What does leadership look like?

2010 Responsible Care and Social Responsibility Report

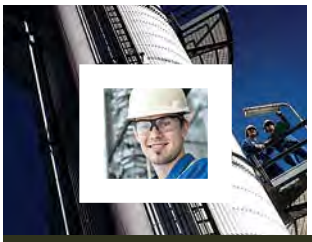
METHANEX

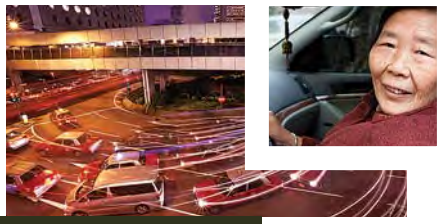
A Responsible Care® Company

Table of Contents

Methanex Corporation is the global leader in methanol supply, distribution and marketing. As a Responsible Care® company, we are committed to the safe, ethical and environmentally sound management of the chemicals we make and use according to Codes of Practice established by the Chemistry Industry Association of Canada. Wherever we do business, our stakeholders' well-being is a key priority.

www.methanex.com





At Methanex, leadership looks like this...

Leadership takes many forms: it may be an environmental initiative, like our wind farm in Chile, a global workplace program that results in zero employee recordable injuries or support for the sustainable development of the methanol fuels market in China. Our commitment to Responsible Care is an integral part of everything we do and is a key contributor to our leadership position in the methanol industry.

Message from the President

Methanex is proud to be the global leader in methanol supply, distribution and marketing. With this leadership comes a responsibility to our employees, customers, local communities, shareholders and industry partners around the world.

As a Responsible Care (RC) company, leadership at Methanex takes many forms. From a supply perspective, we look to maintain our top position in the industry by increasing our production capacity. The 2011 launch of our new facility in Egypt, coupled with the restart of our idled plant in Medicine Hat, Alberta, Canada, will add considerably to our methanol production capacity. At the same time, we are actively pursuing gas exploration activities in Chile and New Zealand to support production at our existing assets.

With the global demand for energy stronger than ever, 2010 saw another year of substantial growth for methanol for energy applications, such as methanol blended into gasoline and dimethyl ether (DME), particularly in China. We have assisted customers and industry associations to support the development of these markets through our significant product stewardship efforts around the world.

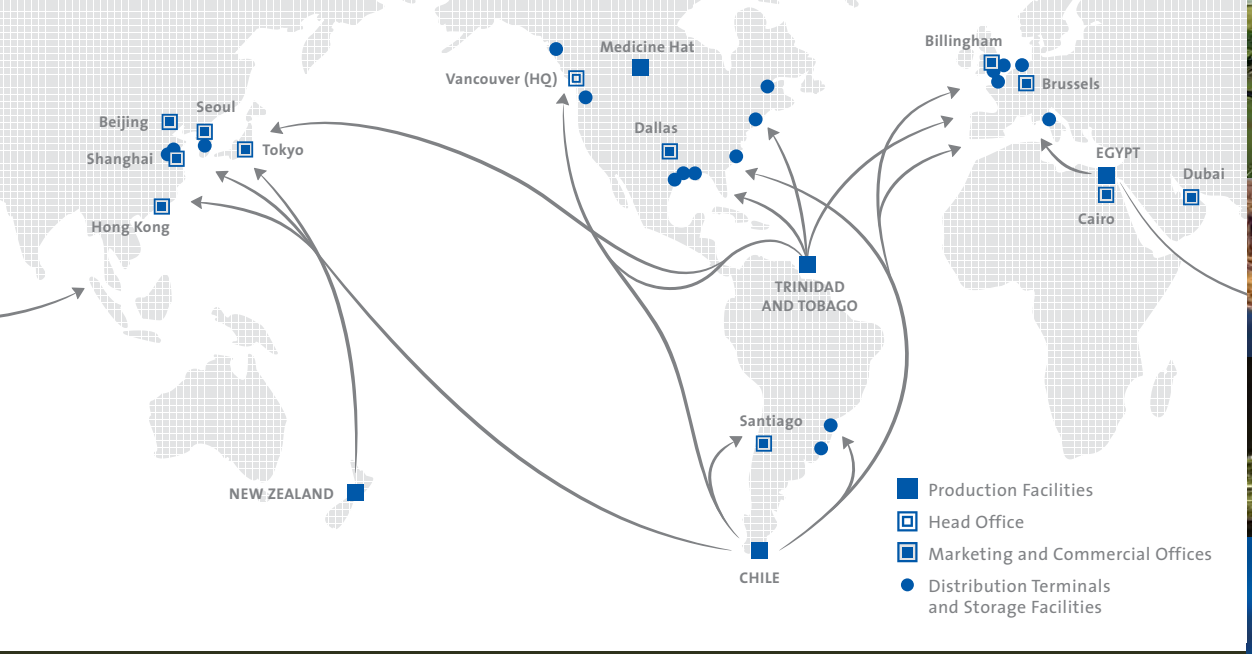
Looking back, 2010 stands out as one of Methanex's best years on record from an RC perspective. Our RC and Social Responsibility ethic is woven throughout the cultural fabric of our organization, and is an important contributor to our leadership position. We see this ethic in action throughout Methanex everyday, whether it is through our proactive initiatives to promote the safe handling of methanol, our efforts to share RC best practices in new areas around the globe, or our employees' volunteerism in local communities.

Our excellent employee safety performance, which resulted in zero recordable injuries for the first time in the company's history, tops the list of our 2010 RC accomplishments. We are working hard to replicate this success with our contractor workforces. Although we witnessed some improvement last year, there is still much work to do. Beyond our plant sites, we continue to collaborate closely with customers, industry associations and governments to educate and advocate for safety at all levels of the supply chain.

Leadership also drives our resolve to minimize our impact on the environment. We saw a number of positive accomplishments in this area last year, most notably zero significant environmental incidents at our plant sites, a record we have proudly maintained since 2007. We have upgraded the environmental infrastructure at our manufacturing plants, including Medicine Hat, and are committed to looking for ways to continuously reduce our emissions. For example, our new methanol facility in Egypt is among the most energy-efficient methanol plants in the world.

2010 marked yet another milestone for the company as our first industrial-scale wind energy park in the Region of Magallanes began generating energy for our plant in southern Chile. In addition to providing an alternative fuel source, this new non-conventional renewable energy promises to reduce carbon emissions in the region by more than 12,000 tonnes per year.

Last, but certainly not least, leadership is reflected in our employees themselves. This was exemplified after the devastating earthquake in Chile at the beginning of 2010 that impacted many of our Chilean employees and their families. This tragic event revealed how our global Methanex community comes together in the face of adversity,



with employees in every region banding together to raise funds for earthquake assistance.

So what does leadership at Methanex look like? In the following pages, you can learn more about the many ways leadership is manifested throughout the company. Looking ahead, our challenge is to maintain and improve upon these standards of excellence while also exploring new opportunities for growth. It's our obligation as a global leader, and our commitment to the environment and to the people with whom we live and work.

Bruce Aitken

President & Chief Executive Officer

Operations

Methanex Corporation is the world's largest supplier of methanol to major international markets in North America, Asia Pacific, Europe and Latin America. Methanol is an essential chemical building block that is used in countless industrial and consumer products. It has also emerged as a powerful alternative energy source, used in energy sector applications such as direct blending into transportation fuels and in the production of dimethyl ether (DME) and biodiesel.

Headquartered in Vancouver, Canada, Methanex has a global network of operating facilities. We currently operate methanol production sites in Chile, New Zealand and Trinidad and Tobago. Our newest facility in Egypt, scheduled for start-up in 2011, is expected to produce up to 1.3 million tonnes of methanol per year and will be among the most energy-efficient plants in the world. In addition, the planned restart in 2011 of our 470,000 tonne per year plant in Alberta, Canada will further expand our production capacity and ability to meet increased market demand.

Our regional marketing offices in Belgium, Chile, China, Korea, Japan, the United Arab Emirates, the United Kingdom and the United States ensure we are able to meet the needs of customers and our terminal and storage facilities around the globe.

Our operations are supported by the world's largest fleet of methanol ocean tankers, which are managed by Waterfront Shipping Limited, a wholly owned subsidiary of Methanex. These ships support an unparalleled global methanol supply chain that provides reliability and security of timely supply to customers.

