuelled vessels.

To this end, and in partnership with Stena Bulk, we placed an order for six state-of-the-art IMOII MeMAX methanol-fuelled 49,900 DWT vessels in October 2019.

In 2022, Proman became a vessel owner for the first time with delivery of the first vessels and the official naming of Stena Pro Patria in Trinidad in November of that year.



Stena Promise was officially named at a ceremony in Rotterdam in April 2023. During the ceremony, the vessel's Godmother Dr. Hilary Cassidy, performed the traditional naming and blessing of the ship.

Stena Pro Marine was officially named at a ceremony at the Port of New Orleans in October 2023, a first for a methanol-fuelled vessel in the Port of New Orleans, and in the wider U.S. Gulf Coast region. The city was chosen for the naming ceremony because of its strategic position on the U.S. Gulf Coast. Mrs Katarina Hånell performed the official naming duties as the Vessel's Godmother.



Proman and Stena Bulk returned to Guangzhou Shipyard International (GSI) where the ships were built, to officially name *Stena Provident* and *Stena Progressive* in November 2023. The ceremony saw Miss Alicia Schnabel named as the Godmother of *Stena Provident*, and Ambassador Marie-Claire Swärd Capra, Consul General of Sweden in Shanghai, named as the Godmother of *Stena Progressive*.

Our fleet highlights the viability of methanol as a marine fuel and the importance of international collaboration to develop successful new solutions. The vessels were commissioned by two companies headquartered in Switzerland and Sweden, built in China by GSI, they operate on low carbon methanol produced at our facilities in Trinidad and Tobago, the United States and Oman, and they are captained and crewed by an expert team of international seafarers. Today, they deliver products around the globe, producing significantly less emissions than ships running on conventional fuel.

At the naming ceremony in November 2023, David Cassidy, Chief Executive of Proman, thanked GSI for delivering the six ships on time, despite the challenges of the COVID pandemic. He said:

"Naming Stena Provident and Stena Progressive at GSI is an important milestone for Proman. We now have a market-leading fleet of future-proofed methanol tankers that clearly show the way for methanol as a marine fuel."



11%

our first vessel, the *Stena Pro Patria*, has demonstrated an unprecedentedly low EEDI (Energy Efficiency Design Index) value⁶, 11% better than the 2025 Phase 3 requirement – setting a new benchmark for methanol-fuelled tankers and further proving the operational viability of methanol as a marine fuel.

37.5%

Over a third of our fleet is now comprised of methanol-fuelled vessels, following the handover of the 6th ship in January 2024.

2,442 tonnes

GHG emissions savings from our new vessels when using methanol instead of VLSFO and LSMGO

⁶ EEDI phase 3 requires all vessels built from 2022 to achieve at least a 30% reduction in carbon intensity (grams CO₂ per ton-mile).

Methanol bunkering further demonstrates its viability as a fuel

As methanol is the simplest alcohol and a light, colourless liquid at ambient conditions, interested ship owners and operators can take advantage of existing bunkering infrastructure and storage facilities rather than having to develop a new support infrastructure. This helps lower the barriers to interested parties and further demonstrates the viability of methanol – both for today’s vessels and for the ships of the future.

Our methanol-fuelled vessels have successfully bunkered in Europe, Trinidad, South Korea and the U.S. Our first vessel, the Stena Pro Patria, completed her first barge-to-ship methanol bunkering in Rotterdam in August 2022, utilising new methanol bunkering guidelines that are being developed by the Port of Rotterdam with input from Proman and other shipowners and operators. Later that year, we undertook the first methanol bunkering in Ulsan, South Korea. In April 2023, we successfully completed the first ever barge-to-ship methanol bunkering on the U.S. Gulf Coast at the Port of Houston; and in the Port of Antwerp and Bruges in June 2023.



Methanol conversion kits are paving the way to retrofit vessels

In 2023 we were selected as part of a consortium that includes CUMMINS Inc, Ocean Infinity, and the Aberdeen Harbour Board, to deliver a methanol conversion kit for a high-horsepower marine engine. In doing so, the project highlights how innovation and investment are driving change in the industry. The project is the result of a successful application to a UK Government funded scheme called ZEVI (the Zero Emission Vessels and Infrastructure competition), delivered in partnership with Innovate UK.

Supporting the pathway to sustainable shipping

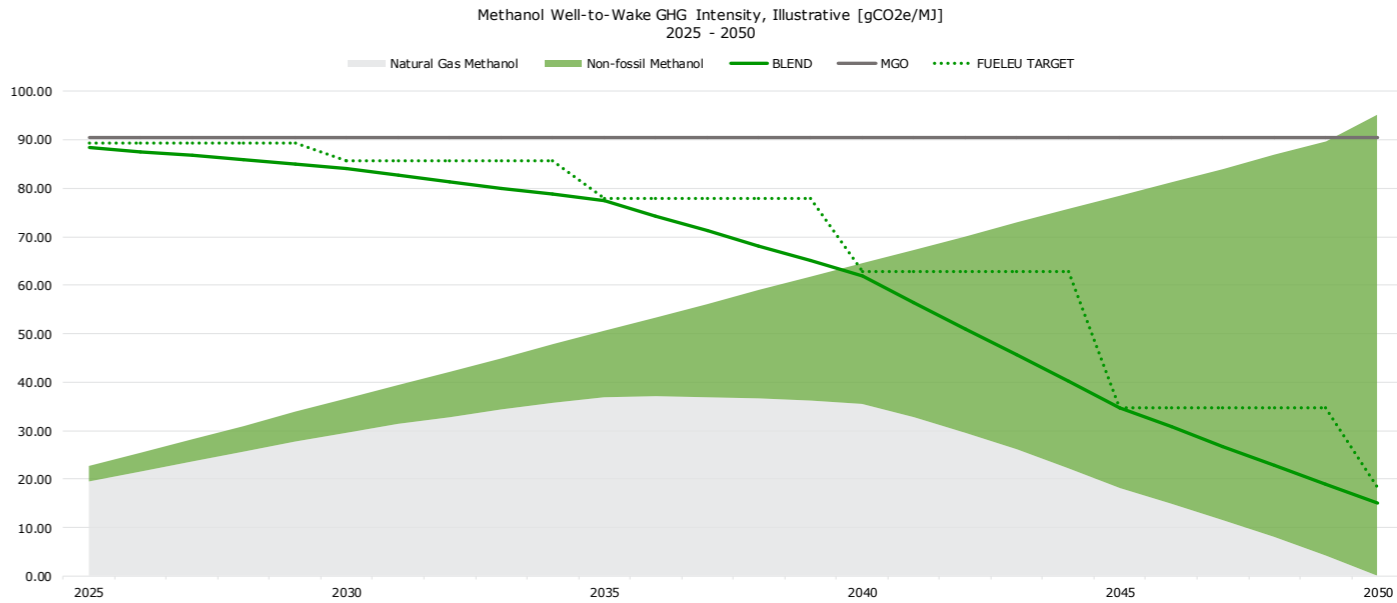
Methanol offers a credible pathway that allows vessel owners to take the long-term investment decisions needed to allow their vessels to comply today and throughout their operational life.

Since methanol’s properties are the same no matter how it is produced, methanol produced from different feedstocks can therefore be blended.

Our low-carbon (natural gas-based) methanol, blended with green methanol, can enable early adoption and take-up of methanol as a fuel, giving immediate reductions in well-to-wake emissions alongside other air quality benefits. As increasing quantities of green methanol are produced in the coming years, it can be gradually blended into the conventional methanol fuel to allow vessels to comply with increasingly stringent regulations.

The proportion of natural gas-based methanol and green methanol can then be adjusted according to ambition and to meet individual customer requirements, giving our shipping customers significant flexibility in meeting their needs. However, over time the proportion of green methanol will need to increase relative to conventional methanol to continue to meet regulatory compliance requirements towards 2050.

This approach is viable and achievable, although it requires significant investment in green methanol production, certification of methanol produced at a lower carbon intensity and the possibility to use actual emissions values. However, given the expected demand for methanol as a marine fuel alone, conventional methanol will continue to have a significant role to play for the foreseeable future.



Illustrative pathway to net zero for our shipping customers

Promote methanol as an alternative power fuel

Beyond the shipping sector, opportunities are abundant as methanol gains popularity as a versatile, lower-emission alternative for industries committed to reducing their emissions. We are actively exploring opportunities in cleaner transport, power and heat generation.

In power generation, methanol is emerging as an economically and environmentally advantageous alternative to diesel, Marine Gasoil (MGO) and Heavy Fuel Oil (HFO).

In 2023 we began testing methanol-enabled electricity generators in collaboration with several leading engine and turbine specialists. These initiatives seek to replace base load diesel use in grid constrained power generation locations such as ports, harbours, data centres, and electric vehicle charging stations.

This is particularly poignant in Europe, where EU legislation is increasingly more restrictive regarding air pollution and greatly limits the levels of harmful substances originating from engines.

These include nitrogen oxides (NOx), sulphur oxides (SOx), hydrocarbons (HC) and particulate matter (PM). Using methanol can make an immediate impact on these pollutants.

As a cleaner burning fuel, methanol can help operators reduce emissions and can be used in engines, turbines, and boilers with only minor equipment modifications, often at lower cost. Our ongoing efforts seek to deliver methanol enabled power generation equipment for global commercial deployment.



"Our belief in the viability of methanol as power has opened opportunities for us to help businesses at remote locations such as docks, airports, data centres and entertainment venues to cut emissions, increase energy resilience and support their transition to a cleaner future."

*Tim Cornelius,
Managing Director Corporate Development.*

Increase our supply of low-carbon and green methanol

In anticipation of the expected rise in demand for low-carbon and green methanol, we are actively investing in and developing new methanol projects, replacing existing feedstocks wherever technically and commercially viable, and exploring third-party offtake agreements to increase our near-term supply of green methanol.

Our customers are making informed choices about their decarbonisation strategies and in many cases are actively seeking out more sustainable forms of methanol to meet compliance requirements towards 2050. However, at present, green methanol is not widely available even though there has been increased signalling from the global shipping industry that significant quantities of green methanol will be required in the short, medium and long-term.

This creates a significant production opportunity as we anticipate that costs of renewable electricity and hydrogen production will go down as production ramps up in the medium to long-term. This will enable us to significantly increase our supply of green methanol, creating a scalable net-zero pathway as it is blended with our existing low-carbon natural gas-based methanol.

Varennnes Carbon Recycling plant – a green methanol plant for the future

Varennnes is our flagship waste-to-methanol plant in Quebec, Canada. It will utilise the carbon and hydrogen contained in non-recyclable waste and wood waste, currently landfilled and / or burned, to generate approximately 100,000 tonnes per year of green methanol. The project will also leverage one of the largest (current) green hydrogen and oxygen production facilities via electrolysis, with an 90 MW electrolyser utilising Quebec's abundant hydro-electricity.

Construction continued during 2023 and once complete, the facility will make Proman one of the largest producers and marketers of green methanol globally.

Evaluating third-party offtake opportunities

Given the demand for green methanol now, and the time it takes to design, build and commission new production facilities, we are actively sourcing new opportunities with independent project developers and asset owners for near-term third-party offtake of green methanol.

These offtake volumes will be integrated and potentially blended into our wider supply as we screen and develop potential new green methanol production opportunities. We are currently screening a large number of projects globally and are in discussions with companies in Europe, Southeast Asia, North and South America.

Replacing existing feedstocks with renewable natural gas (RNG)

We continue to explore options for sourcing Renewable Natural Gas (RNG) – or biomethane – from third-party projects, which could allow us to substitute our current natural gas partially or fully with RNG in our existing facilities. We believe that this provides potential opportunities for us to procure the feedstocks needed to produce bio-methanol while also being part of the circular economy. Sourcing options include anaerobic digestion (AD) using residues from agriculture and agri-waste and other community and household waste.

New low-carbon natural-gas-to methanol plants

All investments in new methanol plants will use the best available technology to enable low-carbon methanol production. For example, following the signing of the shareholders' agreement with the Abu Dhabi Chemicals Derivatives Company RSC Ltd (TA'ZIZ) in January 2023, work continued at our low-carbon methanol project in Abu Dhabi, in collaboration with ADNOC. On completion, this 1.8 million tonne/year facility, will be one of the world's most efficient and low-emission natural gas to methanol plants.

The plant will be our first and one of a small number of ATR-only⁷ stand-alone plants in the world. With one of the lowest estimated design GHG emission intensities per tonne of methanol for state-of-the-art production technologies, the Ruwais plant can be further improved by utilising carbon capture technologies in the future.

⁷ ATR refers to Auto Thermal Reforming.



**The Zandolie platform –
100% powered by renewable
energy**

2022 saw the first gas delivered from our Zandolie field in Trinidad. Powered by wind and solar, the 100% renewably-powered platform ran with 100% uptime performance in 2023 with zero environmental or safety issues.



“The Zandolie platform, developed locally and powered by 100% renewable energy, is helping us to minimise the carbon footprint of our operations and deliver a locally sourced and lower carbon product, which is aligned with Trinidad and Tobago’s development objectives”.

*Bryan Ramsumair,
Managing Director, DeNovo Energy*

Further improve the emissions intensity associated with our methanol production

Our methanol emissions intensity is already world-class. We produce low-carbon methanol at our plants in Trinidad and Beaumont, Texas. However, we are committed to going further: our goal is to halve the emission intensity of our methanol production over time.

This is a challenge, but it is one we are determined to deliver. By further improving our emissions intensity, we will improve our own performance, actively support our customers in achieving their sustainability goals, and gain a competitive advantage that allows us to promote our methanol to the chemicals and fuels markets.

Our focus is on our existing production facilities in Trinidad and the United States, and our proposed new facilities. All plants will have the ability to utilise conventional natural gas and, if available, biogenic and renewable natural gas as feedstock and fuel, along with renewable electricity. Our new plants will deploy the most modern and resource efficient process technologies.

Existing facilities

Proman has utilised carbon capture and utilisation (CCU) in Trinidad since 2006 to produce low-carbon methanol

As per design, our operating methanol plants use 1 million tonnes of CO₂ per year, sourced primarily from our adjacent ammonia plants on the Point Lisas estate in Trinidad, preventing it from being released to the atmosphere. Besides the methanol complex, a substantial portion of our CO₂ is also utilised in our downstream complex, converting ammonia and CO₂ to melamine and UAN.

As we utilise CO₂ from neighbouring ammonia plants, we are not only reducing our own scope 1 emissions but also helping reduce emissions within the Point Lisas Estate.

Since 2006, almost 27 million tonnes of CO₂ have been captured and re-used from both our own and neighbouring ammonia plants, rather than being emitted to the atmosphere.