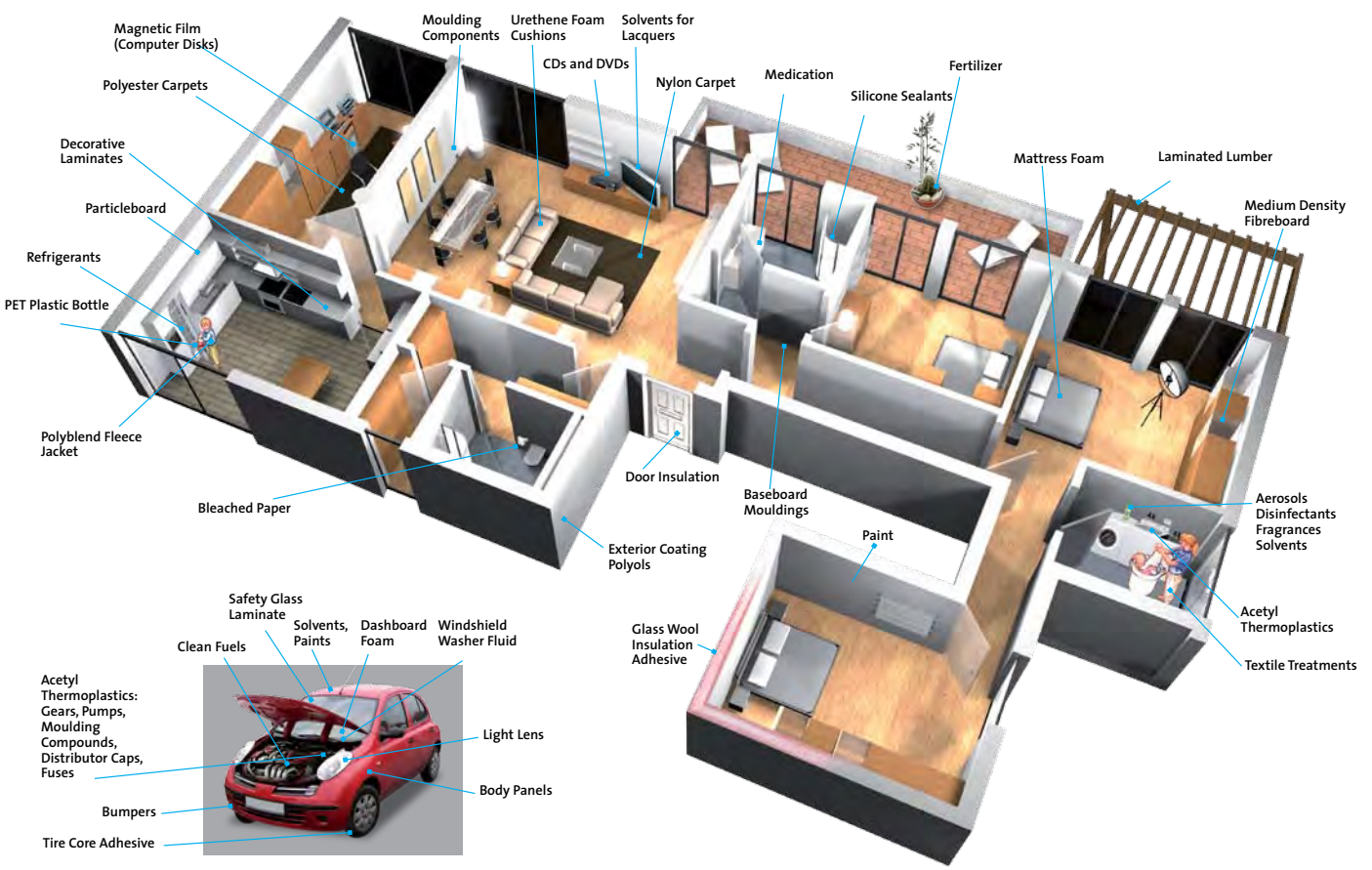
About Methanol

Methanol (CH_3OH) is a clear, colourless liquid petrochemical, also known as methyl alcohol or wood alcohol.

This clean-burning and biodegradable fuel is an essential building block for thousands of chemical components that are used in industrial applications and everyday home products. Methanol is also used significantly in the energy sector to power vehicles and to heat homes.

Methanol can be produced from a variety of sources, spanning conventional energy sources such as natural gas and coal, to renewable resources such as municipal waste, landfill gas and biomass.

Methanol in our lives, everyday, in countless ways

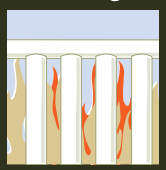


How is Methanol Made?

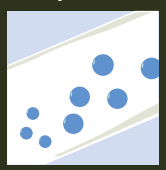
Methanol is comprised of four parts hydrogen, one part oxygen and one part carbon. Today, methanol is most commonly produced on an industrial scale using natural gas as the principal feedstock. Methanol is usually made by reforming natural gas with steam and then putting the resulting synthesized gas mixture through conversion and distillation processes to create pure methanol. The result is a clear liquid hydrocarbon that is water soluble and readily biodegradable.

Methanol Manufacturing is a Three-Stage Process:

Reforming



Compression & Conversion

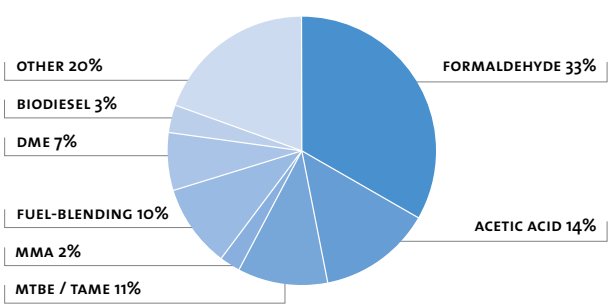


Distillation

Methanol Traditional Uses

Methanol has traditionally been used in the production of hundreds of industrial and consumer items. Methanex sells its product to many of the world's leading chemical manufacturers, who then turn methanol into other industrial chemicals such as formaldehyde and acetic acid. These, in turn, are used in a wide range of synthetic products, including plastics, paints, building materials, CDs and DVDs, and various health and pharmaceutical items. Municipal and private treatment facilities also use methanol as an agent for cleaning and eliminating harmful nitrates from wastewater.

2010 Global Application and Demand by Derivative



Source: Methanex

Methanol Energy Applications

With demand for energy greater than ever, methanol has emerged in recent years as a viable alternate energy and fuel source, with numerous applications and benefits. Approximately one-third of global methanol demand now goes into energy-related applications.

As a clean-burning fuel, methanol can be blended directly into gasoline to reduce emissions. For an in-depth look at how methanol is used as fuel in the transportation sector, see pages 6-7 of this report.

Another energy application for methanol is its use in the production of dimethyl ether (DME), a clean-burning fuel that is similar to propane. DME is increasingly used for cooking and heating in homes in developing countries. It is also a direct fuel replacement for diesel.

Methanol is also a key component in the production of biodiesel, a renewable fuel that can be blended with conventional diesel and used to power cars, trucks, buses and farm equipment.

The Future of Methanol: Powering Transportation

Finding new energy solutions to support an increasing population, a growing world economy and greater energy demand is a key global challenge. Methanol is a viable alternative fuel with numerous benefits that can provide fuel diversity and consumer choice.

Methanol Fuel Blending

Methanol-blended fuels are finding increasing acceptance as viable transportation fuel alternatives. The world today is almost totally dependent on crude oil to supply liquid transportation needs. As crude becomes more expensive and scarce, there is a need to develop alternatives. Alcohol fuels, such as methanol, are an alternative that can be more readily incorporated into existing infrastructure than other alternative fuels. Compared to refined oil products, methanol is more energy efficient and environmentally friendly, and it is cost competitive without the need for expensive fuel subsidies.

Methanol-blended fuel is made by blending gasoline or diesel with methanol. Although methanol has a lower energy content than gasoline on a volume basis, it has a higher octane rating, resulting in better efficiency, power and acceleration. In fact, a 2010 report entitled *The Future of Natural Gas* by the Massachusetts Institute of Technology states that methanol is "the liquid fuel that is most efficiently and inexpensively produced from natural gas." On a dollars-per-mile-driven basis, methanol is the most economic liquid fuel available today.

A Clean Energy Source

In addition to being less expensive to produce, methanol has a more benign impact on the environment than gasoline or diesel: it is biodegradable and water soluble, and when used in vehicles, emits considerably fewer toxic emissions compared to gasoline. Due to their high efficiency, engines designed to run on methanol can lower greenhouse gas emissions by up to 30 per cent compared to engines designed to run on gasoline. These emissions are also less reactive, reducing the release of oxides of nitrogen and other atmospheric pollutants that cause the formation of urban ozone and contribute to smog.

Blending methanol in gasoline also significantly reduces the emissions of other toxins such as benzene and xylene that are present in gasoline but not in methanol. Further, for the same amount of energy, methanol made from natural gas at a typical methanol production plant will produce six per cent less carbon dioxide compared to gasoline.

Similar to all other transportation fuels, methanol is a hazardous product. Like gasoline, methanol is toxic; however, unlike gasoline, it is more benign if released into the environment. Methanol requires safe handling procedures,

which is why Methanex takes product stewardship very seriously. With appropriate precautions in place, methanol blends can be used safely and easily. In fact, the 2010 Massachusetts Institute of Technology report also concluded that "there are no technical hurdles ... for large scale methanol deployment in the transportation sector."

Increased Efficiency

Methanol-blended fuels are increasingly being employed as direct replacements for gasoline or diesel. Engineering studies indicate that engines designed to operate on pure methanol can be 30 per cent more efficient than regular gasoline-fuelled vehicles. As a result, the production and use of flexible fuel vehicles – vehicles with fuel systems and engines designed to run on varying blends of unleaded gasoline, ethanol or methanol – is on the rise, particularly in developing countries such as China.

An Affordable and Plentiful Consumer Option

Methanol-blended fuels also hold promise as cost-effective energy alternatives. Because of the ease and minimal expense with which methanol can be blended into gasoline, methanol-blended fuels offer consumers a viable and attractive fuel option. North American estimates suggest that the incremental cost of producing a flexible fuel vehicle capable of running on gasoline, methanol or ethanol versus a standard vehicle capable of running on gasoline alone would average under US$300 per vehicle.

Methanol can be manufactured from natural gas, coal, any hydrocarbon biomass and mixed solid waste. Over time, therefore, methanol has the potential to be a significant alternative to help displace crude oil as a source of transportation fuel.

Leading the Way in China

China presently leads the world in the use of methanol as a transportation fuel. The growth of this market has been rapid in recent years, with methanol now representing more than five per cent of the total Chinese gasoline fuel pool. Statistics suggest that in 2010 alone China blended more than one billion gallons of methanol in its gasoline pool. In many parts of the country, taxis, cars and buses are already running on methanol-blended fuels, with numerous gas retailers offering them at their pumps. Given the rising popularity of these fuels, leading Chinese automakers are working to commercialize methanol-compatible vehicles within the next few years.