Optimising our CO₂ re-use

Although we continue to re-use our CO₂, we are nevertheless limited in the volumes we can export to our methanol plants, hence our need to source additional CO₂ from third-party neighbours.

In 2023 we continued to assess options to further optimise our operations to improve the carbon intensity of all of our plants, and improve our capabilities to re-use our own CO₂.

Using Artificial Intelligence (AI) to increase operational reliability and resource efficiency

We recognise that high reliability in our assets is critical to achieving our best emissions intensity. Emissions are minimised when plants are operating continuously, and when unnecessary shutdowns or outages are avoided. We focus on condition-monitoring tools to monitor performance and carry out preventative maintenance as required, all of which is used to inform the optimum times for overhauls or other intrusive maintenance.

In 2022, we conducted a pilot project at our Pampa plant using Artificial Intelligence (AI) to support our plant operators in the early detection of process and equipment anomalies, and to guide the operators in handling various situations by utilising a combination of input from experienced personnel, historical and live data. The AI pilot helped us successfully avoid two significant plant trips, and the plant’s reliability increased by over 3% in the year.

Due to the success of the pilot, the project at Pampa continued its online test phase in 2023. With already high onstream factors, the Pampa plant showcased the AI system’s ability to identify potential threats to productivity and enhance operational statistics. For example, one intervention successfully identified a failing digital valve controller, which was promptly addressed, maintaining a safe environment and dramatically reducing downtime.

Building on the success of the Pilot Project in Pampa, we will expand the application of AI to other facilities in 2024, including in Trinidad. These initiatives aim to extend the use of AI across various facilities within the business, aligned with our commitment to innovation and efficiency.

Turnarounds lead to improved reliability and resource efficiency

During 2023, we reaped the benefits of the eight turnarounds that were carried out in 2021 and 2022, which included the first major turnaround at the Natgasoline methanol plant in Texas. In 2023 we conducted a further turnaround in Trinidad at our AUM-A Plant. Further turnarounds are scheduled for each of our plants over the coming years.

Continuously striving for operational excellence, we executed over 400,000 person-hours of maintenance work solely in Trinidad in 2023, implementing over 1200 improvements. This ongoing investment in our facilities ensures not only enhanced resource efficiency but also maintains a safe working environment for our committed employees, reinforcing our dedication to continuous improvement throughout the operational cycle.

Using a longer-life catalyst in our methanol plants

We have been using a new type of longer-lasting catalyst in our methanol plant in Pampa, Texas (installed in 2018) and our M3 plant in Trinidad (installed in 2021). As catalysts degrade over time, replacing them is one of the main reasons for turnarounds that require full plant shutdowns and restarts. Having a longer-lasting catalyst therefore has the potential to increase the time between turnarounds and lower emissions by avoiding shutdowns and re-starts. While it is still early days at our M3 plant, results from Pampa can be used with our other condition-based monitoring (and AI) to determine the optimum time for our future turnarounds.

Purchasing renewable electricity in the U.S.

Although renewable electricity currently only comprises a small proportion of our total energy mix, we continue to explore opportunities for the use of renewable electricity across our companies, where it is currently available. In 2023, our Pampa plant in the U.S. used 100% renewable electricity for the second year running, reflecting the significant amounts of both wind and solar-produced electricity in Texas in particular. Our green methanol plant under construction in Quebec is expected to be run entirely on electricity supplied from hydropower.

While options for renewable electricity in Trinidad are currently limited, the goal of the national government is to ensure 30% of the country's

energy needs come from renewable sources by 2030.⁸ As soon as more renewable electricity becomes available, Proman will be actively looking to explore utilisation. Indeed, DeNovo Energy already operates a platform powered by 100% renewable energy.

New production facilities

As highlighted in the previous section, all our new methanol plants will use the latest technology to ensure the emissions profiles – and associated emissions intensities – are as low as possible. This includes our plants which will utilise green feedstocks, such as the Varennes Carbon Recycling Plant in Canada, and all new natural gas-to-methanol plants, such as in Ruwais, UAE.

Evaluating carbon capture utilisation and storage (CCUS)

Carbon Capture Utilisation and Storage (CCUS) is a proven technology that has long been recognised as having huge potential to help meet the goals of the Paris Agreement. It can achieve this by capturing the CO₂ from industrial processes before it is emitted to the atmosphere – which is then either re-used or permanently stored, for example in underground geologic reservoirs.

We have been capturing and utilising CO₂ in our Trinidad operations for many years, rather than allowing it to be emitted to the atmosphere. However, deployment of CCUS more widely is a challenge in the country. This is due to the unavailability of suitable permanent storage sites and associated infrastructure, and the cost to implement the technology at scale. We nevertheless recognise the potential of CCUS and continue to actively explore and evaluate further opportunities for our facilities in Trinidad. In addition, in 2022, we completed a high-level screening of gas fields in Trinidad for the potential of successful and safe long-term carbon sequestration. At the time of writing, we were preparing comments on the second public consultation for CCUS in Trinidad and Tobago, which is intended to provide a clear pathway from a legislative and fiscal perspective in terms of advancing our long-term carbon sequestration initiative.

While CCUS has limitations, especially with respect to local infrastructure, our new methanol facilities will be designed for carbon capture or will be carbon-capture-ready.

Invest in new and innovative technologies and partnerships to support the energy transition

Ultra-low carbon ammonia plant

In collaboration with Mitsubishi, we signed a Memorandum of Understanding to spearhead the development of a multi-billion dollar, world-scale, ultra-low-carbon ammonia plant in Lake Charles, Louisiana, U.S. This would produce approximately 1.2 million tonnes of clean ammonia per year by incorporating state-of-the-art carbon capture and sequestration technologies alongside modern, efficient ammonia production.

Data driven farming to further increase fertilizer efficiency

75% percent of the nitrogen-based products we produce are subsequently sold as fertilizer, supporting farmers around the world and contributing to healthy plant growth and increased crop yields as the global population increases.

We recognise that while our nitrogen-based fertilizers are incredibly efficient at improving crop yields, when the fertilizer comes into contact with soil, the reactions that take place result in the release of nitrous oxide (N₂O).

Since 2022, we have partnered with CropX to invest in new technology to make farming more sustainable.

CropX is a pioneer in digital farm management systems, using technology to precisely manage fertilizer applications and thereby reduce the potential emissions associated with feeding a growing population.

This investment underlines our commitment to actively supporting innovative technology solutions which can improve agricultural sustainability at a crucial time for global food security and nutrition.

The world's largest melamine plant

Eurotecnica won the contract for the implementation of the largest melamine plant with a nameplate capacity of 160,000 tonnes per year in 2023. Once commissioned, the plant in Xinjiang, China will have a total capacity of 1,000 tonnes per day of melamine, which will be a record for this industry. Eurotecnica's technology provides best-in-class environmental and efficiency performance, enabling zero CO₂ emissions from melamine plants by combining G5 Euromel® melamine technology with thermal energy storage systems to provide melamine producers with the possibility to run melamine plants on 100% renewable energy.

Long duration energy storage with Malta Inc.

We are a leading investor in Malta Inc., a pioneer in long-duration energy storage – a system critical to the expansion of renewable and affordable energy worldwide.

The Malta system leverages well-understood thermodynamic systems in a novel energy storage application, converting intermittent renewable electricity from any source - either directly from a generation facility or from the grid – and storing it

as thermal energy from eight hours to ten days or longer, later returning it to the grid to meet hourly, daily, and weekly needs.

Proman brings deep expertise in the critical technology and skills required to perform the concept and detailed engineering of the system. Dedicated expert teams from Portugal and Eurotecnica in Italy are working closely with the Malta Inc. team to progress the technical development of the product and support Malta Inc.'s commercial projects.

How does the Malta System work?

01. Collects

Energy is gathered from wind, solar or fossil generators on the grid as electrical energy and sent to Malta's energy storage system.

02. Converts

The electricity drives a heat pump, which converts electrical energy into thermal energy by creating a temperature difference.

03. Stores

The heat is then stored in molten salt, while the cold is stored in a chilled liquid.

04. Reconverts

The temperature difference is converted back to electrical energy with a heat engine.

05. Distributes

Electricity is sent back to the grid when it is needed. Clean, co-generated steam is used for district heating or industrial use.

⁸ Prime Ministers speech, Trinidad Energy Conference, 23rd January 2023.

Proving methanol attributes and origin through digital certification

Digital certification is used to prove the origin of a product and demonstrate the chain of custody (or traceability). This will allow us to prove to our customers that the product has the specific attributes required (i.e., low-carbon or green) to meet compliance requirements.

We anticipate that the following attributes will be included in our certification:

- Emissions intensity of the product - tracked along the entire supply chain all the way to the location where the physical product is delivered
- Confirmation of the origin of the green feedstock (where applicable)
- Third-party verification - confirming that the calculations, procurement and accounting procedures comply with established procedures

Certification using digital tokens

While low-carbon and green methanol is limited in terms of both quantity and geography, customers who wish to use the product may face challenges including, logistics, transportation, storage costs and associated supply chain emissions.

One solution is the book and claim approach, where the product is booked at one place and claimed at another. This links suppliers and customers who are not physically connected, so that no matter where the product is produced, the net environmental impact is the same. In practice this means that the methanol is not physically transported nor used in a particular vessel, but the pool of global methanol benefits from the low-carbon or green molecules.

The key to this approach is ensuring the traceability, or chain of custody, with the administrative record decoupled from the physical product. In 2023, PureWest Energy and Proman completed a blockchain-verified digital token-only transaction through EarnDLT's platform. PureWest's low-methane emissions data was tokenised into Certified Environmental Tokens (CETs), to achieve emission reduction goals in Proman's methanol operations.

Additionally, we are collaborating with EarnDLT to create a digital twin of our Pampa facility, with the first batch of Proman digital methanol tokens minted. These innovations establish a transparent and secure platform for tracking and verifying environmental impact, aligning with our commitment to reduce our operational carbon footprint and providing certainty to our customers on the attributes of our products for their own reporting requirements.

Valenz

Marketing methanol as demand grows for this cleaner fuel

The way we market our products to existing and new customers is essential to building understanding of methanol as a cleaner fuel and its role in the energy transition. To enable this, and to continue to deliver our world class services, we launched our re-branded methanol marketing arm Valenz in 2023, under the leadership of Anita Gajadhar.

Formerly known as Helm Proman Methanol, Valenz brings together the strengths and international marketing networks of its founding partners to

create a global leader in the methanol marketing industry.

To meet the expectations of its customers, and those of the industry, Valenz is stringent about regulatory requirements and specifications for its products, and constantly reviews its processes throughout the entire value chain to unlock improvements and greater efficiencies.

To underline these credentials, Valenz and/or Proman maintain the following membership and certifications.



Valenz is ISCC PLUS and ISCC EU accredited globally (including our offices in Houston, Singapore and Switzerland, and at our hub storage sites, as required).



Valenz' Global Director Marketing is a Board member of IMPCA and we are also active members of the technical committee.



EcoVadis rates businesses' sustainability based on four key categories: environmental impact, labour, and human rights standards, ethics, and procurement practices. Valenz USA gained a silver medal 2023.



Proman's facilities in Pampa, U.S. are certified by the Roundtable on Sustainable Biomaterials, for the production of biomethanol. They are also ISCC accredited.



We are accredited by Together for Suitability, a joint initiative of chemical companies that focuses on the promotion of sustainability practices through the industry's supply chain.



Proman is certified REACH compliant. The Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) is required for importing chemicals into the EU.



We comply with ISO 9001, the internationally recognised standard for creating, implementing, and maintaining Quality Management Systems.

Environmental protection

The processes, products and by-products associated with our activities have the potential to impact the natural environments where we operate, if not managed properly. Whether it is for our existing plants or our new projects, our priority is to protect, and wherever possible, enhance our environments.



Emissions to air, disposal of waste, water use and discharges are all outcomes of our production processes and maintenance activities and the onward transportation and distribution of our products.

Environmental impact assessments are carried out for all our projects: they help us identify and manage our potential environmental impacts – positive as well as negative – and to agree any mitigation measures

All our existing production facilities have comprehensive environmental management systems in place: our policies guide our activities and we carry out routine monitoring and measuring of our performance to ensure we remain within agreed parameters as per statutory permits or required project standards

We work with recognised experts, partners and local and national institutions: to identify, develop, sponsor and facilitate projects to improve local ecosystems beyond the boundaries and impacts of our facilities

Key highlights from 2023

- Successfully renewed our Responsible Care Attestation
- Increased our methanol-fuelled fleet to 5 vessels (with the 6th entering service in January 2024), reducing air pollutants and emissions associated with our marine transportation business
- Rolled out a comprehensive environmental management plan for the areas around our plant construction site in Topolobampo, Mexico
- Progressed a project to restore the water quality in Ohuira Bay, Mexico

Read below for further details on our plans and progress made in 2023. Detailed data is provided in the appendices on page 104.

2023 performance at a glance

Water consumption (megalitres)	Sulphur Oxides (tonnes)	Spills to water (number)
23,722 2022: 27,062	69.5 2022: 60.7	1 2022: 0

Our approach to environmental management

Our overall approach is to manage our impact on the physical environment to the benefit of our local communities and environments. This means that wherever possible we go beyond local requirements and actively seek to enhance the natural environment. This approach helps us meet our commitment to the environment while also building trust and long-term relationships with our fenceline communities.

Permitting and compliance

Environmental impact assessments (EIAs) are carried out for every project to identify and assess the potential impacts and agree on mitigation measures for each stage of construction, commissioning, operation and eventual decommissioning of any plant. Detailed environmental surveys are carried out as part of the EIA process to identify any protected areas or species, and to determine the status of the flora and fauna. These surveys provide a baseline from which any future impacts can be measured and are the starting point for ongoing monitoring activities.

All our plants adhere to strict permitting requirements relevant to the country of operation. An essential part of the approvals process is to demonstrate that the project will meet the relevant compliance limits and is a minimum requirement.

Each of our companies is responsible for the management and implementation of environmental action plans or mitigation / enhancement measures and for compliance. Any significant non-conformances are required to be reported to the relevant authority and rectified as soon as possible. Any such non-conformances are also reported to senior management to ensure visibility and appropriate action is taken.

Environmental management systems and Responsible Care

Our operating companies have comprehensive environmental management systems in place to ensure we meet our obligations and demonstrate compliance. We conform to recognised management system standards and follow the principles of plan-do-check-act which include our policies, organisational arrangements and plans - and how we carry out monitoring, audit and reviews of our performance.