Product Stewardship

Product stewardship takes on increasing importance as the growth of methanol for energy applications brings methanol products closer to consumers around the world. To learn more about our efforts to ensure the safe handling of methanol in both traditional and energy applications, please see our marketplace section on page 32.

Governance

Sound corporate governance is the foundation of our long-term success and the sustainability of our operations. Our corporate governance policies ensure that we have strong management and clear direction for all of our business affairs.

Methanex's Responsible Care and Social Responsibility (RC/SR) policies and programs are based on the Chemistry Industry Association of Canada's (CIAC) RC Codes of Practice and Principles for Sustainability. As a signatory to the CIAC Principles for Sustainability, "*We dedicate ourselves, our technology and our business practices to sustainability – the betterment of society, the environment and the economy.*" Throughout this report, you will find many examples of sustainability in action at Methanex.

In mid-2010, CIAC released its new RC Codes of Practice, which build on the original Codes and reflect the increasing expectations of government, the public and member companies. By year-end, we reviewed the expectations outlined in the new RC Codes against the current practices in each of our regions, and we are now formulating plans to close any identified gaps.

Management and Direction

The company's Board of Directors and senior management team establish the direction for Methanex's RC/SR practices. The Board's Responsible Care Committee oversees RC program performance and issues at the policy level, while the Public Policy Committee provides particular focus on the company's SR program. The two committees consider ethics, accountability, governance, business relationships, products and services, community involvement and the protection of people and the environment. The Senior Vice President of Corporate Resources has overall responsibility for Methanex's RC/SR policies and programs, ensuring that they align with the Board's requirements and the company's business strategy. These programs are directed and managed by the director of Responsible Care and the director of Government & Public Affairs, who lead the Global Responsible Care Team and the Global Public Policy Team respectively.

Methanex's RC/SR program is managed through a 'Plan, Do, Check, Act' cycle, both corporate-wide through global teams and on a regional basis through local management. This management cycle evolves continually and supports the program's ongoing improvement.

Plan: We establish a strategy aligning company goals with CIAC RC Codes of Practice and Principles for Sustainability, and then develop detailed annual tactical plans and actions. These actions are assigned to individuals who are assessed on their successful completion. Following a strategic planning session in September 2010, an RC strategy and tactical plan for 2011 and 2012 has been developed. This was subsequently endorsed by the company's senior management and Board of Directors.

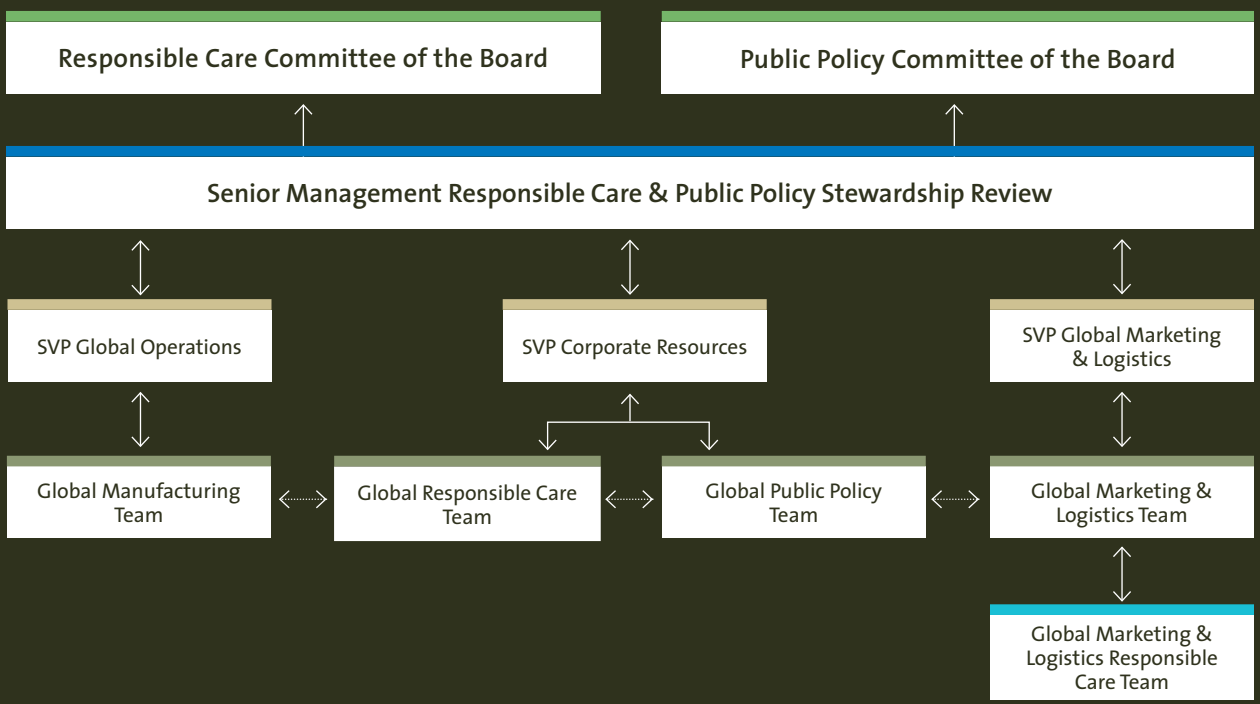
Do: Specific actions from the global and regional tactical plans are completed as assigned.

Check: Methanex's internal and third-party external audit and assessment programs evaluate the performance of the RC/SR management system both regionally and globally. The internal program includes ongoing, in-region self-audits as well as a global audit conducted by Methanex subject matter experts every three years. Third-party verification of the performance of Methanex's RC/SR program occurs every three years through the CIAC RC verification process. This is scheduled to occur in 2011 at Methanex, and will include the new RC Codes of Practice.

Act: Opportunities for improvement identified in the 'Check' stage of the cycle are developed into actions for immediate attention or for inclusion in the 'Plan' stage of the management cycle.

The overall 'Plan, Do, Check, Act' cycle is maintained by an internal reporting chain, through which the function manager reports to a member of senior management who then reports to the Board's Responsible Care and Public Policy committees (see governance chart on next page).

Responsible Care & Social Responsibility Governance Structure



Global Responsible Care Team: Members consist of senior RC representatives from Responsible Care, Operations, Marketing & Logistics, Risk Management and Government & Public Affairs. The members act as a collective resource on RC principles, practices and strategy.

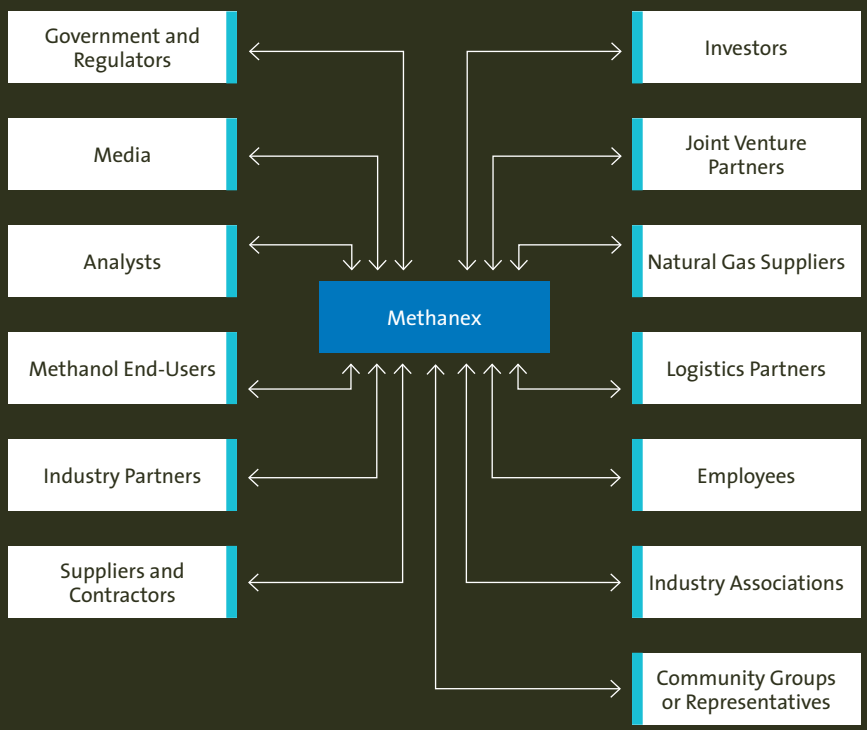
Global Manufacturing Team: Members include senior leadership from our manufacturing plants with senior leadership from Human Resources, Risk Management and Responsible Care participating periodically. The team's primary goal is to promote the world-class operation of Methanex's manufacturing plants and adherence to RC principles.

Global Public Policy Team: Members are drawn from senior regional Public Affairs leadership as well as from Government & Public Affairs, Responsible Care, Investor Relations and Marketing & Logistics. The team directs the evolution of Methanex's global SR and Public Affairs programs.

Global Marketing & Logistics Team: Members include senior leadership from each of the company's Marketing & Logistics regions. Primary responsibilities include delivering customer value, providing efficient logistics services and overseeing adherence to RC ethics, principles and environmental excellence in all of the company's Marketing & Logistics regions.

Global Marketing & Logistics Responsible Care Team: Members include RC practitioners from each Marketing & Logistics region as well as the corporate office. The team develops and manages the annual RC plan for Marketing & Logistics.

Stakeholders



Stakeholder Engagement

Our Approach

We strongly believe in the importance of engaging meaningfully and transparently with our many global stakeholders. As a leader in the methanol industry, we strive to model sustainable business practices that serve to better society, the environment and the economy. Being a good corporate citizen is also essential to achieving the Operational Excellence pillar of our corporate strategy.

Methanex is committed to the CIAC's Codes of Practice, which define expectations for a company's actions related to the principles of accountability, and to the public, who have the right to understand the risks and benefits of what we do.