We received an independent renewal of our Responsible Care Attestation for our Proman USA Pampa plant and Trinidad methanol division. This recognises us as good stewards of the environment and acknowledges that our management system continues to conform with the requirements of the Responsible Care Management System (RCMS:2019).

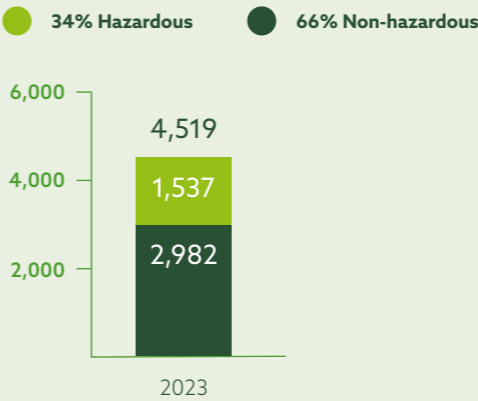
Waste management

We ensure we have measures in place to store, reuse, recycle, recover and, as a last resort, responsibly dispose of waste. The measures implemented depend on the type of waste, and methods of disposal are carefully monitored for compliance to relevant local and national standards.

Wastes from our production plants are primarily generated during our turnarounds; however, the amount for any particular year varies depending on both the number carried out and the specific activities for each turnaround. In 2023 we completed one turnaround compared to five in 2022.

We continue to work on our data collection processes and explore ways to improve our recycling rates and reduce waste to landfill.

2023 waste volumes
in tonnes



Our waste volumes in 2023 reduced by 68% when compared to 2022. This was due to the fewer number of turnarounds and one-off maintenance works that were carried out during the year.

Most of our hazardous waste came from three sources; oily water, cooling tower fill, and waste generated due to a fire incident which occurred on our melamine plant in Trinidad.

The major source of our non-hazardous waste continues to be sludge generated from our methanol plant in Beaumont, Texas. However, the amount produced in 2023 was significantly less than the previous year due to less uptime at the plant.



Air quality

Managing local air quality is important to us; clean air benefits not only the natural environment but also the health of our employees and local communities. We have made significant investments in recent years to ensure we minimise not only the impact of our own operations, but we are actively exploring opportunities for our products in the shipping and alternative fuel markets, where air quality impacts remain an issue.

Production facilities

Our greenhouse gas emissions include nitrogen oxides (NOx), sulphur oxides (SOx), particulate matter (PM) and volatile organic compounds (VOCs) from numerous production processes associated with our 17 production plants.

Our plants adhere to relevant permitting requirements to ensure that impacts to local air quality remain within agreed limits. Our management systems also ensure we continually monitor the local ambient air quality, and report to the statutory authorities any identified non-conformances.

For all new projects we use best available technology which ensures the air emissions are as low as reasonably practicable. For example, in our Ruwais methanol project in Abu Dhabi, we are including Selective Catalytic Reduction (SCR) technology which will reduce the NOx emissions to near zero. All other projects are also being screened for feasibility of inclusion.

Supporting other industries with air quality issues

Due to its clean burning properties, methanol is a strong alternative fuel for combustion-intensive industries with predominant air quality issues, such as those which use power generators including the rail, medical, marine, construction and even entertainment industries. We are currently exploring opportunities and developing this market for our methanol.

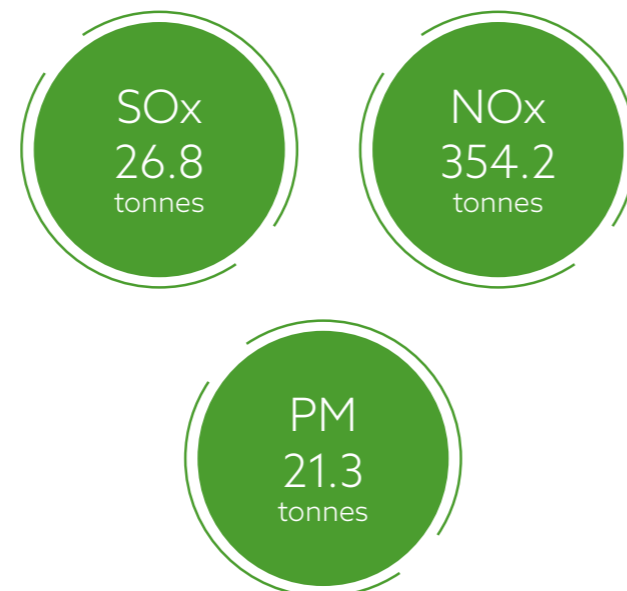
Read more on page 39 about our climate change strategy and our efforts to promote methanol as a marine fuel and in the alternative fuel markets.

Methanol-fuelled vessels

During 2023, we officially named four more of our methanol-powered fleet, with five on the water at the end of the year and the 6th formally handed over in January 2024. These new low-emission and efficient vessels are progressively replacing our existing time-chartered fleet which generate higher levels of air pollutants and greenhouse gas emissions than our new vessels.

Compared with traditional marine fuels, commercially available methanol made from natural gas cuts NOx by up to 80 percent on combustion, and virtually eliminates SOx and particulate matter, delivering an immediate, positive impact on air quality. We have been measuring the improvements to air quality from our new vessels, which helps us to demonstrate how the wider uptake of methanol as a marine fuel can improve local air quality – and where needed meet air quality targets.

Savings from using methanol in place of VLSFO on our ships



Water management

Access to water is essential to our operations and is used for many purposes at our production plants, including steam generation, as a cooling medium, drinking, and fire water. We always seek to minimise our water use wherever possible, and ensure all water discharged back to the environment is treated in line with requirements and poses no harm to the environment.

Our primary source of water is sea water, with relatively small amounts of surface water and third-party water.

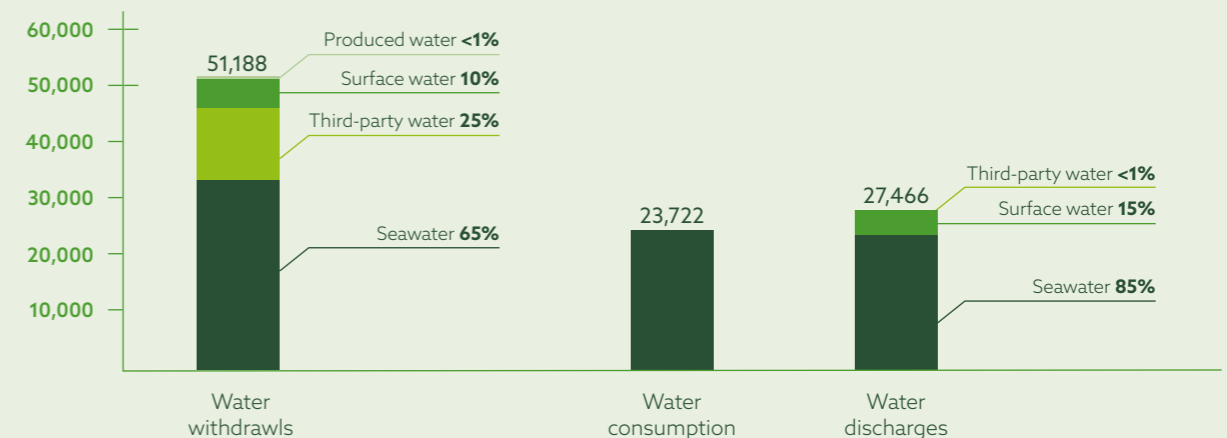
2 of our 17 plants – in Pampa (U.S.) and Oman – are in water-stressed areas as defined by the World Resources Institute Aqueduct Water Risk Atlas. Water for the Oman plant comes from a desalination plant and therefore does not impact groundwater. In our Pampa operation, water withdrawals are carefully managed by the Texas Commission on Environmental Quality permit and are provided by a third-party. Nevertheless, we remain committed to using water as efficiently as possible.

Like other natural resources, our facilities have been subject to comprehensive environmental assessments, and strict exceedance limits are placed on discharges to the environment. We monitor all water discharges to ensure compliance with these limits – in Trinidad, this is with the Trinidad Water Pollution rules and in the U.S. with the Texas Commission on Environmental Quality groundwater permits and the Panhandle Groundwater District.

Spills to Water

We reported one case of a spill to water in October 2023, when an estimated 4.4 tonnes (4,400kg) of methanol entered the Gulf of Paria in Trinidad during methanol loading of one of our tankers. We take these incidents very seriously and conducted a full investigation to ensure that measures are taken to prevent future such incidents.

2023 water use data in megalitres



Biodiversity and habitat management

We are committed to using our scale and reach to not only preserve biodiversity and habitats, but to play an active role in enhancing biodiversity in areas surrounding our facilities. This helps restore fragile ecosystems and also supports communities whose livelihoods often depend on these important ecosystems and habitats.

Our facilities are predominantly located in coastal areas, which are often areas of high biodiversity and can contain sensitive habitats. Indeed, 14 of our 17 plants are located in the Point Lisas Estate in Trinidad, a coastal area surrounded by sensitive mangrove populations.

Given the ongoing loss of biodiversity and habitats taking place around the world, we are committed to ensuring there are no negative impacts on local ecosystems, habitats and biodiversity as a result of our activities. Potential impacts are identified as part of our detailed environmental impact assessments, and mitigation measures identified and agreed – and then implemented - by our local management teams. These consider the presence of endangered species and the need to minimise habitat degradation and loss on the site footprint.

Environmental Action Plans in Topolobampo, Mexico

The site of our ammonia plant, currently under construction in Topolobampo, Mexico, includes an area subject to the Ramsar convention on wetlands, denoting it as an area of international importance.

The site - Lagunas de Santa María-Topolobampo-Ohuira - is home to diverse wildlife and is also subject to flooding and storms caused by tropical cyclones that regularly occur in the area; the mangrove system therefore functions as a shoreline stabiliser by reducing the energy of runoff caused by rainfall.

Over several years, we have worked with local government and other partners including the Ministry of Environment and Natural Resources, academics, and specialists to develop a management plan to protect these areas and ensure their long-term sustainability.

The Biodiversity Action Plan (BAP) includes programmes for the conservation and restoration of the site, including a water quality restoration programme, mangrove monitoring and restoration, rubbish removal, monitoring of the adjacent canals, emissions monitoring and an environmental quality programme. One of the key enhancement projects is the restoration of a 200-hectare area of mangroves, which will be achieved by re-designing a road to allow for the resumption of water flow, providing the conditions for the mangroves to recover.

In addition, we actively engage in raising public awareness of environmental issues. For example, during October 2023, we organised the "Third Plastic Fishing Tournament", an event that started in 2021 in partnership with Grupo Félix. This aims to collect plastic in Ohuira Bay, clean up the oceans, reduce the footprint of plastic waste and raise awareness about environmental protection. The event helped collect 7.4 tonnes of plastic in 2023, protecting the Pacific Ocean and fish, sea turtles, marine birds and mammals.



CASE STUDY

Enhancing biodiversity – restoring water quality in Ohuira Bay, Mexico

Our team in Mexico is working with leading local institutions to use micro-organisms and state-of-the-art bioengineering to repair the nitrogen cycle in Ohuira Bay, Mexico. Ohuira Bay is an important ecosystem that supports the local community, providing food, livelihoods and tourism, and has religious significance for the indigenous people.

However, the bay suffers from a significant nitrogen imbalance, largely due to inappropriate waste management practices, urban run-off and nitrogen-rich effluent from surrounding agricultural application flowing into the bay. When this happens, the process that breaks down nitrogen in the water (denitrification) is stopped, causing an environmental imbalance. This has caused the once biodiverse bay to slowly degrade and become uninhabitable for native species.

Through our cooperation with QB4 The Planet, the national university of Mexico (UNAM), and various environmental restoration specialists, a long-term strategy has been developed to reduce the excess of nutrients entering Ohuira Bay and to restore the natural denitrification process.

UNAM scientists have been diligently working since 2020 to identify the microorganisms that are present in the bay and their role in the nitrogen cycle. A series of advanced genetic analysis techniques are being applied, aimed at identifying the strains that can carry out the denitrification process in the water. In 2023, 7 strains were found to be capable of restoring the nitrogen cycle in the bay. In addition, the team has been engaged with local high schools to identify and train students as future researchers.

“We are enormously proud to be making a real difference to the biodiversity and local population in and around Ohuira Bay. In addition to the innovative technologies being used, we are engaging local high schools in the hope of finding interested students to continue the work. I am convinced that moving forward, we will make further progress to deliver a positive impact on the bay and surrounding communities.”

Bernardo Alvarez Certucha,
MD Proman Mexico



Safe operations

Through our work and behaviour, we are committed to protecting the health and safety of all our employees, contractors and visitors to our operations, and also to our fenceline communities.



We recognise that the risks associated with our business activities can have potentially serious impacts if not managed appropriately. Safety is therefore an absolute priority.

We are systematic and proactive: in ensuring our workplace and operational risks are identified and managed

Our goal is to achieve no accidents, injuries or harm to our people or communities: this means we remain absolutely focused on achieving operational excellence, and continuously improving our culture of safety through ongoing engagement with our people, as well as implementing best practices in our systems, processes and practices

Process safety management (PSM) remains critical to our success: we are constantly reviewing our process safety performance, identifying both strengths as well as areas for improvement in our management systems, and implementing best practices to continuously reduce risk

Key highlights from 2023

- Health and Safety focused education weeks held in Trinidad and the U.S.
- Behaviour-based safety programme extended to Contractor Principals and their employees
- Renewed our focus on health, safety, security and environment (HSSE) leadership
- Implemented a standardised Fit to Work (FTW) programme for contractors
- Almost 9,000 Onsite Job Observations (OJO) conducted

Read below for further details on our progress made in 2023. Detailed data is provided in the appendices on page 106.

2023 performance at a glance

Fatalities	High Consequence Injuries	Total recordable injury rate (TRIR) per 200,000 hrs worked	Process safety incident rate (PSIR) per 200,000 hrs worked
0	1	0.19	0.08
2022: 0	2022: 0	2022: 0.33	2022: 0.16

Occupational health and safety

Our approach to safety management

Global oversight and direction on safety (and all HSSE) matters is provided by our global Executive Leadership Team, who drive ownership and responsibility to all levels of the organisation.

Our competent and dedicated health and safety professionals support the leaders in each business in all aspects of safety and risk management, and ensure risk management is part of the embedded HSSE culture throughout the businesses and practiced as part of our daily activities.

Our family of companies employ management systems and processes that conform to international standards. For example, Proman Trinidad has an Occupational Health and Safety management system in place which complies with the local OSH Act 2004 of Trinidad and Tobago and which conforms to the ISO 45001:2018 Occupational Health and Safety standard. Our U.S. production facilities comply to all United States Occupational Safety and Health Administration (OSHA) laws and regulations.

Hazard identification, risk assessment and incident investigation

Effective assessment and management of risk is fundamental to maintaining safe and reliable operations. It underpins all aspects of our culture of safety. Risk assessment processes are led by those directly involved in the activity and are supported by subject matter experts such as our HSSE professionals.

Our approach to risk follows the hierarchy-of-control philosophy, where we seek to eliminate risk entirely. Where this is not possible, we employ other controls such as engineering controls, changing the way we work through administrative controls or through the use of Personal Protective Equipment (PPE).

At Proman, we strive for zero incidents and accidents, however, when they do occur our robust incident reporting and investigation systems allow for the immediate and systematic notification and investigation of an incident to ascertain facts, establish root cause and implement recommendations to prevent recurrence.

Worker engagement and participation

All employees are empowered to refuse to work on the grounds of health and safety concerns, a right which is enshrined in regulations. As a responsible employer, and to support this right, we promote a culture that enables employees to feel comfortable raising any such safety concerns.

Employee Participation Programmes ensure employees are afforded the opportunity to influence HSSE management, policies and procedures - leading to a greater engagement and commitment to their implementation.

Training and competence

Training is an essential and crucial component of our management systems, ensuring our employees are competent to carry out their roles in a safe manner. Training starts with the Code of Conduct, which outlines an employees' general responsibilities about taking personal accountability. Specific training is provided, depending on the role, and may include task-based training. Training could be on-the-job training or class-based, internal or external. An e-permit system exists to ensure Pre-Task Briefings and risk assessments have been completed prior to approval for any work.

Health, Safety, Environment and Quality (HSEQ) Dashboard

During 2023, we dedicated considerable time to developing the HSEQ dashboard, a crucial component of our vision to set industry benchmarks in employee care, customer satisfaction, safety, environmental responsibility, performance, and reliability. The HSEQ dashboard will be deployed in 2024.

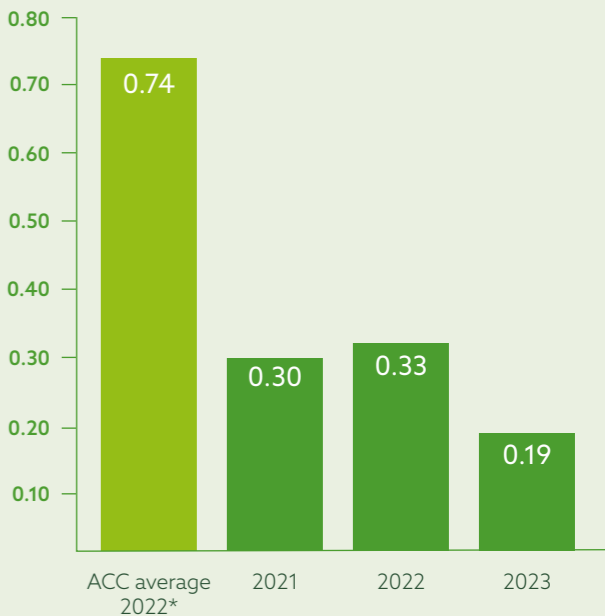
2023 performance: work-related injuries

In 2023, our Total Recordable Injury Rate (TRIR) was 0.19,¹¹ a significant improvement from 0.33 in 2022. We did not have any fatalities, with the most common type of injuries being slips, trips and falls, impacting both employees and contractors. All of these incidents are analysed to identify underlying trends and causes, and a robust improvement plan has been implemented with management oversight.

However, we did report one serious incident that led to a long term injury involving a contractor at one of our plants in Trinidad. We have ensured long term care and support is provided to the person affected and we completed a comprehensive investigation into the incident to identify the root causes and learn lessons to prevent future such incidents.

Total recordable injury rate (TRIR)

Employees and contractors per 200,000 hours worked



*American Chemistry Council member average 2022

Trinidad HSSE Week

In Trinidad, the Proman team hosted its annual HSSE week from November 14-17 2023, which highlighted a diverse range of activities through virtual and in-person presentations to enable knowledge sharing. Under the theme "Enhancing the Culture of Safety for a Sustainable Future," HSSE Week served as a dynamic platform to promote collaboration and meaningful learning across our business, while raising awareness about health and safety principles and fostering a culture of safety through employee ambassadorship.

Claus Cronberger, Executive Director of Proman Trinidad, along with senior leaders, officially opened HSSE Week 2023. He said: "Our three strategic focus areas are not and will not just be words on paper; they represent our unwavering commitment to excellence, safety, and continued improvement. We firmly believe that by pursuing these actions, we will not only enhance our organisation's HSSE performance, but also strengthen our relationships with our employees, stakeholders, and the broader community."



¹¹ Rate is per 200,000 hours worked and includes our employees and contractors working across our business, inclusive of routine as well as turnaround activities.



U.S. Safe and Sound Week 2023

Proman USA ran "Safe and Sound Week" in August 2023, with participation from Houston, Pampa, Natgasoline, Valenz and Proman Trinidad. Colleagues attended both in-person and virtual presentations on topics ranging from risk management and mental health to key learnings from case studies.

Our HSSE committee in the U.S. focuses on maintaining good HSSE performance and promoting continuous improvement. As part of this initiative, weekly HSSE stand-ups have been initiated in the Houston office to discuss safety protocols and initiatives.

866,000

Proman USA is proud to have now completed over 866,000 staff hours without a Lost Time Injury (LTI) – since 2015.

"The safety of our people, contractors and our facilities is our number one priority. Through regular training, and by building awareness and understanding of our procedures, we ensure that this is understood throughout our organisation and by the contractors working alongside us."

*Ricardo Mohammed,
Executive Director Group Operations*



We are focusing on continuous improvement

Ongoing and visible HSSE leadership

At the beginning of 2023, the Senior Leadership Team in Trinidad conducted Townhall meetings with the entire workforce to share the HSSE performance and strategy, and raise awareness among employees and contractors.

Furthermore, Senior Leadership engagement focused on key initiatives such as the AUM Ammonia Turnaround, Leadership Engagement Walks, Quarterly Contractor Engagement Meetings and Onsite Job Observations (OJO). These initiatives not only fortified trust in leadership and management but also laid the groundwork for fostering an enhanced collaborative and safety-oriented culture. They also provided valuable insights into both existing and new strategies by actively engaging the workforce. The focus on transparent communication channels and open dialogue has served as a catalyst for innovation, continual improvement, and synergy across the organisation.

Using behavioural-based safety (BBS) to improve our culture of safety

The OJO programme is a strategic initiative designed to enhance our culture of safety, through the overarching strategic pillars of control of work, risk management, contractor management and reliability. Throughout 2023, the Proman Trinidad OJO steering committee was actively engaged in analysing trends, identifying safe and unsafe behaviours, environmental conditions, and practices to support continual improvement in HSSE performance across the business.

To cultivate increased engagement, the behaviour-based safety programme was expanded to include Contractor Principals and their employees. Proman Trinidad's management team conducted a series of comprehensive in-house training sessions specifically targeting contractor management and supervisory personnel. The training sessions effectively transferred knowledge and skills to a group of 252 individuals, with training to expand this pool currently ongoing.

This strategic expansion not only bolsters our commitment to safety but also strengthens collaborations across the entire workforce creating a more comprehensive and unified approach to achieving and maintaining a secure working environment.



8,919

onsite job observations during 2023

2,044

interventions observed which required re-briefing

21,022

observations of safe working practices which resulted in recognition for the employee



Improving collaborative working with contractors

Contractors continue to be an integral part of delivering our business for routine and non-routine operations, and for critical maintenance activities such as plant Turnarounds (TARs) and outages. Across our operations we have rigorous pre-qualification and contractor screening processes – we ensure minimum competency requirements for any contractor working on our behalf, focusing on both the company as well as an individual's fitness to work. In addition to the Safe-to-Work (STOW) and Point Lisas Energy Association (PLEA) Contractor Passport System in Trinidad, Proman implemented a standardised Fit to Work (FTW) programme in the country, utilising the Oil and Gas United Kingdom (OGUK) requirements.

The programme is intended to assure the health and fitness of the contracted personnel working on our sites, thereby contributing to risk reduction.

In 2023, the existing Quarterly Contractor Engagement Meetings in Proman Trinidad were restructured to incorporate Proman's local Senior Leadership Team. The Quarterly Contractor Engagement Meetings focused on HSSE initiatives, with key actions aimed at achieving Best In-Class HSSE Performance.



Process safety management (PSM) remains critical to our success

Due to the potential consequences on personnel, the environment and our business of the release of hazardous chemicals, it is imperative to foster a robust process safety management system culture. Ensuring the safety of our personnel and maintaining our ongoing license to operate is of paramount importance.

Our facilities are designed with inherently safe systems, adhering to the highest industry codes and standards. Embracing a risk-based process safety approach during the early stages of plant design, we adhere to Recognised and Generally Accepted Good Engineering Practices (RAGAEP), codes, and relevant standards. Rigorous process safety reviews, including Hazard and Operability Studies (HAZOPs), comprehensively cover all plant areas to identify and mitigate potential hazards, enhancing safety and operability.

At the core of our process safety excellence is our employees' engagement and active involvement in every facet of process safety management. This engagement extends from hazard analyses and incident reviews to training and process development, reflecting a culture deeply rooted in ownership and accountability.

Further strengthening our process safety management for abnormal operating conditions

In 2023, our risk management strategy continued to revolve around the Operational and Process Risk Assessment (OPRA) procedure. To further enhance our risk management capabilities, we implemented an online abnormal situation register, complemented by an online Management of Change (MOC) and Pre-Start-up Safety Review (PSSR) application. This integrated approach aims to systematically assess risks associated with abnormal operating conditions, leaks, equipment impairments, and tasks related to live systems. Additionally, it extends to evaluating the risks linked with management of change activities.

This streamlined process facilitates rigorous risk analysis and decision-making, adhering to a structured framework. It not only identifies potential risks but also enables the development of risk control measures aligned with the hierarchy of control philosophy. The goal is to either eliminate or significantly reduce risks to levels as low as reasonably practicable for maintaining safe operations.

The advantages of this process include providing a dependable and uniform foundation for decision-making, enhancing operational efficiency, and minimising the likelihood of any loss events. These efforts align with our commitment to continual improvement and proactive risk mitigation.

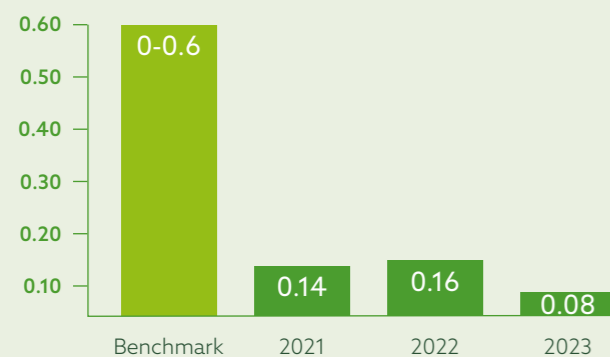
Reducing risk through best-practice formatting of operational procedures

In 2023, we further strengthened our management of risk capabilities by transitioning our Standard Operating Procedures (SOPs) to the MTS World format. This format goes beyond the conventional by seamlessly incorporating risk assessment within the SOPs. This approach ensures that operators and pertinent personnel gain a comprehensive understanding of potential hazards and their associated risks directly within the context of the procedure. This dynamic feature not only enhances the accessibility of critical safety information but also promotes a more informed and proactive approach to risk mitigation during daily operations. This strategic move to the MTS World format signifies our dedication to staying ahead of industry trends. At the end of 2023, both the Trinidad Methanol Division and the Ammonia Division had fully adopted the new formatting and design style, achieving a 100% transition.



Process Safety Incident Rate (PSIR)

Per 200,000 hours worked



*Based on internal benchmarking of comparable companies.

Our 2023 Process Safety Incident Rate (PSIR) was 0.08, a significant improvement when compared to 2022. We continue to review our performance, examine our leading indicators, and implement our PSM programme to reduce risks and enhance assurances around process safety.



Product stewardship

As a diversified chemical company, we have a responsibility to consider and reduce the environmental and social impacts of our products, while maximising the benefits. This is of critical importance to us given that our methanol and fertilizer products are toxic and flammable, and if mishandled, inhaled, ingested or absorbed can pose risks to health and the environment.

Our product stewardship activities are integrated into our business strategy and management systems, bringing together three key aspects of stewardship: product sustainability, chemical management and product compliance.

Product sustainability:

Methanol is clean burning and biodegradable, and is a sustainable energy product, particularly when made from green sources. As a marine fuel, methanol generates significantly lower greenhouse gas emissions and the near total elimination of sulphur oxides and particulate matter, and greatly reduces nitrogen oxides – and can play a key role in the global energy transition as a pathway fuel. We also recognise that although our nitrogen-based fertilizers are incredibly efficient at improving crop yields for an expanding global population, when the fertilizer comes into contact with soil the reactions that take place result in the release of nitrous oxide (N₂O).

See our climate change section (page 30) for further details on our investments in green methanol and our efforts to make our fertilizer products even more efficient.

Chemical management:

We are members of the Methanol Institute and adhere to the industry approach to safe handling, storage and distribution of our methanol (the principles of which are also applied to our fertilizer products). We apply the hierarchy of controls to mitigate the risk to our people and local communities from the mishandling or accidental release of the chemicals. This includes the elimination of the risk through engineering design to implementing safe systems of work including, where relevant to the risk, the use of personal protective equipment (PPE). We comply with all regulations relating to chemical control and implement process safety management procedures to prevent the loss of containment. We label the chemicals according to the globally harmonised system of classification and labelling.

We also have first aid and emergency response arrangements in place in the event of any incident to minimise and reduce the consequences. In line with our management systems, we routinely conduct emergency response exercises to maintain our readiness and consistency of our response.

We manage the loading, unloading and distribution of our products in line with established industry procedures, using vessels, trucks and rail. All loading and shipping installations have been designed, installed and maintained in line with industry standards. All operations are closely monitored and supervised, including the vetting and pre-qualification of all transport providers before coming onto site. As a vessel owner, we work closely with our operator to assure ourselves of the vessels' safety systems, and that crew are in a state of readiness in line with industry requirements and standards.

We ensure that our customers have the appropriate information they need to work safely with the chemicals, sharing the Material Safety Data Sheets for our different products to each customer – these are also available on our website. Our marketing company also ensures that the customer has appropriate safety arrangements in place before offloading any product that we have delivered.

Product compliance:

We ensure that our products meet any regulatory and product quality requirements that apply, and in the case of methanol we meet the requirements of ISO 9001 Quality Management.