Practice of this Code is intended to result in:

» the identification of all internal and external stakeholders;
» the effective flow of information to, and dialogue with, these stakeholders; and
» engaged stakeholders, resulting from their opportunity to provide input and feedback on company decisions and actions.

2010 Stakeholder Engagement Initiatives

Stakeholder engagement at Methanex takes many forms, including customer surveys, investor surveys, product stewardship outreach efforts, public policy engagement and community advisory panel relations.

In 2010, Methanex conducted a Reputation Audit with our global stakeholder groups. Building on the success of previous audits conducted in 2004 and 2006, the 2010 Reputation Audit considered stakeholder expectations and perceptions of Methanex, as well as stakeholders' issues of concern.

The audit included an electronic survey and telephone interviews across seven global regions (North America, Trinidad, Chile, New Zealand, Egypt, China and Europe). A broad range of stakeholders were surveyed, including joint venture partners, suppliers and contractors, investors and analysts, community groups and representatives, government and regulators, industry and trade associations, media and Methanex employees.

The audit report was completed at the end of 2010 and we are currently evaluating its recommendations. In 2011, we plan to address the specific issues identified in the report.

Regulatory and Legislative Efforts

As a multinational corporation, Methanex aims to build open lines of communication with governments, and we advocate to regulatory and legislative entities around the world. Increasingly, our advocacy efforts focus on promoting a broad and inclusive energy policy and legislation that would include methanol as a clean-burning alternative transportation fuel.

Our advocacy initiatives also focus on environmental and greenhouse gas policies, health and safety regulations, international trade and taxation issues. For example, Methanex continues to work with the US Environmental Protection Agency, directly and via trade associations, as the organization evaluates the carcinogenicity classification of methanol and formaldehyde as part of a standard review of chemicals under its Integrated Risk Information System. In 2010, we also worked closely with the Government of Alberta in Canada to ensure our compliance with greenhouse gas legislation as we prepare for the restart of our Medicine Hat plant.

In all of our government outreach activities, Methanex government relations professionals abide by Methanex's Code of Business Conduct. This includes ensuring that our government advocacy efforts respect the legal framework of the regions where we operate. In Canada, for example, we abide by the *Lobbyists Registration Act* and the *Lobbyists' Code of Conduct*.

Our advocacy efforts focus on promoting a broad and inclusive energy policy and legislation that would include methanol as a clean-burning alternative transportation fuel.

Code of Business Conduct

Methanex's Code of Business Conduct provides employees and directors with a set of standards that help avoid wrongdoing and promote honest and ethical behaviour while conducting company business. A confidential toll-free hotline is available to all employees to report any suspected code violations.

2010 Performance

As part of our commitment to Responsible Care and Social Responsibility (RC/SR), we report annually to the public about our activities in these areas. Methanex has published an annual RC Report since 1997 and a combined RC/SR Report since 2004.

The 2010 RC/SR report covers the period of January 1 to December 31, 2010, and focuses on our performance and impact in five key areas: environment, workplace, community, marketplace and economic performance.

Our reporting approach includes qualitative examples that highlight our activities in specific performance areas as well as quantitative measures called key performance indicators (KPIs). These KPIs measure the effectiveness of our policies, procedures and systems. They also recognize trends and help us identify issues that require further action.

Performance measurement, data collection and analysis are carried out following accepted global standards and best practices. Each region carries out quality checks before forwarding the data to our corporate office for compilation in this report. Corporate office employees also conduct quality checks to ensure the accuracy of the compiled figures.

ENVIRONMENT

Leadership looks like wind farms that provide alternative energy in Chile.

We're dedicated to protecting the environment by minimizing our use of natural resources and energy and reducing waste and harmful emissions. As part of our commitment to Responsible Care, we do more than simply comply with regulations — we follow best environmental practices in all aspects of methanol production and distribution. We promote this ethic with our customers, distributors, partners, employees and other stakeholders.

Strong Global Environmental Performance

Last year marked the fourth year in a row of zero non-compliance and zero environmental harm incidents for Methanex. This achievement results from our ongoing investments in environmental infrastructure and management systems, as well as our commitment to applying world-class environmental standards to all of our global operations – from our manufacturing plants to our terminals and ships.

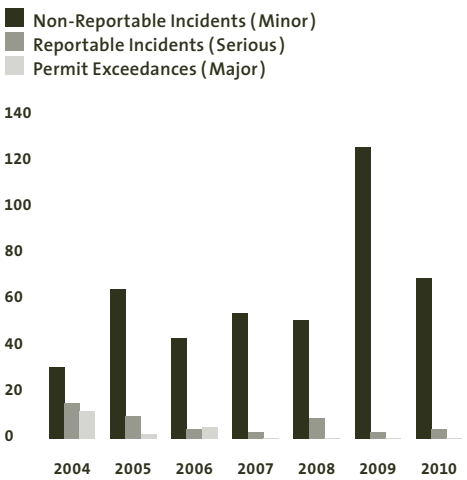
In Medicine Hat, Canada, for example, we are currently restarting a plant that was shut down in 2001 due to prevailing market conditions. As part of the restart project, we are investing in infrastructure and environmental upgrades that go well beyond current legislative requirements. To learn more about these efforts, please see the story on page 18.

In Chile, we completed a number of environmental upgrades in 2010 including the use of check ponds to capture effluent for testing prior to release. A second upgrade project in Chile was also completed that allows us to recycle a portion of our seawater effluent.

Our First Renewable Energy Project

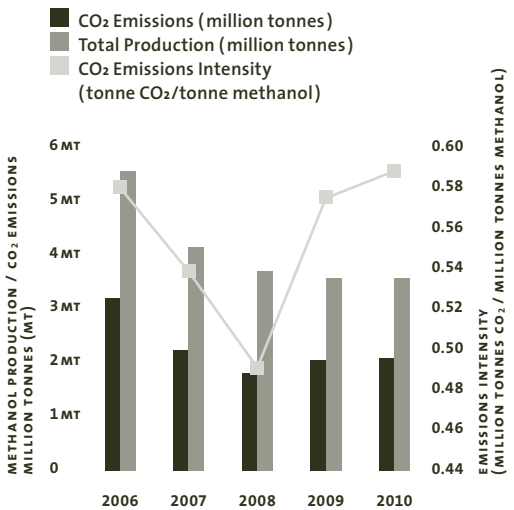
In 2010, we completed the construction of a wind park in Magallanes, Chile, with a generation capacity of 2.55 megawatts. The first industrial-scale wind energy park in the area, this project demonstrates the viability of wind power as an alternative energy source and is expected to reduce carbon emissions in the region by more than 12,000 tonnes per year. The wind park also reduces our dependency on natural gas to generate electricity at our production facility: during its first month of operation, the wind park generated seven per cent of the energy used at our plant site. For more information about the wind farm in Chile, please see the story on page 18.

Environmental Incidents



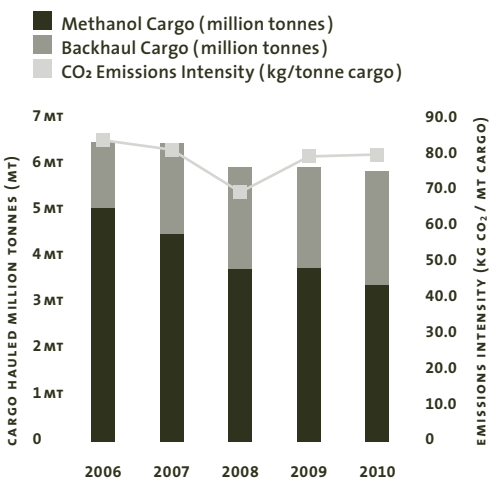
There were no major environmental incidents in 2010. The reportable incidents consisted of three instances of loss of non-ozone depleting refrigerant. A reduced number of minor incidents were reported in 2010 compared to 2009 due to lower plant turnaround activity.

CO_2 Emissions vs. Methanol Production



Though our production and asset base were very similar in 2009, our overall emission intensity rate was slightly higher in 2010 due to aging catalysts at our plants, an increase in plant outages and higher CO_2 levels in our fuels.

Waterfront Shipping CO_2 Emissions



Emissions data includes bunkers consumed on our time-chartered vessels and excludes Methanex vessels while out on time charter to third parties.

Greenhouse Gas Management Efforts

Managing carbon dioxide emissions has always been a significant and challenging part of the methanol production process. We aim to minimize emissions from our operations, knowing that this benefits both the environment and our business.

Methanex has manufacturing facilities in New Zealand and Alberta, Canada, where legislation aimed at reducing greenhouse gas (GHG) emissions is now in force. We also voluntarily participate in efforts to reduce GHG emissions in countries where we do not have legislated obligations to do so.

Between 1994 and 2010, we reduced the CO_2 emission intensity of our manufacturing operations by 33 per cent through asset turnover, improved plant reliability and energy efficiency and emissions management. Because our overall CO_2 emission intensity depends on the efficiency of each methanol facility, it may vary from year to year depending on the asset mix we have in operation.

For example, when our Egypt plant swings into full production in 2011, it is expected to be one of the most energy-efficient methanol plants in the world. This will help us reduce our overall emissions intensity. On the other hand, the plant we are restarting in Medicine Hat, Canada is older and will initially increase our overall emissions intensity. However, the historic high reliability rate of this facility, coupled with the energy improvements that we are investigating, may minimize this increase.