Our People

Our success is built on the skills, talent and commitment of our employees. We endeavour to provide the leadership, structures and opportunities for all our employees to make the best use of their talents and potential.



We recognise that in our sector the competition for talent is high, and thus attracting, retaining, upskilling and motivating experienced and qualified employees is essential for us to continue to be successful.

How we are nurturing and maintaining strong relationships with our people:

We invest in our people: our philosophy is to build our talent from the base up, attracting top talent and then providing the means for them to grow, advance and realise their potential

We are committed to providing a rewarding workplace which treats everyone with respect: we value all contributions and provide equal opportunities based solely on performance and adherence to our values. We have a zero-tolerance policy towards harassment and discrimination

We provide initiatives to support the holistic well-being our employees: our programmes assist employees to effectively manage issues which may impact their overall well-being or job performance and include support related to any physical, financial, emotional and psychological issues

We are strengthening the way we engage with our employees: by listening to our employees and by hearing their concerns, ideas and contributions. We are building trust and making our workplace a better place to be

Key highlights from 2023

- Over 750 days of leadership training undertaken
- More than 50 people participated in the Proman Leadership Academy
- Completed LEAD (Leadership Excellence and Awareness Development) sessions for all leadership teams and new joiners across the business
- 31% of all new hires in 2023 were women

Read below for further details on our progress made in 2023. Further detailed data is provided in the appendices on page 107.

2023 performance at a glance

Total employees	Women employees (%)	Turnover rate (%)	Management positions filled by women (%)
1,800 2022: 1,743	28 2022: 28%	5.3 2022: 5.8%	24 2022: 24%

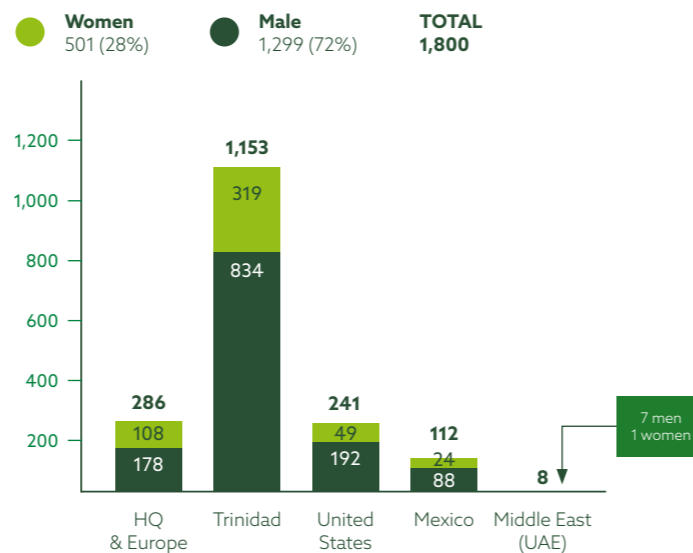


Our people

We employ over 1,800 people worldwide¹², an increase from 1,743 in 2022, which reflects the continued expansion of our business. 28% of employees are women and most of our employees work full-time.

Around 70% of our employees across our family of companies are aged between 30 and 50. Our turnover rates continue to be low, at 5.3%, which is also an improvement on 2022.

2023 Proman employees by country and gender
Number of employees



¹² Includes employees only, excluding Valenz and the Oman Methanol Company.

We develop talent by investing in our people

By investing in our people, we are helping them to develop as individuals as well as strengthening our leadership capabilities, enhancing succession planning, improving business and decision-making skills and embedding our values.

We have always prioritised continual training and professional development support, upskilling and cross-learning opportunities, and the potential to move between our companies, developing and sharing expertise globally.

We are committed to assisting employees develop their knowledge and skills through academic or professional programmes, provided that the course is consistent with the group's sphere of operations and the employees' development programme.

Global mobility – developing and sharing skills around the globe

We have prioritised international transfers around our global businesses for decades, sharing expertise on turnarounds and special projects, transferring knowledge, and for talent development and training purposes.

However, we recognise that employee mobility is fundamental to how, when and where employees

work, and it is not just about specific projects or assignments, but also potential opportunities to experience different work environments and cultures.

That is why in 2022 we incorporated global mobility into our human capital strategy and developed a new Global Mobility Programme, allowing a more structured and consistent framework for selection, assignment type and duration, together with a transparent application and approvals process.

The programme remained a priority in 2023, providing international assignments and collaborations to enrich individual career experiences. It also serves to cultivate a global mindset within our teams, ensuring that expertise flows seamlessly across regions, promoting cross-cultural collaboration, and enhancing our collective ability to tackle global challenges in a rapidly evolving business landscape. With expansion projects underway in Canada, Mexico and the UAE, colleagues from across the business have taken the opportunity to undertake international assignments as they progress.

During the year, we were pleased to support the longer-term mobility of more than ten global employees, contributing to their personal and professional development and helping to share our experience and knowledge across the world.

Global Mobility in practice

Lindsay Jaggernauth

Throughout his thirty-year career on the Point Lisas Industrial Estate, Lindsay has held various roles in Proman Engineering and Plant Operations, including during the commissioning of the Caribbean Methanol Plant in 1993, the M5000 Plant in 2005 and the seven-plant AUM Complex in 2009 to 2010.

In 2021, Lindsay moved from engineering to the commercial field to expand his strategic understanding of the business. Lindsay's technical expertise, leaderships skills and deep-rooted sustainability interests were further recognised in 2023, when he assumed the role of Operations Team Lead on Proman's under-construction Varennes Carbon Recycling (VCR) project in Quebec, Canada.

"Converting landfill waste and biomass into green methanol at a world-scale facility will be a gamechanger. I hope to use my experience in Canada to help bring this technology to the citizens of Trinidad and Tobago one day, strengthening the country's environmental and economic stewardship."

Lindsay Jaggernauth, Operations Team Lead



Career development - from trainees to senior leaders

For over two decades, Proman Trinidad has delivered a robust trainee programme designed to develop the skills and competencies of young nationals.

During the last eleven years, our training initiatives have welcomed over 600 participants, with 57% successfully completing the programme and securing employment within our organisation. As of December 2023, 46% of our current workforce trace their origins back to our Trainee Programmes, underscoring its value in nurturing talent and fostering professional growth. Trainees typically join in one of three areas:

- Graduate-in-Training, across all disciplines
- Process operator trainees
- Engineering and maintenance technician trainees

The programmes aim to develop a pipeline of talent from the ground up, which builds our pool of competence needed to help us expand in the future.

Many of our senior managers joined as trainees, which is testament to the success of the programme and the scope for rewarding career development within the Proman family of companies.

29%

of the leadership team in Proman Trinidad started out as trainees

Developing our leaders

The Proman Leadership Academy

The Proman Leadership Academy (PLA) was launched in 2022 to immerse our future leaders in our total value chain and enable them to understand better how to position Proman for success, while cultivating their leadership styles and building high-performing teams. Over the course of 2023, a further 59 employees participated in the various academies. The curriculum guided attendees in 'following the molecule'—tracing its journey from gas extraction through processing, manufacturing, and culminating in the shipping of our products. The PLA has been instrumental in developing well-rounded leaders with an enriched perspective on our operational intricacies and their integral contributions to the broader value chain.

Over **750**
days dedicated to leadership
training during 2023

Values-based leadership

The Leadership Excellence and Awareness Development programme ('LEAD') was launched in 2019 and focuses on instilling values-based leadership across the business, and is a key part of our global strategy. In 2023, we continued to invest in LEAD to strengthen leadership across the business, creating opportunities to develop and experience values-based leadership and improve our business. We achieved a milestone this year with the completion of LEAD sessions for all leadership teams and new joiners across the business, reinforcing our dedication to cultivating a unified leadership culture and instilling our core values at every level of the business.

Providing a rewarding workplace built on respect, inclusion and equal opportunities

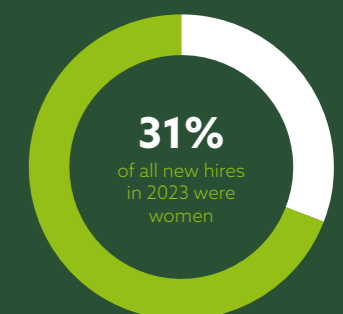
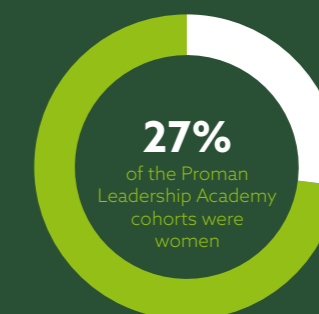
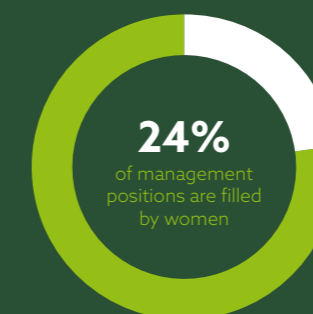
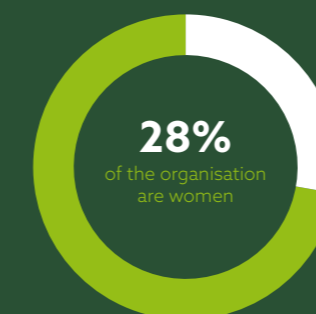


We value all contributions and believe that people with different backgrounds, cultures and individual characteristics bring fresh perspectives and innovative ideas. In doing so, we value achieving our business objectives through mutual respect, initiative and cooperation, and living the Proman values in all that we do. We do not tolerate harassment or discrimination of any kind.

Proman is committed to attracting the highest calibre of talent required to deliver our business goals and success and we identify talented individuals on an equal opportunities basis. Recognition, promotion, training and development, mobility and other opportunities are based solely on an individual's adherence to our values, their contributions, and on objective criteria through our performance review processes.

Our processes, coupled with our ongoing training and development programmes, and the commitment of our employees to embody our values, provides an environment that allows all employees to have a long and successful career with us.

Women employees



Providing holistic well-being support to our employees

Our well-being initiatives include – depending on the country of operation:

- Health coverage
- Periodic medicals to receive health status, advice and to reduce health risks
- Discounted sports club memberships
- Initiatives such as health fairs, competitions and fitness activities
- Personalised wellness plans and resources
- Emergency medical assistance – for employees and their dependents and related to non-work injury or illness
- Employee Assistance Programmes (EAPs) - including emotional counselling, legal resources and financial advice

Employee Assistance Programmes (EAPs)

We continue to offer Employee Assistance Programmes in our Trinidad, U.S. and Switzerland businesses, facilitated by external providers. In Trinidad the EAP offering includes an app which allows employees to log-in and gain access to numerous features and support around wellness; they can also directly book appointments with specialists, as needed. The platform provides tools, techniques and tips for employees, their partners and children, a 24/7 helpline, addiction support, wellness sessions, crisis management and referrals for further support. A Chief Medical Adviser is also on-site 24 hours a day and is available as required to support our staff.



Engaging with our employees

We recognise that engaging with our employees is vital for us to succeed as a business. It helps build trust, supports well-being and motivation, and helps employees feel valued and empowered - at all levels - to contribute via two-way communication.

We engage in a number of ways, including via our global SharePoint site The Pipeline. This internal site is designed to spotlight employee voices and stories from around the businesses, and is supplemented by local intranet portals. We use employee engagement surveys and dedicated employee engagement committees which provide feedback directly to management. These are in addition to our normal communications which keep employees updated on news and events and routine day-to-day management and employee interactions.

An employee-led engagement committee provides direct feedback for Proman USA

Our Proman USA team introduced an Employee Engagement Committee (EEC) in 2022 to provide employees with a voice and ultimately support the development of a better workplace.

There are now four pillars to the Committee – Employee/Manager Connection, Communication, Employee Wellness, and Incentives and Recognition – collecting employee feedback from survey data and analysing trends to recommend improvements. To date, this has led to enhancements to employee benefits, including boot and glasses allowance and our paternity leave policy, the establishment of a Lunch and Learn programme, and employee challenges to build a collaborative culture, including a wellness walking challenge, sports challenges and matched donations to charities.



Communities

Building strong local relationships is an integral part of our philosophy. We are committed to making a positive and lasting contribution to the local communities where we live and operate, both for our existing operations and as we expand our business into new geographies.



Our community investment and engagement support are primarily delivered across five thematic pillars, which provide a framework through which we ensure long-term sustainable impact:

- Education and Skills Training
- Environment, Health, Safety and Sustainability
- Arts and Culture
- Sports
- Community Development

During 2023 we celebrated several highlights:

- Continued the work of the Proman Foundation, which puts employees at the heart of our community support and outreach in Trinidad and Tobago
- Gold sponsor of the 2023 Commonwealth Youth Games, which was held for the first time in Trinidad and Tobago
- Welcomed two more cadets to our Deck Cadets Apprenticeship Programme, which through our partnership with The University of Trinidad and Tobago (UTT) has now benefited 11 cadets
- Continued our partnership with Prince's Trust International to support vulnerable youth across Trinidad and Tobago
- Over 250 hours of volunteer work with community partners in the U.S.
- Supported more than 600 students through our training programmes in collaboration with ICATSIN Topolobampo in Mexico

Read below for further details on our progress made in 2023.

2023 performance at a glance

Community spend in
Trinidad & Tobago (USD)

\$1.2M

Global tax payments
(USD)

>\$150M

Local supplier spend in
Trinidad & Tobago (USD)

>\$334M

The Proman Foundation



The Proman Foundation was established in 2022 to create a more co-ordinated and transparent approach to ongoing and future community activities, enabling us to better measure impact as well as providing opportunities for greater employee engagement and ambassadorship.

Since its inception, the Foundation has disbursed over TT\$3.8 million (over \$550,000) in funding to organisations aligned with its core corporate social responsibility (CSR) pillars, benefiting over 7,700 individuals in 60+ communities, and with the active involvement of more than 800 volunteer hours from our employees.

Our vision is to establish a lasting philanthropic legacy through our company's contribution to national development in Trinidad and Tobago, promoting our values and building and strengthening our relationships with local communities and stakeholders.



As a charitable organisation, the Foundation is endowed by Proman but can also undertake direct fundraising initiatives supported by employees. This allows additional opportunities for employees to volunteer their time and expertise on meaningful projects. The Foundation will also work with third-party partners - funded by the Foundation - with and to whom our employees can directly engage and provide contributions.

"Our Foundation is led by Proman's volunteers who champion causes, support our partnerships and represent the spirit of the Foundation by giving their time and expertise in service of the programme. I am immensely proud of the positive impact we are making together."