In 2010, we emitted 2,079,000 metric tonnes of CO_2 directly from the methanol production process, compared to 2,032,600 metric tonnes in 2009. The emission intensity rate was 0.59 metric tonnes of CO_2 per metric tonne of methanol produced, which represents a slight increase over the 2009 emission intensity rate of 0.57 (see the adjacent CO_2 Emissions vs. Methanol Production chart). This increase in emission intensity resulted from aging

Our new plant in Egypt will be among the most energy-efficient methanol production facilities in the world.

catalyst and unplanned outages at two of our plants. Methanex's best emissions intensity rate was recorded in 2008 due to a higher proportion of production from our most efficient prodution facilities. Our emission intensity rate is expected to decrease in 2011 with the start of our Egypt facility.

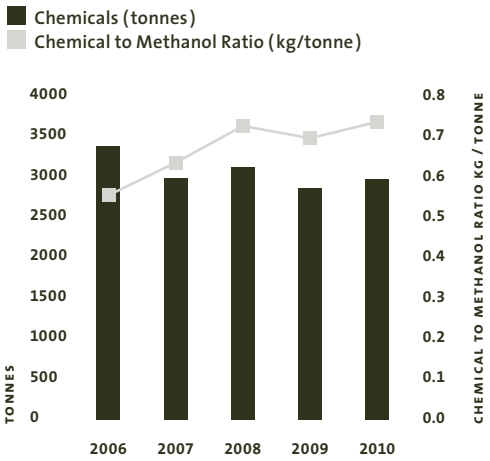
Our Waterfront Shipping marine operations also generate CO_2 emissions. We measure the fuel consumption of our ocean vessels based on the volume of product they transport. Between 2002 and 2010, we reduced our CO_2 emissions intensity (tonnes of CO_2 produced from fuel burned per tonne of product moved) from marine operations by 17 per cent (see the Waterfront Shipping CO_2 Emissions graph on page 16). We also actively support global industry efforts to voluntarily reduce both energy consumption and CO_2 emissions.

These and other initiatives reflect our corporate-wide focus on managing emissions. Our GHG Management Policy formalizes our commitment to manage all aspects of emissions, and its associated GHG Management Program supports our global effort to manage emissions by capitalizing on opportunities and mitigating risks related to regional and international climate change policies and regulations.

Some elements of our GHG Management Program include:

» evaluating all new investments in terms of carbon utilization and GHG emissions;
» operating our facilities and shipping networks to improve reliability and utilization performance;
» evaluating energy-efficiency improvement opportunities, practical renewable energy sources and new technology, and adopting these if they are economically feasible to reduce GHG emissions; and
» maintaining records of energy consumption and GHG emissions.

Global Chemical Consumption



Data shows the consumption of chemicals used for pH control and for water treatment in the methanol production process. 2006 and 2007 results have been adjusted based on new engineering estimates.

Other Environmental Performance Measures

		2006	2007	2008	2009	2010
Total energy use (excluding electricity)	**GJ**	235,251,100	174,886,469	158,239,191	151,885,462	153,692,088
Total electricity use	**MWHr**	241,008	210,751	154,684	170,259	186,568
Electricity self-generated – non-renewable	**%**	63%	57.60%	41.64%	36.44%	36.30%
Electricity self-generated – renewable	**%**	0%	0.00%	0.00%	0.00%	0.49%
Electricity purchased – non-renewable	**%**	32%	37.00%	49.24%	47.32%	44.39%
Electricity purchased – renewable	**%**	5%	5.40%	9.12%	16.24%	18.82%
Total freshwater consumed	**m^3**	5,511,010	4,448,292	3,402,579	5,630,082	5,992,468
Ozone-depleting substance emissions	**kg**	0	0	0	0	0
Impact on protected areas (World Heritage sites, etc.)		none	none	none	none	none
Magnitude and nature of penalties for non-compliance (environment, safety)	**USD**	none	none	none	none	none

What Others Say

"You've started off on the right foot by sending regular information updates to the community and meeting with residents at a public open house. I wasn't living in Medicine Hat when the plant was running previously, and I didn't know what kind of company you were. But now I feel good about my dealings with you. You've been upfront about potential noise and air pollution issues, and I feel you are making efforts to promptly address my concerns. I trust that you will be accountable to the commitments you have made."

Robert Tudor
Medicine Hat resident

Mr. Tudor lives adjacent to our plant site in Medicine Hat, Alberta and has been in discussions with Methanex regarding his concerns about emissions and noise during the plant's restart and operational phase. Methanex is working with Mr. Tudor and other local residents to address concerns now and in the years ahead.

Polyethylene liners under water supply pools and storage tanks will improve environmental performance at our Medicine Hat plant.

Regional Highlights

Environmental Upgrades Boost Medicine Hat Restart

In late 2010, Methanex announced plans to resume production at its idled methanol plant in Medicine Hat, Alberta, Canada. Site preparation work and environmental improvements are well under way, with the plant restart scheduled for 2011.

Originally built in the 1980s and shut down in 2001 due to market conditions, the 470,000 tonne methanol facility presents an exciting opportunity for the region. In addition to a substantial capital investment in the local area – approximately US$40 million – the plant will employ 85 highly skilled workers and create numerous indirect jobs.

Environmental upgrades are a key part of the plant's restart activities to most effectively safeguard people and the environment. As an RC company, Methanex views environmental regulatory compliance as but a minimum standard to strive for. We are completing a US$5 million environmental improvement program for the plant.

During the plant's start-up preparation, we conducted an airshed modelling study to confirm that the facility would not adversely impact air quality. We also installed a new vapour recovery system at the plant's storage tanks and loading docks, which will reduce by more than 95 per cent the methanol vapour loss that can occur during product transfer.

A number of other upgrades will further improve the plant's environmental performance, most notably around water conservation and the prevention of groundwater contamination. Polyethylene liners have been installed underneath all nine of the plant's storage tanks as well as in the raw water supply pond; two new wastewater ponds and a secondary containment structure in the loading area will also help prevent any potential spills. These additions reflect some of the most advanced safety solutions on the market and go beyond current legislative requirements.

Once the plant is operational, Methanex will continue to monitor its environmental performance to ensure and further enhance best practices.

A New Source of Clean Energy in Chile

Completion in 2010 of Methanex Chile's first industrial wind energy park *Parque Eólico Cabo Negro* (Cabo Negro Wind Energy Park) in the Region of Magallanes marked the end of a remarkable 15-month construction process and the start of an exciting new energy future for the company.

More than 100 community members joined Ricardo Raineri, Chile's Minister of Energy; Liliana Kusanovic, Regional Intendent of Magallanes; and Bruce Aitken, Methanex President and Chief Executive Officer, in November 2010 to formally commission the project.

During the park's first month of operation in December 2010, seven per cent of the energy used at the Cabo Negro site was provided from this new non-conventional renewable energy source. Further, the turbines were able to use 60 per cent of the energy available, considered within the highest

levels of utilization in the industry worldwide. The wind energy park has a generation capacity of 2.55 MW.

Chilean President Sebastián Piñera has shown great interest in the wind park, personally visiting the site during the building process. In 2010, the project received the government's Bicentennial Seal, an honour reserved for the country's most important public initiatives. Approval is now pending for *Parque Eólico Cabo Negro* to be formally recognized by the United Nations as a Clean Development Mechanism under the Kyoto Protocol. It is estimated that the wind park's contributions will reduce regional carbon emissions by as much as 12,129 tonnes per year.

Now that Methanex has successfully introduced non-conventional renewable energy to the region, we hope it will encourage other companies to pursue similar initiatives. In addition, regional regulatory policies are presently under review, which could lead to the integration of wind farm energy into the City of Punta Arena's energy grid. This would contribute to the desired diversification of the region's energy mix.

Supporting Sustainable Gas Exploration in Chile

Developing new gas reserves in the Region of Magallanes for residents and industry has become a key objective for the government, community and industry as a whole. Methanex Chile alone has invested significantly in regional gas exploration activities and non-conventional sources of energy, such as wind power.

In 2010, the Government of Chile announced that additional areas in the Region of Magallanes would be made available for exploration in 2011, further fuelling the recent growth in hydrocarbon exploration and development.

To ensure that all projects comply with Chilean environmental regulations and that gas exploration can continue at an accelerated pace, a special Guideline for Hydrocarbon Activities is being developed by a consortium of stakeholders. Participants include multinational companies such as Methanex and GeoPark; Empresa Nacional del Petróleo, Chile's national petroleum company; environmental organizations; and Chile's Ministries of Energy, Health and Agriculture, among others. Methanex is one of the key project drivers, leading industry efforts to develop a comprehensive document that outlines criteria for environmental evaluation, best practices and other information pertaining to environmental law and permit requirements.

As part of the Guideline development process, in September 2010 Methanex and other participating companies organized a workshop and visit to gas exploration drilling facilities in Punta Arenas for 100 representatives from Chile's environmental agencies. The objective was to educate environmental professionals about current industry processes so that they are better informed when drafting environmental policy.

The document, which will be published in 2011, is expected to improve and strengthen the sustainable development of gas exploration in Chile. This important project reaffirms Methanex's alignment with public policy and responsible energy development in the region.

National and regional government representatives join Methanex officials at the inauguration ceremony of the Cabo Negro Wind Energy Park in Chile.

Representatives from Chilean environmental agencies attend a workshop organized by the oil and gas industry.

A visit to gas wells in Punta Arenas was part of the process in developing new environmental guidelines for gas exploration in Chile.

WORKPLACE

Leadership looks like zero recordable injuries to employees.

When it comes to a safe and healthy workplace, there can be no compromises. That's why we do everything we can to create and maintain a safe work environment for our employees and contractors. We're also dedicated to fostering a corporate culture that attracts and retains talented employees by focusing on continuous improvement, teamwork, ongoing learning and recognizing success.

Health and safety

We consider employees and contractors as equals when managing risks in the workplace. We firmly believe that all work-related injuries and illnesses are avoidable, and it is on this basis that we design and manage our health and safety programs.