*Claus Cronberger,
Chairman of the Proman Foundation*



Education and skills training

Giving young people the skills and opportunities to achieve their potential is an important focus for Proman, and we have local partnerships to develop youth skills and educational opportunities across our global businesses.

We continued our partnership with The University of Trinidad and Tobago (UTT) to deliver Deck Cadet training onboard our new fleet of methanol-fuelled, low-emission vessels.

This extensive programme provides cadets with a valuable opportunity to complete the essential practical component of their training, and gives them future-proof skills and a unique insight and experience into the use of methanol in the shipping sector.

In 2023, we welcomed two additional Deck Cadets aboard the Stena Prosperous, bringing our intake of cadets to 11 young nationals who have travelled to ports across Europe, the United States, and Asia while completing their certification.

In 2023, one trainee cadet – Jared Odain-Samaroo – successfully completed the MCA education and training standards to obtain certification for the STCW ILVI Officer of the Watch. Jared was subsequently offered full-time employment by a subsidiary of our Joint Venture partner – Northern Marine – aboard the Stena Pro Marine as a Junior Officer.

This partnership is perfectly aligned with our commitment to long-term skills development, as well as supporting the maritime sector's transition to a more sustainable future.



"I am elated to be taking on this new phase and embrace the myriad of experiences it offers. I am excited about the prospect of integrating my past experiences into this new role, with the ultimate goal of becoming a well-rounded maritime professional dedicated to driving positive change and sustainability within our industry."

*Jared Odain-Samaroo,
Junior Officer*



We continued our partnership with the Prince’s Trust International in Trinidad and Tobago.

Our partnership with the Prince’s Trust International (PTI) has supported the implementation of two specific social intervention programmes that target vulnerable youth from schools across Trinidad and Tobago. Both PTI programmes are delivered through collaborations with local partners:

- the “Me to We Mentorship” programme is conducted in collaboration with the Volunteer Center of Trinidad and Tobago
- the “Achieve Programme” is conducted in collaboration with the National Training Agency of Trinidad and Tobago



CASE STUDY

One beneficiary of the programme is Malachi*, who grew up in a tough neighbourhood, blighted by crime and violence.

During one school holiday, a traumatic night left several of his friends dead, and Malachi himself wounded.

When the new term started, Malachi struggled with trauma and grief and soon dropped out of school.

* Photograph not included to protect his identity

The ME to WE Mentorship programme

The ME to WE Mentorship programme provides a robust approach to mentorship, supporting young persons in some of the most vulnerable circumstances. Priority is therefore placed on ensuring sustained engagement with the mentees.

The 2023 Me to We Mentorship Programme ended in October 2023 with a cohort of 54 mentees (60% male and 40% female), who were selected from 6 schools across the country. Throughout the period, 50 mentors supported the mentees through 25 sessions to help engage in and develop improved behaviours on challenging topics such as “Understanding your fears” and “Developing Healthy Relationships”.

Parental feedback has noted a significant increase in the students’ self-confidence and their engagement with peers and family.

The Achieve Programme

The Achieve Programme is also implemented in schools across the country and the 2023 cohort saw the programme expand from 2 to 6 educational institutions including at Youth Rehabilitation Centres.

During the year, 46 advisers were specially trained to facilitate the Achieve Programme and through small group sessions, they delivered and supported the development of 110 students with relevant life skills topics, such as managing money, and personal and social development skills such as team-work.

At the Proman Foundation’s one year anniversary celebration, Adrian Whiteman, a graduate of the Achieve Programme, was honoured with the 2023 Prince’s Trust Young Achiever Award for the Caribbean. The Achieve programme provided Adrian with the social and life skills that enabled him to take the leap and transition from a part time employee to opening and owning his business within his community.

“We are thrilled by the strong support received from Proman for our work in Trinidad and Tobago. This has enabled us to reach hundreds of young people with our delivery partners, the National Training Agency of Trinidad and Tobago and the Volunteer Center of Trinidad and Tobago. Our work in the traditional and non-traditional education system has allowed us to reach young people, like Adrian, who successfully completed our Achieve programme and is now excelling in his barbering business. I’m proud that we’re able to highlight his achievements through the 2023 Prince’s Trust Young Achiever Award for the Caribbean.”

Siddel Ramkissoon,
International Programmes Manager –
Caribbean (Jamaica and Trinidad and
Tobago) for Prince’s Trust International



We continued to partner with local community colleges in the U.S.

Supporting education opportunities, particularly internship programmes, is also a core component of our community engagement in the U.S. In Texas, we partner with Lamar Institute of Technology, Lamar State College and Lamar University to provide internship opportunities for process operation technicians, mechanical technicians, engineers as well as interns in accounting and human resources (HR).

Environment, Health, Safety and Sustainability

Access to a safe and hazard-free environment is a fundamental human right. We support a number of initiatives to promote environmental and physical safety as part of our community outreach programmes, such as our flagship partnership with the leading housing organisation Habitat for Humanity.

We continued our partnership with Habitat for Humanity

Proman has supported Habitat in Trinidad and Tobago since 2011 with an investment to date of approximately \$2 million. We directly support Habitat's safe housing programmes aimed at reducing levels of vulnerability to hazardous weather events, by improving community disaster readiness and delivering training and skills to improve resilient construction techniques for homes across the country.

Key 2023 highlights from the Habitat partnership includes:

389

individuals graduated from the Construction Technology Skills Training

860

people enrolled in Safe Housing & Construction Technology training



Partnering with Presentation College in San Fernando

We continued our partnership with Presentation College in San Fernando, Trinidad, sponsoring the school's Hydroponics Programme. This initiative introduced students and their families to self-sustaining crop-growing techniques, empowering them to cultivate a sustainable future for themselves and their broader communities.

The programme has enrolled 30 students, who have collectively planted over 240 seedlings and an additional 10 students and their families have received training and resources to establish hydroponic crop growing systems at their homes. Produce grown through this initiative is packaged by the College's Culinary Club for donation to families in need.

Arts and Culture

Trinidad and Tobago is recognised around the world for its rich culture and arts, particularly its thriving music and creative industries. Steelpan is one of Trinidad and Tobago's best-known indigenous art forms. It is synonymous with the annual Carnival celebrations, but throughout the year each band also provides a focal point for community gatherings and cross-generational interactions across the country. We have proudly sponsored the Proman Starlift Steel Orchestra since 2015 as part of our commitment to promote and celebrate indigenous arts.

The Proman Starlift Steel Orchestra

In 2023, the Proman Starlift Steel Orchestra continued to leave a notable mark on both the local and international stage. This included performing at Panorama, the prestigious annual steel band competition, and showcasing their talents at numerous national and community events, while spearheading an exciting youth vacation camp, attended by 146 students.



"At Proman, we're delighted to support the Proman Starlift Steel Orchestra, a key pillar of Trinidad and Tobago's steelpan community. Our support underscores our commitment to cultural enrichment and community involvement."

Joannah Nelson,
Business Services Manager,
DeNovo Energy Limited (sponsor liaison)



Sports

Bringing people together in community sports programmes provides significant social benefits and has a positive impact on individual health, both physical and mental. Our investment in sport is a way to build stronger communities by providing opportunities for people of different ages and backgrounds to come together in an uplifting and healthy environment, as well as providing exciting volunteering opportunities for our employees.



Merryboys Sports Club

In 2023, we maintained our partnership with the Merryboys Sports Club, one of Trinidad and Tobago's oldest clubs.

In 2023, the Club won a host of national cricket competitions, including the Premier II North League, Premier II 50 Overs and Premier II North Reserve. The Club also received accolades from the Trinidad and Tobago Cricket Board, including being awarded Cricketer of the Year and Cricket Club of the Year.

Commonwealth Youth Games

In 2023, Proman invested approximately \$147,000 as the Gold Sponsor of the Commonwealth Youth Games. Hosted for the first time in Trinidad and Tobago, this global event featured more than 1,000 athletes and para-athletes from 72 nations competing for glory in various sporting disciplines.

The Trinidad and Tobago team secured a record-breaking 15 medals at the games, with four gold, five silver, and six bronze medals. Additionally, our sponsorship facilitated the participation of over 40 company employees as volunteers, who collectively helped to contribute to the successful execution of the Games.

Community development

Our community development work is built around sharing economic success with the communities where we live and operate, as well as supporting programmes which help to build stronger communities.

Supporting economic development

Our business makes an important contribution to the economies and communities where we operate and adds significant economic value. From capital investments to supply chains; to tax contributions and job creation; to purchasing local feedstocks and local content, we have helped to develop a world-class support industry for our petrochemical plants.

In Trinidad, for example, the petrochemical sector plays a vital role in the economic multiplier effect from the Point Lisas Industrial Estate where the downstream energy industry is based, as well as Trinidad and Tobago's regional and global export of energy expertise and services.

99%

of our team in
Trinidad are local

\$5.1B

capital investments
to date

\$11B

total contribution
to the Trinidad
economy to date

>\$112m

corporate and payroll
taxes paid in Trinidad
in 2023

Supporting local suppliers and contractors is also integral to our operating model. Our approach is designed to enable local companies to build capacity, enhance competencies and improve standards – all of which positions them to compete both nationally and internationally, for their long-term benefit as well as ours.

Key features of our approach:

- Implement policies and programmes that will create the opportunity for collaboration with local service companies, contractors and manufacturers of inputs to the energy sector, to enable these businesses to improve productivity, quality and efficiency which contributes to their competitiveness both locally and internationally.
- Provide local companies with sufficient information to assist in forward planning to take advantage of opportunities.

2023 supplier spend in Trinidad and Tobago

82%

of orders placed were
to local vendors representing
over \$334 million

1,643

jobs were awarded to 180 local
vendors for our turnarounds,
worth \$209 million (or 83%
of the total turnaround
supplier spend)

Proman's Gives Back Committee

Our Proman teams in the U.S. in Houston and Pampa co-ordinate their community support activities through the 'Gives Back Committee'. The committee supports organisations that focus on underprivileged or at-risk children, including families in need.

We support education and literacy, mentorships and environmental management. In 2023, we donated over \$65,000 and supported 19 organisations in the US via Proman USA Gives Back.



Volunteering is at the heart of our efforts, alongside sponsorships and scholarships. In 2023, 123 Proman and Valenz volunteer staff in the U.S. contributed about 250 hours of volunteer work to

community partners, including Alzheimer's Walk, Houston Children's Charity, Kids Meals Inc. and Wheel Times.

"My heartfelt thanks goes to each and every employee who contributed to the success of the programme in 2023. Their enthusiasm and dedication showcased the true spirit of Proman, and I look forward to us carrying this momentum forward and continuing to make a positive impact, both within our own workplace and the community at large."

Jarrold Hodson, Managing Director Proman USA



Implementing a comprehensive community engagement plan to support our world-scale ammonia project in Topolobampo, Mexico

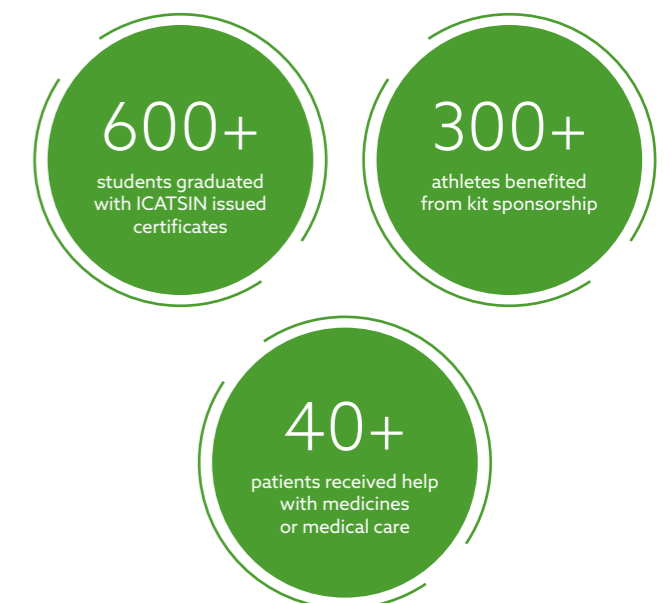
In line with International Finance Corporation (IFC) guidelines and the Equator Principles, we have developed and implemented a comprehensive community engagement strategy to support our proposed ammonia facility in Topolobampo, Mexico, which is currently under construction.

Throughout 2023, we continued our training programme in collaboration with ICATSIN Topolobampo, providing free community courses on topics such as cooking, dressmaking, Excel, make-up, decoration, customer service and others to help develop local work skills. A total of 30 courses were held, with 604 students graduating with ICATSIN issued certificates.

In addition, support to local (non-profit) sports teams for community tournaments continued, mainly through kit sponsorship. Fourteen local football, women's softball and children's baseball teams were supported, benefiting over 300 athletes.

A sports day was also organised for Navy Day (1 June), with softball, volleyball and football tournaments involving more than 200 athletes from the communities in the project's area of influence.

The Community Individuals Health Assistance Programme continued throughout the year, particularly for members of indigenous communities in precarious economic conditions. This programme included preventive health aspects such as consultations, as well as providing medicines or partial support for surgical operations, benefiting 43 patients.



Governance and ethics

We believe that strong governance drives accountability and is critical to high performance, building trust, maintaining our reputation with our stakeholders, and ultimately, to our long-term success.

As a family-owned company, we pride ourselves on our adaptability and decisiveness - two of our core values. This means we can implement structures and processes that best fit our organisation and move quickly as the need arises, avoiding unnecessary bureaucracy across the business.

We place great emphasis on our shared values: they are the 'Proman way'.

Together with our values, our Code of Conduct guides our family of companies on ethical business conduct: it is supported by ongoing and regular training on ethical issues such as bribery and corruption and refresher training on the code itself

It is Proman's policy to comply with all laws: we are proud to be good corporate citizens and to embody our values in our day-to-day interactions with all our partners and stakeholders

Key highlights from 2023

- Continued building our cybersecurity capabilities
- Appointed General Legal Counsel and expanded the legal function
- Almost 7,000 hours of cyber security training

Read below for further details and progress made during 2023.

2023 performance at a glance

Issues raised via the confidential disclosures process

0

2022: 0

Reported instances of bribery and corruption

0

2022: 0

Governance

Board structure and composition

The Proman AG Board is ultimately responsible for Proman’s organisation and the management of the company. This includes defining the vision and strategy for the company and overall strategic corporate governance.

The Proman AG Board consists of six members, all of whom were selected and appointed by the shareholders. This includes four non-executives and two executives (including the Chief Executive).

Changes to the Board in 2023

In 2023, Daniel Eggenberger officially retired from his role at Proman’s Annual General Meeting on July 12, having served as Chairman since 2008 and on the Board for more than 20 years. David Cassidy now sits as Chief Executive and Chair. In addition to this change, the shareholders announced two new appointments to the Board.

The overarching principle for selection to the Board is the mix of background, skills, experience and knowledge to enable effective discharge of their duties and the continued success of the business. Within the context of experience and suitability, the views of the shareholders are also of primary consideration.

Members of the Proman AG Board also sit on the boards of several of the Proman family of companies as well as other international companies and bring their expertise to different parts of the organisation.

There are currently no limits on tenure for Board members. We believe that the breadth of our value chain and the complex nature of our business requires experience and skills which are built over time. Placing tenure limits on board members may restrict our ability to oversee the business in a way which delivers our ongoing success. Nevertheless, the Board’s performance is routinely reviewed.

It is essential to our approach that we can demonstrate an effective degree of independence. On appointment, the Board members complete conflict of interest declarations and due diligence is carried out by the shareholders.

The Proman AG Board has one sub-committee – the Remuneration Committee - which discusses issues related to executive compensation and

makes appropriate recommendations to the Board. Our family of companies also have their own governance structures in place and where appropriate are supported by audit, remuneration and safety and technical committees as required.

The role of the Board and Executive Leadership Team (ELT) in sustainability

Board-level oversight

Overall accountability for sustainability is with the Proman Board, as the ultimate decision-making body. The Board approves the sustainability strategy and has an overview of ongoing performance.

Given the importance of sustainability to our core business strategy, accountability for sustainability sits with the Executive Director Corporate Finance, part of the Executive Leadership Team and who works closely with the Chief Executive and other senior management on sustainability matters including the Managing Director Corporate Development and Managing Director Sustainability.

The Board meets formally four times annually plus at an Annual General Meeting (AGM). However, there is routine engagement between the executive and non-executive members on many issues which include sustainability matters. Formal board meetings include updates on a range of sustainability issues across a number of functions.

Strengthened compliance and regulatory oversight

In 2023 we created a new ELT role of Executive Director Legal and General Counsel to lead on key legal decisions around transactions, compliance and regulatory issues, as well as being closely involved in business strategy as part of the wider ELT.

Business-level support

Each of the Proman family of companies has its own managing director and local senior management team and is fully accountable for all aspects of performance, including managing any local sustainability impacts.

Safety and environmental procedures are defined and implemented by the local businesses, including adherence to local and country-specific regulations. However, some functions – such as risk management advice, cybersecurity, IT and digital transformation - are led by the headquarters team in Wollerau, with implementation and support in the local businesses. Safety, environmental and business performance is monitored by the Executive Leadership Team and where necessary includes detailed reviews on specific topics of interest.

Role of Board in reporting and assurance

The Chief Executive (on behalf of the Board) and Executive Leadership Team have primary accountability for approving our material topics and the contents of this report. The Board provides the final approval for our Sustainability Report based on the recommendation of the ELT.

Communication of critical concerns

Critical concerns, by their nature, could impact the reputation of the Group, and may include those raised through our internal confidential reporting system as well as other mechanisms including regulatory intervention or when raised through community groups or audit findings. As such, the Proman Board would be informed via the ELT and through regular updates from the Executive Leadership Team. The Board is aware of all reports made via the confidential reporting procedure as this process is managed by one of the independent Board members.

In 2023, there were no critical concerns communicated to the Board arising from the confidential disclosures procedure.

Collective knowledge of the Board on sustainability

The collective knowledge of the Board on sustainability matters is continuously improved through the active involvement of the Chief Executive and Executive Leadership Team in the day-to-day implementation of the corporate strategy and through the identification and progression of ongoing projects.

Given that sustainability is core to the Group’s business strategy, conversations take place on a range of sustainability topics over the annual cycle, which result in a consistent and organic upskilling of the Board’s knowledge around sustainability; this includes, for example, understanding of regulatory developments and their implications for the Group, peer benchmarking, and ESG reporting requirements.

Sustainability topics are either regularly briefed to the full Board or include the day-to-day involvement of the Executive Leadership Team. E-learning and awareness trainings are also available on our internal communication site, The Pipeline, covering sustainability topics such as bribery, corruption and sanctions.

Evaluation of the performance of the Board

As a family company, evaluation of the performance of the Board involves direct engagement between the Board and the shareholders.

Remuneration policies for the Board

As with previous years, the Board is paid on a lump sum basis and does not have performance incentives.

Cybersecurity

Governance

While the Chief Executive has overall accountability for performance, the Group's Director of Cybersecurity provides technical expertise to our family of companies on cybersecurity issues and works closely with the Director of Risk and Resilience and the company's IT community to deliver an effective cyber programme.

Risk management

Proman has a comprehensive cyber risk management process in place through which we identify, assess, understand and manage our threats. We use the output from a series of Operational Technology (OT) Risk, Threat and Vulnerability assessments on our plants as the foundations for developing cyber-resilient operations at our critical assets.

Education, training and awareness

During 2023, we continued education, training and awareness programmes to further develop our culture around cybersecurity. These progressed significantly during the year, with all areas of the business now being more aware, engaged, and committed to cybersecurity.

Reflecting our mantra that everyone is a stakeholder in cybersecurity, over 1,600 Proman employees completed the awareness training, with almost 7,000 hours of training recorded. This represents an average completion rate for the training of 83%. Beyond general awareness, we recognise the value and need to develop the technical cybersecurity knowledge and skills of our IT teams continuously.

External certification

We have expanded on the ISO27001 standard for information security management systems (ISMS) that we maintain for the Cybersecurity Programme.

Proman Portugal's ongoing ISO27001 certification provides us with reassurance that our information security framework is mature enough to be applied to remaining business units. This milestone further underlines our commitment to maintaining the highest standards of information security practices in the protection of our digital information assets, whether our own or entrusted by third parties.

During 2023, we continued to implement and enhance a variety of security controls and industry best practices throughout our family of companies. This will help us reinforce our defences against increasingly sophisticated and persistent threat campaigns. By maintaining a strong cybersecurity posture, we can protect our assets and ensure the continuity of our operations.

Our goal is to create an increasingly resilient and secure environment for our family of companies that enables them to operate, grow, and innovate with confidence and earns the trust of our stakeholders.



At Proman, we are committed to protecting our people, assets and businesses from digital threats. We have a comprehensive Cybersecurity programme in place across our family of companies, which continues to strengthen our Cyber Incident Response and Cyber Resiliency capabilities.

Responsible business conduct - strategies, policies and practices

As one of the world’s leading producers of methanol and fertilizers, we operate in a number of countries around the globe, all of which have different cultures and business practices, rules and regulations. We are committed to ensuring we act with integrity and have the highest ethical standards in all our business dealings.

We place a strong emphasis on our ethical business conduct and, to supplement our policies and commitments, we have a suite of e-learning training tools available which help our people to identify and understand important ethical issues, what to look out for, and how to respond.

Code of Conduct

Our Code of Conduct outlines how we carry out our business in an ethical manner and includes our key policy commitments. It is approved by the Proman Board.

The Code provides a single set of guidelines and commitments that applies across all the Proman family of companies, irrespective of location. It covers legal compliance as well as acting with integrity and mutual respect, fair competition, anti-bribery and corruption, sanctions and money laundering. The code also covers the process by which employees can raise concerns.

It is a Group requirement that new employees commit to the Code of Conduct.

Some of our businesses in turn develop their own codes of conduct, based on the global mandate and with the inclusion of additional localised information where relevant.

Anti-corruption, bribery and favours

As a Group with a global footprint, some of the countries in which we operate are deemed to be at higher risk of corruption and bribery. We take a zero-tolerance approach to bribery, corruption and favours of any kind - it is our Group policy that all company transactions must be carried out transparently and in full compliance with all applicable laws and regulations.

All employees are made aware of the risks of corruption and bribery to the business - and our expectations - through the Code of Conduct, supplemented by an online training course.

Using a risk-based approach, we have also assessed the risk to be higher for certain roles (e.g., financial control), and therefore additional training is provided with more detailed insights and guidance on how to recognise the warning signs of bribery and corruption.

There were no reported cases in 2023.

Tax transparency

At Proman, paying our fair share of tax is an important element of our commitment to ethical and responsible operations and as such we are a major contributor to the economies where we operate.

In 2023, the Group paid more than \$150m in corporate and payroll taxes. In 2022, our gas extraction company – DeNovo Energy – became a member of the Trinidad and Tobago Extractive Industries Transparency Initiative (TTEITI), the global gold standard for good governance and tax transparency in countries rich in reserves of minerals, oil, and gas.

Human rights

We are committed to respecting human rights, and our Code of Conduct outlines our zero-tolerance approach to modern slavery and human trafficking.

In 2024, we will further develop our approach to human rights and, in accordance with the Swiss Code of Obligations, we will be carrying out an assessment to determine whether any reasonable suspicion exists of child labour in our supply chain.

Supplier Code of Conduct

Alongside our focus on respecting human rights in our own operations, we also define our expectations of our suppliers for responsible business conduct, including compliance to all applicable laws and regulations. While not enforceable with our partners and suppliers, the Proman Code of Conduct is used to shape expectations and inform the development of supplier codes of conduct developed in the different parts of our business.

In 2022, we issued an inaugural Supplier Code of Conduct for our operations in Trinidad, which applies to all our contractors and suppliers. The purpose of the code is to seek the commitment of our suppliers to not only uphold the Proman values in the conduct of business but also to the respect the principles for human rights, environmental sustainability, and ethical behaviour. More specifically, we are expecting the commitment of our suppliers to align to the values of the United Nations Charter on Human Rights, UN Sustainable Development Goals, the Global Compact Principles as well as the International Labour Organisation (ILO) standards.

Sanctions and embargoes

We comply with all applicable sanction and embargo regulations. We provide a dedicated e-learning course which provides an overview of the key provisions of the U.S. government's Office of Foreign Assets Control (OFAC) mechanism to ensure our employees are aware of the key concepts around sanctions and embargoes, the general rules and applicability across international boundaries and what actions to take to ensure compliance at all times.

Precautionary principle

Although our Code of Conduct does not explicitly refer to the precautionary principle, we will not postpone taking action to address a potential negative impact where there is inconclusive evidence or scientific consensus is lacking. The actions and disclosures outlined in this report provide examples of this approach. We use our risk management framework and processes as a formal way of identifying, assessing and mitigating risk.

Embedding policy commitments

The Chief Executive and Executive Leadership Team are responsible for ensuring that the policies and commitments in the Code of Conduct are taken into account and embedded in any new strategic projects. Responsibility for implementation of our commitments within each of our family of companies is allocated by the Executive Leadership Team to the senior management teams of each business – who are fully accountable for implementing the policy commitments in their respective businesses.

Where relevant, the commitments are integrated into our policies via the appropriate department within each business. For example, HR lead on ensuring our procedures reflect applicable laws and regulations regarding wages and working conditions, etc, while the procurement teams lead on ensuring our commitments are integrated into supplier codes of conduct, where applicable.

The Group provides a programme of e-learning modules to support specific content within the Code of Conduct and the policy commitments. This includes, for example, training on bribery and corruption, sanctions and embargoes. Training on the code is mandatory for all employees, although some training may be more targeted depending on the role and the policy commitment. We measure the effectiveness of our training modules through the number of reported violations and incidents of irresponsible business conduct.

Reporting violations

To protect our reputation, it is important that we know of any issues so that we can address and resolve them as soon as possible. Our Code of Conduct sets out the mechanism for the confidential reporting of violations when an employee becomes aware of a violation, or a suspected violation, to either the law or of our Code of Conduct.

Acting with integrity also means that we maintain a strict confidentiality and no-retaliation policy against anyone who speaks up in good faith.

The process is managed by one of our independent Board members, who receives and reviews any concerns raised. Depending on the nature of the complaint, it may be referred to a third party for investigation and resolution.

In addition to the whistleblowing mechanism, employees can seek advice or raise concerns directly with their local management team or seek direct engagement with a member of the Executive Leadership Team.

In 2023, zero concerns were raised through the confidential reporting procedure.

Collective bargaining

Our employees are free to join unions and other organisations where local laws and regulations allow. The majority of our workforce is based in Trinidad, where collective bargaining arrangements are not in place. Nevertheless, we seek to maintain good relations with our employees and provide a range of employee engagement initiatives.

Political activity and public policy advocacy

As a Group, we remain politically neutral, do not donate to any political party and do not carry out any activities related to political campaigning for either parties or candidates.

However, we believe it is essential that we maintain an open and ongoing dialogue with governments, regulators and policy makers with regard to policies that may have an impact on our business, including our employees, operations, markets and products, and ultimately, our customers.

Our advocacy can include direct engagement with policy makers or via our memberships of industry bodies (for example the Methanol Institute) and is limited to policy areas which may have a material impact on Proman's operations, markets or products.

In all our activities, our Code of Conduct policies regarding bribery or gifts will always apply to any advocacy activities we engage in as a business.

Processes to remediate negative impacts

We are committed to co-operating in the remediation of negative impacts that result from business activities, including any human rights impacts. We are also committed not to retaliate against anyone who raises concerns in this regard.

For our existing operations, grievances would not normally be raised with us directly; rather our local stakeholders and community groups would raise issues via regulatory authorities or other institutions in the first instance, and the issue would in turn be then communicated to Proman through the appropriate agency or institution.

We manage any grievances through our relevant local management teams, and always in a collaborative manner.

Direct and proactive grievance mechanisms are established when we begin formal stakeholder consultation on new projects – as part of our compliance with IFC standards.

In all cases, issues raised are investigated and resolved in consultation with the group who raised the grievance. Depending on the seriousness of the grievance, this may be raised with the Executive Leadership Team and, if necessary, the Board.

In 2023, no grievances were raised in relation to any negative impacts resulting from our business activities, whether with a Group company directly, or via a regulatory authority or other third party.

Swiss code of obligations 2023

Art. 964a requires companies to publish a non-financial report covering environmental matters, social and employee related issues, respect for human rights and combatting corruption. This report fulfils this obligation.

On January 1, 2021, Art. 964d et seqq. of the Swiss Code of Obligations (CO) entered into force.

Art. 964d CO obliges raw material companies, i.e., companies which are either themselves or through a company that they control involved in the extraction of minerals, oil or natural gas or in the harvesting of timber in primary forests, and which are subject to an ordinary audit to produce an annual report on the payments they have made to state bodies. Pursuant to the transitional provisions, the reporting obligation applied for the first time to the financial year 2022.

In compliance with Art. 964d et seqq. of the CO, we are reporting on payments to state bodies.

In accordance with Art. 964f CO, we report herewith our payments made by Proman AG and its controlled subsidiaries to state bodies, specifically, our gas extraction business – DeNovo Energy – a Proman family company based in Trinidad and Tobago. No other controlled company qualifies as a raw material company.