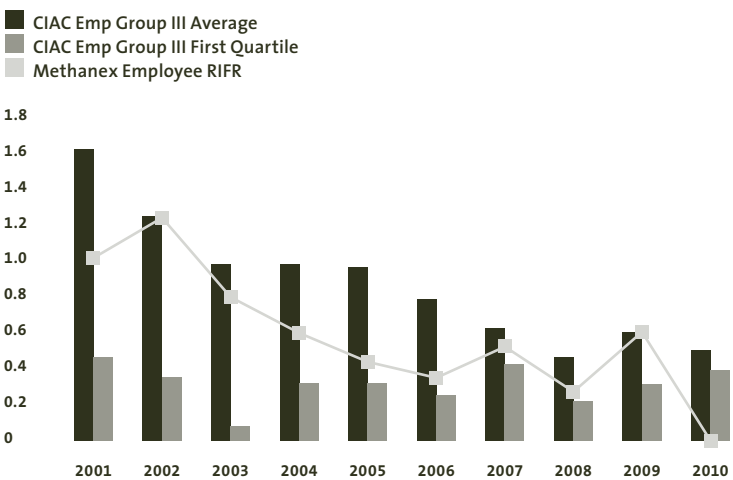
Quantitative health and safety data is measured, gathered and reviewed following internal requirements, which are based on accepted external standards and industry best practices. The internal standard for classification of injuries follows the United States Department of Labor's Occupational Safety and Health Administration (OSHA) – Bureau of Labor Statistics requirement. Data quality is monitored by regional RC leaders, regional managers and the RC department at corporate head office. Data is gathered in a global database, from which data is extracted and reported to regional management, the company's Executive Leadership Team and the Board's Responsible Care Committee.

Methanex achieved strong RC performance in 2010, particularly in the area of employee health and safety. We benchmark our global employee and contractor safety performance against the Chemistry Industry Association of Canada (CIAC) top companies and set internal targets tied to employee compensation, which drive continual improvement. For the first time in our history, we achieved a year with zero recordable injuries to employees. This continues a decade-long trend of improved employee health and safety performance and is a marked improvement over 2009 (see the employee recordable injury frequency rate graph below. Along with this global milestone, our Trinidad location celebrated

A mechanical technician at Methanex New Zealand checks equipment for safety at our Motunui plant.

Efforts are ongoing to ensure workplace safety at our Medicine Hat plant.

Employee Recordable Injury Frequency Rate (RIFR) Comparison

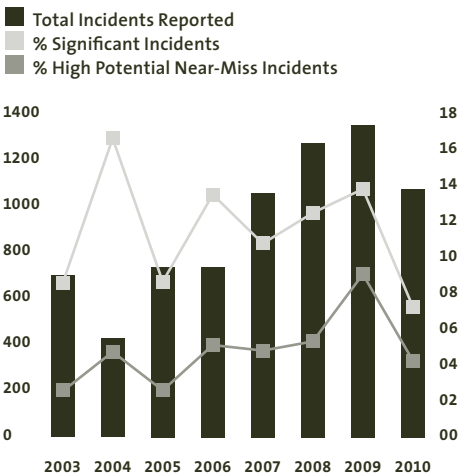


Continuing our long-term trend of improvement in employee safety, in 2010, for the first time in the company's history, we experienced zero recordable injuries.

The recordable injury frequency rate (RIFR) is the number of recordable injuries per 200,000 hours worked. Recordable injuries are incidents that require medical attention or that result in restricted work or lost time. SHARE (Safety and Health Analysis, Recognition and Exchange) is a database compiled by the Chemistry Industry Association of Canada (CIAC). Methanex benchmarks against the average and first quartile Group III member companies of the CIAC whose employees collectively work more than one million hours per year.

2009 marked a five-year trend of increasing rates of significant incidents and near-miss incidents. Actions taken to address this issue resulted in a step-change improvement in 2010 performance. This was achieved while maintaining a healthy level of total number of incidents reported.

Incident Severity Ratio



Describes the ratio of significant and near-miss incidents with high potential for loss being reported as compared to the total incidents reported. An increasing ratio number would indicate increasing job risk, while a decreasing ratio number would indicate decreasing job risk.

The 2010 contractor RIFR was driven by four injuries: one resulting in time away from work to recover and one resulting in the person returning to work immediately but on a restricted work regime. The remaining two injuries required minor medical aid, with immediate return to normal work duties.

For a definition of the recordable injury frequency rate, see graph on page 21. CIAC contractor data not available prior to 2004.

a full year with no lost-time injuries to employees or contractors for the first time in its history. We are very proud of these accomplishments, and we aim to maintain this level of performance into the future.

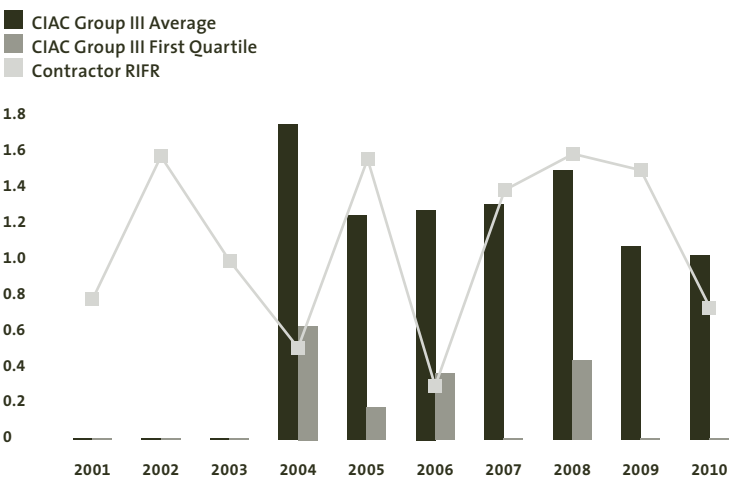
We have been concerned about the lack of improvement in the health and safety performance of our global contractor workforce. As discussed in our 2009 report, two contractors died at our Egypt construction site in early 2010. We completed a thorough investigation of this tragic event and shared our findings both internally and externally to ensure that this type of incident will not take place again. Despite this significant event, the EMethanex construction project demonstrated good safety performance in 2010, with a recordable injury frequency rate (RIFR) of 0.10 and a total of 11 recordable injuries during 23 million hours worked on the project.

Our efforts to improve the safety performance of our contractors in 2010 built on the work we did in 2009 as part of our Contractor Responsible Care Improvement Plan. This past year, we reviewed our in-region contractor programs and our internal subject matter experts conducted a detailed audit. These efforts are starting to achieve results as measured by the contractor recordable injury frequency rate (see graph below). We are now implementing the final stage of the Improvement Plan by creating a global contractor RC management standard.

Two additional initiatives will also help us ensure ongoing improvements in safety across the organization. First, we are implementing the successful Human Factors program piloted in New Zealand in 2009 at our other manufacturing locations. Second, we now track and analyze both leading and trailing indicators (rather than trailing key performance indicators only), so that we can more effectively manage issues before they result in losses. Leading indicators are activities that we objectively measure to predict future performance. Trailing indicators are measurements of the results of these activities, such as the RIFR data in this report.

Our health and safety programs and policies are guiding our work as we restart our idled methanol plant in Medicine Hat, Canada with production targeted for mid-2011. The restart project requires maintaining existing equipment, installing new equipment and upgrading the environmental protection systems to state-of-the-art standards. Throughout the restart project, we have

Contractor Recordable Injury Frequency Rate (RIFR) Comparison



diligently applied risk management processes to the same high standard that exists for new construction projects and the normal running of our methanol plants. Worker health and safety performance has been good to date with three recordable injuries of minor severity. We are also updating our historical plant RC management systems with our current processes, helping to ensure the safe operation of the plant once it comes on line.

Employee Practices

We strive to make Methanex a diverse and rewarding place to work for our employees. Knowing that the competition for top employees is increasing, we incorporate best practices to attract and retain outstanding employees. This was of particular importance over the past year, as we increased our global workforce by more than 10 per cent, mainly to support the completion and operation of our Egypt plant and the restart of our Medicine Hat plant in 2011.

Developing Internal Talent

Staff development is a priority and each employee has a personal development plan. Whenever possible, we provide employees with on-the-job work experiences, which often include travel to other locations. In 2010, 40 employees went on assignments out of their home country to broaden their skill sets, build their cultural awareness and share their knowledge with colleagues.

We identify employees with leadership potential based on their aspirations, engagement and ability, and we support them in their leadership development to build a pool of internal talent. As a result of this practice, all current eight members of our Executive Leadership Team were promoted from within, as was a majority of the 39 members of our Global Leadership Council, a group of functional specialists and site leaders who contribute their expertise to the development of our global strategy, policies and programs.

Gender Diversity

In late 2010, on our corporate intranet "Ask the CEO" page, an employee commented on the gender imbalance on Methanex's leadership team and in managerial positions. As the accompanying tables on this page show, women are underrepresented in our leadership ranks: women make up just over one-quarter of our global workforce, yet occupy under 10 per cent of our professional or supervisory positions and only two per cent of our managerial positions.

We continue to invest in leadership and management development training for both male and female employees in all regions to ensure that we have a deep pool of excellent candidates to become our future leaders.

Today, our Global Leadership Council includes three women who were all promoted into their positions, and two of the nine members of our Board of Directors are women.

Balancing Global and Local Cultures

Each of our global operations has its own distinct culture while sharing in the broader culture of Methanex. We accomplish this through a consultative approach to global policies, and leave the specifics of implementation to each region.