We are neither active in the mineral or petroleum extraction industry nor in the harvesting of timber in primary forest.

Payment type	
Payments made for production rights	0
Taxes on production, the revenues or profits of companies, excluding value added or sales taxes and other taxes on consumption – Share of revenue paid to the Ministry of Energy and Energy Industries	\$8,901,108
User charges	0
Dividends, with the exception of dividends paid to a state body as a member of the company, provided these are paid to the state body	0
Signing, discovery and production bonuses	0
Licence, rental and access fees or other considerations for permits or concessions – License fees paid to the Ministry of Energy and Energy Industries	\$1,212,695
Payments for improvements to the infrastructure	0
Payments for water [to be provided] – Water and Sewerage Authority of Trinidad and Tobago	\$3'126
Payments for electricity [to be provided] – Trinidad and Tobago Electricity Commission	\$423,190
Total	\$10,540,119

There were no payments in kind in 2023.

Entity legal name: DeNovo Energy Block 1A Limited
Registered address: 1 DeNovo Place, 5264 Pacific Avenue, Point Lisas Industrial Estate, Point Lisas, Trinidad

Appendices

Appendix 1: Performance data

Greenhouse gas emissions

Production facilities	Units	2023	2022	2021
Direct scope 1 emissions	tonnes CO ₂ -e	4,650,749	4,881,881	4,755,056
Direct scope 1 biogenic emissions	tonnes CO ₂ -e	176	Not occurring	Not occurring
Direct scope 1 emissions from CH ₄	Percentage	0.06	0.06	0.03
Energy indirect (scope 2) emissions (location-based) – non-biogenic	tonnes CO ₂ -e	276,545	283,572	249,944
Energy indirect (scope 2) emissions – (location-based) - biogenic	tonnes CO ₂ -e	1,151	1,189	1,018
Energy indirect (scope 2) emissions (market-based) – non-biogenic	tonnes CO ₂ -e	260,560	262,972	248,765
Energy indirect (scope 2) emissions – (market-based) - biogenic	tonnes CO ₂ -e	16,822	16,138	411
Scope 3 GHG emissions	tonnes CO ₂ -e	Not recorded	Not recorded	Not recorded
GHG emissions intensity (scope 1 & 2)	tonnes CO ₂ -e/tonne methanol	0.62	0.61	0.63
GHG emissions intensity (scope 1 & 2)	tonnes CO ₂ -e/tonne ammonia	1.86	1.78	2.5
Emissions of ozone depleting substances (ODS)	tonnes	0	0	0
Nitrogen oxides (NOx)	tonnes	5,339	5,517	5,434
Sulphur oxides (SOx)	tonnes	69.5	60.7	52.1
Particulate matter (PM)	tonnes	19.7	33	28.7
Volatile organic compounds (VOCs)	tonnes	2.6	8.8	8.2
New methanol-fuelled vessels				
Direct scope 1 emissions	tonnes CO ₂ -e	41,829	11,313	Not applicable

Notes:

- (a) All indicators reported on an equity basis.
- (b) 2022 scope 1 emissions for the production facilities included N₂O emissions for the first time.
- (c) 2023 biogenic scope 1 emissions from the Pampa plant were included for the first time.

Environmental data

	Units	2023	2022	2021
Wastes				
Hazardous wastes				
Total generated	tonnes	1,537	4,952	986
Sent for disposal	tonnes	1,458	3,927	326
Sent to recycling	tonnes	75	1,014	534
Other	tonnes	4	11	126
Non-hazardous wastes				
Total generated	tonnes	2,982	9,174	16,153
Sent for disposal	tonnes	2,452	8,761	14,974
Sent to recycling	tonnes	530	413	1,179
Non-hazardous waste recycled	% of non-hazardous waste	18	5	7
Hazardous waste recycled	% of hazardous waste	5	20	54
Unplanned releases to sea				
Chemical spills				
Serious spills	number	1	0	0
Minor spills	number	0	0	0
Water				
Water withdrawal				
Total water withdrawal	mega litres	51,188	52,968	49,948
Fresh water	mega litres	5,372	6,185	5,881
Seawater	mega litres	33,156	32,664	29,677
Groundwater	mega litres	0	0	0
Produced water	mega litres	67	37	2
Third-party water	mega litres	12,594	14,083	14,389
Water withdrawn in regions with high water-stress	percentage	1	1	1
Water discharges				
Total water discharges	mega litres	27,466	25,906	25,334
Surface water	mega litres	4,097	6,130	4,555
Groundwater	mega litres	0	0	0
Seawater	mega litres	23,302	19,736	20,780
Third-party water	mega litres	66.8	40	0.3
Produced water discharged	mega litres	51	37	2
Process water discharged	mega litres	469	455	453
Water consumption				
Total water consumption from all areas	mega litres	23,722	27,062	24,613
Total water consumption from all areas with water stress	mega litres	451	442	488
Water consumed in regions with high water-stress	percentage	2	2	2
Number of incidents of non-compliances with water permits	number	22	17	238

	Units	2023	2022	2021
Energy use				
Fuel consumption from non-renewable sources	gigajoules	74,379,882	81,794,695	73,769,508
Fuel consumption from renewable sources	gigajoules	4,030	0	0
Electricity consumption	gigajoules	2,188,689	2,461,517	2,078,173
Heating consumption	gigajoules	0	0	0
Cooling consumption	gigajoules	0	0	0
Steam consumption	gigajoules	0	0	0
Total energy consumption	gigajoules	76,572,601	84.256,212	75,847,681

Notes:

(a) Data for Oman Methanol Company is not included, with the exception of energy use figures. In our 2024 Report, it will be fully included following the acquisition of the majority position in OMC in December 2023.

(b) Waste figures are significantly reduced when compared to 2022 figures. This is due to less turnarounds in 2023, less one-off major maintenance works, and plant downtime reducing certain types of waste, e.g., waste sludge. The hazardous waste recycling rate was less than in 2022 due to less turnarounds and therefore less catalyst being recycled.

(c) Renewable energy purchased reflects purchase of RECs for our Pampa plant in the United States.

Safe Operations data

Units		2023	2022	2021
Recorded incidents				
Fatalities				
Employees	number	0	0	0
Contractors	number	0	0	0
Total	number	0	0	0
High consequence injuries				
Employees	number	0	0	0
Contractors	number	1	0	0
Total	number	1	0	0
Recordable injuries				
Employees	number	4	7	5
Contractors	number	6	11	8
Total	number	10	18	13
Incident rates				
Fatalities				
Employees	Per 200,000 hrs worked	0	0	0
Contractors	Per 200,000 hrs worked	0	0	0
Total	Per 200,000 hrs worked	0	0	0
High consequence injuries				
Employees	Per 200,000 hrs worked	0	0	0
Contractors	Per 200,000 hrs worked	0.05	0	0
Total	Per 200,000 hrs worked	0.02	0	0
Recordable injuries				
Employees	Per 200,000 hrs worked	0.13	0.26	0.20
Contractors	Per 200,000 hrs worked	0.29	0.42	0.42
Total	Per 200,000 hrs worked	0.19	0.33	0.30
Hours worked				
Employees	Hours	6,128,630	5,462,323	4,943,396
Contractors	Hours	4,178,867	5,291,190	3,779,382
Total	Hours	10,307,497	10,753,513	8,722,778

Notes:

- (a) The main types of injuries are minor workplace injuries such as ankle twist, bruising, and are similar for both employees and contractors. However, we did report one serious incident in 2023 that led to a long term injury involving a contractor at one of our plants in Trinidad.
- (b) Manhours for OMC have been estimated.
- (c) Incident rates and hours worked include includes Turnarounds (TARs) completed in 2023.
- (d) Data on ill-health is not available.

Employee data

Units		2023	2022	2021
Employees				
Total	number	1,800	1,743	1,621
Total men	number	1,299	1,251	1,180
Total women	number	501	492	441
Employees by location				
Switzerland	number	64	53	48
United States	number	241	227	206
Germany	number	83	77	70
Portugal	number	58	46	41
Oman	number	-	-	-
Trinidad	number	1,153	1,174	1,132
Italy	number	81	81	74
Mexico	number	112	82	50
United Arab Emirates	number	8	3	-
Employment status				
Full-time	number	1,764	1,717	1,598
Part-time	number	36	26	23
Employee hire and turnover				
New hires	number	258	277	169
New hire rate	percentage	14.3	15.9	10.4
Turnovers	number	95	101	23
Turnover rate	percentage	5.3	5.8	3.9
Diversity				
Women in workforce	percentage	28	28	27
Women in management	percentage	24	24	23
Employees by age group				
< 30 years	percentage	11	12	14
30-50 years	percentage	70	70	68
>50 years	percentage	19	18	18
Tenure				
< 5 years	percentage	37	41	39
5 - 10 years	percentage	20	19	18
11 - 20 years	percentage	33	32	33
>20 years	percentage	10	9	10
Incidents of discrimination		0	0	0

Notes:

- (a) Data is not available for Oman Methanol Company.
- (b) Data on tenure does not reflect how long the businesses have been operating. Taking account only those business which have been in operation more than ten years, the figures are higher.

SASB disclosures – Chemicals Standard

Measure		Units	2023
Greenhouse gas emissions			
RT-CH-110a.1	Gross global scope 1 emissions	tonnes CO ₂ -e	4,650,749
RT-CH-110a.2	Discussion of long-term and short-term strategy or plan to manage scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	n/a	See climate section.
Air quality			
RT-CH-120a.1	NOx	tonnes	5,339
RT-CH-120a.1	SOx	tonnes	69.5
RT-CH-120a.1	VOCs	tonnes	2.6
RT-CH-120a.1	HAPs	tonnes	n/a
Energy management			
RT-CH-130a.1	Total energy consumed	gigajoules	76,572,601
RT-CH-130a.1	Purchased grid electricity	percentage	2.86
RT-CH-130a.1	Percentage of renewable energy	percentage	0.25
Water management			
RT-CH-140a.1	Total water withdrawn	000’ m3	51,188
RT-CH-140a.1	Total water consumed in areas of high water stress	000’ m3	451
RT-CH-140a.2	Incidents of non-compliance with water quality permits, standards and regulations	number	22
RT-CH-140a.3	Description of water management risks and discussion of strategies and practices to mitigate those risks	-	see water section.
Hazardous waste management			
RT-CH-150a1.	Amount of hazardous waste generated	tonnes	1,537
RT-CH-150a.1	Percentage of hazardous waste recycled	percentage	5
Community relations			
RT-CH-210a.1	Discussion of engagement processes to manage risks and opportunities associated with community interests	-	see community section.
Workforce health and safety			
RT-CH-320a.1	Total recordable incident rate (TRIR)	Rate (per 200,000hrs worked)	0.19
RT-CH-320a.1	Fatality rate employees	rate (per 200,000 hours worked)	0
RT-CH-320a.1	Fatality rate contractors	rate (per 200,000 hours worked)	0
RT-CH-320a.2	Description of efforts to assess, monitor and reduce exposure of employees and contract workers to long-term chronic health risks		See safety section.
Product design and chemical stewardship			
RT-CH-410a.1	Revenue from products designed for use-phase resource efficiency	currency	Not recorded
RT-CH-410b.1	Percentage of products that contain Globally Harmonised System of Classification and Labelling of Chemicals (GHS) Cat 1 and Cat 2 hazardous substances	percentage	70
RT-CH-410b.2	Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human / environmental impact	n/a	n/a
RT-CH-410c.1	Percentage of products by revenue that contain Genetically modified organisms (GMOs)	percentage	0
RT-CH-530a.1	Management of legal and regulatory environment	n/a	See product stewardship

Measure		Units	2022
Operational, safety, emergency preparedness and response			
RT-CH-540a.1	Process safety incidents counts (PSIC)	number	3
RT-CH-540a.1	Process safety incidents rate (PSIR)	rate (per 200,000 hours worked)	0.08
RT-CH-540a.1	Process safety incident severity rate (PSISR)	rate (per 200,000 hours worked)	n/a
RT-CH-540a.2	Number of transport incidents	number	0
Activity metric			
RT-CH-000.A	Methanol	tonnes	5,525,438
RT-CH-000.A	Methanol (equity share)	tonnes	4,042,304
RT-CH-000.A	Ammonia	tonnes	1,135,482
RT-CH-000.A	Ammonia (equity share)	tonnes	790,891
RT-CH-000.A	Urea Ammonium Nitrate	tonnes	790,276
RT-CH-000.A	Urea Ammonium Nitrate (equity share)	tonnes	790,276
RT-CH-000.A	Melamine	tonnes	16,959
RT-CH-000.A	Melamine (equity share)	tonnes	16,959

Notes:

Notes: scope 1 emissions figure includes the production facilities only.

Appendix B Indices

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TCFD recommendation

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Governance	
Disclose the organisation's governance around climate-related risks and opportunities.	
(a) Describe the board's oversight of climate-related risks and opportunities.	32
(b) Describe management's role in assessing and managing climate-related risks and opportunities	32
Strategy	
Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material.	
(a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	34
(b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	34, 39
(c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Not reported
Risk management	
Disclose how the organisation identifies, assesses, and manages climate-related risks.	
(a) Describe the organisation's processes for identifying and assessing climate-related risks.	33
(b) Describe the organisation's processes for managing climate-related risks	34, 39
(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	34, 35, 39
Metrics and targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	
(a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	103
(b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	103
(c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	49

Forward-looking statements

Certain statements made and information contained herein constitute “forward-looking information”. Such statements and information (together, “forward-looking statements”) relate to future events, including Proman’s future performance, business prospects or opportunities. Forward-looking statements include, but are not limited to, statements with respect to estimates of future production and emissions levels, new projects, initiatives or opportunities.

All statements other than statements of historical fact may be forward-looking statements. Statements concerning future low-carbon and green methanol production capacity may also be deemed to constitute forward-looking statements that are based on certain assumptions including that all project agreements will proceed. This also includes any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as “seeking”, “anticipate”, “driving”, “expect”, “develop”, “developing”, “forecast”, “continue” and similar expressions) are not statements of historical fact and may be “forward-looking statements”.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. No assurance can be given that these expectations and assumptions will prove to be correct and such forward-looking statements should not be relied upon.

These statements speak only as on the date of the information and Proman does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable laws. These forward-looking statements involve risks and uncertainties relating to, among other things, operational risks (including project development risks), productions costs, reliance on key personnel, health, safety and environmental issues, legal risks and regulatory changes, competition, geopolitical and financial risks.

Forward-looking statements are expressly qualified by this cautionary statement.

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