Length of Employee Service

2008	2009	**2010**	
17%	14%	**17%**	< 1 year
32%	38%	**39%**	1–5 years*
22%	19%	**16%**	6–10 years
10%	12%	**11%**	11–15 years
11%	6%	**6%**	16–20 years
8%	11%	**11%**	21+ years

Employees' average length of service is eight years.
*Increase in our 1–5 year hires reflects growth in our Egypt project.

Employee Generations

2008	2009	**2010**	
9%	12%	**15%**	Millennial (1981 or after)
49%	51%	**49%**	Generation X (1966–1980)
41%	36%	**35%**	Boomers (1946–1965)
1%	1%	**1%**	Mature (1945 or prior)

Employee Gender

2008	2009	**2010**	
72%	73%	**73%**	Male
28%	27%	**27%**	Female

Females by Responsibility

2008	2009	**2010**	
15%	15%	**16%**	Non-Managerial
9%	9%	**8%**	Professional or Supervisory
3%	3%	**2%**	Managerial
1%	1%	**0%**	Senior Leadership

Employees by Region

2008	2009	**2010**	
22%	22%	20%	Trinidad and Tobago
25%	20%	19%	Chile
15%	15%	15%	New Zealand
9%	14%	15%	Egypt
14%	14%	13%	Vancouver
4%	4%	8%	Kitimat/Medicine Hat
4%	4%	4%	Asia Pacific
4%	4%	3%	United States
3%	3%	3%	Europe & Dubai

Belgian and Egyptian colleagues at Methanex Brussels' office are finding innovative ways to learn about each other's cultures.

Our preference is for in-country nationals to lead each region. For example, EMethanex's CEO is an in-country national. Over the past three years, we have worked to integrate the Egyptian organization through cross-regional training to embed operational expertise and share resources.

On the flip side, many regions working to support our Egypt project have made developing an understanding of Egyptian culture an integral part of their efforts. For more information, see the *Embracing Cultural Diversity in Belgium* story below.

Regional Highlights

Embracing Cultural Diversity in Belgium

As a global company, Methanex is shaped by different cultures and the many places our employees live and work. We operate as a team, and employees are often called upon to collaborate with counterparts in other regions to achieve our goals. Building trust and having respect for each other's cultural differences are core company values.

When Methanex's team in Belgium learned it would be overseeing the distribution of methanol produced by our new production facility in Egypt, developing an understanding of Egyptian culture became an integral part of the project. Belgian employees were eager to learn more about the country – its politics, history, traditions and cultural 'do's and don'ts.'

Employees decided to take on learning about Egypt as a collective, fun effort. Teams were formed and charged with different tasks, such as sharing personal experiences about the country, setting up an Egypt-focused internal library and adding Egyptian decorative touches to the office. Staff also took turns researching unique facts and stories about the country, which were relayed through daily emails and spot quizzes.

Belgian employees now have a deeper appreciation for their Egyptian counterparts' needs and will be better positioned to forge strong working relationships. This initiative also marks the first phase of a global cultural awareness program designed to further build employees' appreciation of each other's cultural diversity.

Investing in Tomorrow's Talent

Creating learning opportunities for future employees in the chemical and petrochemical industries is not only smart business, it's also good for local economies and the industry as a whole.

Methanex New Zealand and seven local industry members of the Petroleum Skills Association of New Zealand (PSANZ) recently collaborated on a pilot training program designed to encourage and prepare people for a career in operations. The initiative was originally spurred by the New Zealand Department of Labour's "Make, Fix, Buy" action plan, a response to a 2007 nationwide study that identified a future shortfall of skilled workers in operations and other engineering specialties in the country's oil, gas and petrochemical industries.

After months of extensive planning, the Certificate in Process Operations (Oil & Gas) pilot program was launched at the Western Institute of Technology at Taranaki in April 2010. The 34-week program provides students with both

theoretical knowledge and practical experience at participating companies' work sites. Methanex and its other program partners also set up student scholarships to cover the program costs regardless of students' financial situation.

In July 2010, Methanex welcomed the first group of students to Motunui for their seven-week field experience. Site employees gave students critical hands-on experience and exposure to high-pressure steam and large turbines, which is fundamental knowledge for any operator and available only at one other participating industrial site in the region.

In addition to helping the industry address future skill shortages, the program has enabled Methanex to provide employment and education opportunities to the industry as a whole. It also bodes well for the future of Methanex New Zealand's Operations Department: at the end of 2010, Methanex hired one of the program graduates, who happened to be the 2009 Methanex scholarship recipient, as its new Trainee Field Operator.

Field Operator Ken Paul (left) observes Field Operator trainee Rob Bennington-Smith (right) sampling water at the Motunui plant in New Zealand.

Wellness at Work in Trinidad

Helping our employees achieve and maintain a healthy work/life balance is an important aspect of Methanex's corporate culture. The belief is that by encouraging employees to adopt a holistic approach, they can optimize their potential and maintain a healthy lifestyle.

In 2010, Methanex Trinidad used this philosophy as inspiration for 'Wellness Works," an innovative new employee program that brings multiple facets of wellness directly on site. Created by a cross-functional team of employees with infrastructure support from the Maintenance Department, the program embraces six elements of wellness: physical, environmental, intellectual, emotional, spiritual and social. It also builds on employee feedback and initiatives already available, such as an annual medical examination, the Employee Assistance Program and the local Methanex social club.

The centerpiece of the program is undoubtedly the new on-site Wellness Centre, which opened its doors in April 2010. The facility boasts a wide range of activities and services, from a state-of-the-art gym and aerobics/yoga area to an employee lounge and neighbouring football field. Employees can attend free afternoon exercise classes with qualified instructors, consult with a nutritionist or doctor, or simply relax with colleagues in a pleasant setting.

The success of Wellness Works continues to be reflected in employees' enthusiasm about the program and the constant buzz at the Wellness Centre. By making wellness a convenient and attractive option, Methanex Trinidad employees have easily integrated healthy habits such as regular physical exercise, relaxation and a balanced diet into their daily lives.

Methanex Trinidad's new on-site Wellness Centre helps employees achieve a healthy work/life balance.

COMMUNITY

Leadership looks like programs that build healthy and resilient communities.

We strive to be a positive corporate citizen by creating and supporting programs that contribute to the sustainable well-being of the communities where we operate. We also promote opportunities for dialogue and communication so that we can respond appropriately to each local community's concerns and needs.

Meaningful Engagement at the Community Level

Our Responsible Care and Social Responsibility (RC/SR) policies define our goals and actions in support of:

- building open, honest, proactive relationships in the communities where we have a significant presence;
- being accountable and responsive to the public;
- maintaining effective processes to identify and respond to community concerns; and
- informing the community of any risks associated with our operations.

Creating Open Channels for Dialogue through CAPs

We communicate with members of local communities in a variety of ways. Our local Community Advisory Panels (CAPs), which are established at all of our manufacturing locations, play an integral role in facilitating communication between our organization and fence-line communities. CAPs are made up of a cross-section of independent community representatives, and they provide an effective forum for us to communicate frankly about issues of concern to both Methanex and our neighbours.

In Chile, our CAP welcomed several new members in 2010, including representatives from a local non-governmental organization and a government youth organization. Over the year, we shared information with CAP members on our operations and challenges, and CAP members informed us about their respective areas of responsibility and various community issues.

Our CAP meetings in Trinidad in 2010 provided an opportunity to update the community about our business activities, RC performance and community activities. Methanex Trinidad and the CAP co-hosted two community development workshops in 2010 to provide certified First Aid/CPR training for adults.

In late 2010 in Medicine Hat, Canada, where we have been working to restart our idled methanol plant, we held discussions with local community members, neighbours, and local and provincial government officials and regulators. We also held two public open houses to share more information with the community about our planned activities and respond to any concerns. When we operated the plant, prior to its shutdown in 2001, the Medicine Hat CAP was an important forum for open discussion of issues affecting both the company and our neighbours. Methanex looks forward to re-establishing this important community dialogue channel once the plant is up and running.

What Others Say

"Ka kite atu au, ki te tau e eke mai ana,
I roto I te rongopai me te whakaaropai
ki aa maua, te Hapu
Ngati Rahiri me Methanex I haere I
runga I te whakaaro kotahi.
Mai ra no, I pena ai, inaianei, he orite tonu."

"My attention focuses on the year unfolding, with peace and goodwill towards each other.
Ngati Rahiri and Methanex, in unity and respect we achieve.
Since the beginning, and now, we have been working exceptionally well together."

Tony Waru

Mr. Waru is the Kaumatua (respected elder) of the Ngati Rahiri. Ngati Rahiri is a Taranaki hapu (Maori sub-tribe) with historical, spiritual and cultural ties to the land upon which Methanex's Motunui plant site resides.

Tony Waru (far left) conducts a blessing at Methanex New Zealand's Motunui site.

As part of its community outreach, Methanex Trinidad provides support for facilities like the Early Childhood Development Centre in Couva.

Spending by SR Focus Area

2008	2009	**2010**	
31%	41%	57%	Partnering with employees
42%	34%	24%	Education
14%	8%	5%	Responsible Care community outreach
13%	17%	14%	Other

Note: We take both a qualitative and a quantitative approach to evaluating the success of our community investment initiatives. In 2010, we measured the number of organizations and individuals that have benefited from our programs.

Who Benefits: Individuals

2008	2009	**2010**	
24	32	28	Scholarships
35	37	56	Internships
59	69	84	**Total individuals**

Who Benefits: Organizations by SR Focus Area

2008	2009	**2010**	
60	60	33	Partnering with employees
57	43	72	Responsible Care community outreach
36	36	40	Education
78	75	66	Other
231	214	211	**Total organizations**

Other Community Outreach Efforts

In addition to reaching out to communities through our CAPs, we also engage and inform community members in other ways. In the UK, where we manage a methanol pipeline, we hold multiple seminars and workshops each year that bring together all stakeholders to review emergency procedures and other issues.

In Chile, the Regional Energy Efficiency table, which was re-established in Punta Arenas this past year, enables us to participate in another important local forum for community dialogue in that country.

In New Zealand, we hosted a Family & Friends Day and invited local neighbours, community members and officials to visit the Motunui plant site. Over the year, we also conducted 20 formal tours of the Motunui site and nearly 2,100 people explored our Visitor Centre.

In 2010, we conducted a Global Reputation Audit with a broad range of stakeholders, including community members, from each of our seven operating regions. As discussed more fully in the Governance section of this report on page 11, the results of the audit will enable us to take steps to address any specific issues of concern expressed by stakeholders.

Community Investment

We make ongoing investments of money and time to support healthy and resilient communities that are great places to live and work. Employee-run SR Committees set up at most of our global locations identify and develop community investment strategies that are aligned with business objectives and reflect the specific needs of each community.

Our SR investments target the following areas:

» partnering with employees through a matching grants program to encourage employee volunteerism and contributions to community fundraising initiatives;
» providing financial assistance for local community health and safety and environmental initiatives related to RC; and
» supporting regional educational development through education projects and scholarship programs.

Our community investments include financial contributions and in-kind gifts as well as countless hours of volunteer time that our employees generously donate to local community projects.

Regional Highlights

Methanex Employees Unite to Support Earthquake Relief

Some events transcend borders. On February 27, 2010, a massive 8.8 magnitude earthquake struck off the southwest coast of Chile, generating shock waves along some 600 kilometres of coastline and impacting approximately 80 per cent of the country's population.

The event hit particularly close to home for our many employees and colleagues who live and work in Chile. Methanex was quick to respond to international relief efforts, immediately launching a multi-pronged earthquake assistance program in Chile and across the company's global regions.

A collapsed residential building in Conceptión reflects the devastation of the Chile earthquake.

Methanex raised more than US$400,000 for Chilean earthquake relief.

Licantén's youngest residents celebrate a special Children's Day organized by Methanex employees in the community.

Eager to help their Chilean colleagues, employees in each region generously donated their time and money, embarking on a variety of fundraising initiatives to support the relief campaign. At the corporate level, Methanex pledged US$100,000 and further committed to triple all funds raised by employees. In total, the company raised more than US$400,000 through global fundraising efforts.

These monies have had a significant impact on the ground in Chile. The first tranche of funds, presented during a national telethon in March 2010, was directed to immediate emergency response needs, such as temporary housing and the construction of schools in affected areas. The second allotment of funds was targeted towards long-term reconstruction in Licantén, a small fishing village in western Chile hard hit by the earthquake. The project involves a key partnership between the Canadian Chile Chamber of Commerce, the Chilean government and the Hatch Corporation, with support from local authorities and Methanex volunteers.

Methanex Chile's SR Committee in Santiago also set its sights on doing something special for Licantén's youngest residents, organizing a Children's Day in August. More than 40 employees travelled from Santiago to Licantén to hand deliver to the children the 1,400 presents purchased with employees' heartfelt donations.

What Others Say

"The project at Les Coccinelles was an excellent example of Akzo's commitment to contribute to the well-being of our local community.

Teaming up with Methanex, one of our key suppliers, added an extra dimension to our relationship beyond the commercial side. We are grateful that this collaboration provided an opportunity for us to add value by donating our time and our paint products to support a worthy cause."

Pascal Weijters
Procurement Category Manager
Akzo Nobel

AkzoNobel
Tomorrow's Answers Today

Methanex and Akzo Nobel employees team up to paint Les Coccinelles school in Brussels.

Supporting disaster relief was also on the minds and in the hearts of Methanex's New Zealand employees following the powerful September 2010 and subsequent February 2011 earthquakes that affected the city of Christchurch and overall Canterbury region. Methanex matched employee donations on a 2:1 basis and pledged an additional US$147,000 to support business and infrastructure rebuilding efforts in collaboration with other New Zealand companies. Methanex Chile also returned support to their New Zealand colleagues, donating US$4,600 towards assistance for earthquake victims. In total, Methanex and its employees contributed almost US$185,000 for New Zealand disaster relief.

Partnering with Customers for Success

Partnering with customers who share your social investment philosophy is one way to ensure a community project is a win-win for all. It's an opportunity that not only benefits the community, but also strengthens the relationship between the partners, as evidenced by Methanex Europe's recent collaboration with our customer, Akzo Nobel.

Methanex's team in Brussels has for several years enjoyed a strong relationship with Les Coccinelles, a school that offers specialized teaching for children with severe dysphasia, a type of speech disorder. In 2009, the SR Committee in Brussels funded the installation of a new fire alarm system, an initiative that supports safety. In addition, employees volunteered to paint the school's run-down gym and hang bright new curtains, custom-made by a member of the Brussels team. The renovation project continued in 2010, by freshening up the school's hallways and corridors.

Partnering with customers who share your social investment philosophy is one way to ensure a community project is a win-win for all.

Upon hearing about the refurbishing effort, Akzo Nobel, which includes paints among its many product lines, donated 90 litres of paint to the cause. Akzo Nobel employees also jumped on board, travelling from the Netherlands to lend a hand to paint the school's hallways.

This collaboration marks the first time Methanex Europe's office has partnered with a customer on a community project. Its success opens the door to more opportunities that will positively impact the recipients as well as the partners involved.

Stepping out for Sustainability in Trinidad

Some 700 children in central Trinidad took countless small steps in November 2010 to achieve big benefits for sustainability. As participants in Methanex Trinidad's second Eco-Heroes Walkathon, the enthusiastic young trekkers from eight primary schools in the Chaguanas area walked four kilometres, raising approximately US$35,000 through pledges and matching Methanex funds for projects that will improve their schools' learning environments.

Methanex Trinidad's enthusiastic Eco-Heroes walk to raise money for school improvements and to increase awareness about sustainability.

> One of Methanex Trinidad's goals is to enhance children's education by supporting initiatives that have long-term benefit and that reflect the company's commitment to the environment.

One of Methanex's goals is to enhance children's education by supporting initiatives that have long-term benefit and that reflect the company's commitment to the environment. The Eco-Heroes Walkathon helps foster experiences in which children are motivated to excel and work together toward a common goal. They learn early on why environmental stewardship is important and, according to school staff, feel proud to be involved in sustainability projects that make a difference.

Working closely with the Caroni Education District of the Ministry of Education and the participating schools, Methanex Trinidad planned and staged the festive community event. Staff also collaborated with principals and teachers to identify environmental projects that would improve the children's understanding of sustainability and, at the same time, increase conservation awareness in the wider community.

Since the initiative's introduction two years ago, Methanex has partnered with 14 primary schools in the education district. All of the partnerships continue long beyond the walkathon as Methanex monitors the funded projects through completion. Projects to date include library enhancements, the construction of tree-shaded outdoor classrooms and the creation of an herb garden using recycled tires.

MARKETPLACE

Leadership looks like making methanol-blended fuels safer for consumers to use.

From manufacturing to delivery, our product stewardship program minimizes risk at all stages of methanol production, transportation, distribution, storage and use. And with the increased demand for methanol as a clean energy fuel, we are also reaching out to stakeholders, governments and other industry organizations to offer guidance on the safe handling of methanol in energy applications.

Responsible Care is promoted throughout our supply chain, including Waterfront Shipping's vessel fleet.

A Complete Journey Approach to Product Stewardship

Product stewardship continues to be a major global focus for Methanex. We strive to maintain the highest safety standards and to share methanol safe-handling knowledge with a wide range of stakeholders – from our customers and their downstream end-users to emergency responders, industry associations and governments. This approach has catalyzed the formation of effective stakeholder partnerships, enabling us to work together to raise awareness of safe practices and minimize risks in product transport, distribution, storage and use at critical points of the methanol value chain.

In 2010, our product stewardship program focused on the key areas of logistics, outreach and dialogue.

Logistics

Shipping

Our shipping subsidiary, Waterfront Shipping, offers a customized safety training program on methanol safe handling and nitrogen awareness that reaches an average of 400 vessel crew members a year. All ocean-going ships are required to complete an annual inspection based on the Chemical Distribution Institute's Marine (CDI-M) protocol, and our internal safety audit program also regularly spot-checks selected ships. All contracted barge companies have successfully passed either a selection or audit process to assess their RC performance in transporting methanol products along inland rivers.

Terminal

All of Methanex's owned or contracted methanol storage terminals have been audited based on the Chemical Distribution Institute's Terminal (CDI-T) protocol. By the end of 2010, almost three-quarters of the terminals and customer locations where we deliver methanol had completed an audit based on either the CDI-T protocol or the Oil Companies International Marine Forum protocol. Since starting our terminal program in 1997, we have worked closely with customers and professional terminals to adopt these international best standards in all regions. We are encouraged by the continual upgrading of regional RC benchmarks.

Road & Rail

Using the complete-journey approach, all regions implement our product stewardship program throughout our logistics network. In China, Korea and Belgium, we held trucking-focused methanol safety seminars that brought together our distributors, end-user customers (and their truck carriers), terminals and emergency responders to share their experiences.

Our Chile office continues to work with our customers, their carrier companies, the local chemical association ASIQUIM and a surveyor company on a road spot-test program to assess the performance of its carriers' truck drivers. By year-end, the program spot-checked approximately 80 trucks that load from the Cattalini Terminal in Brazil, covering some 12,000 customer truckloads that trans-shipped from the terminal. We also extended this program to Colombia in 2010.

Our railcar program, which includes training and maintenance management in North America (see details in *Taking Safety on the Road*, page 35), has been widely recognized by external parties, leading to three railcar-specific awards in 2010 and two in 2009 (for more information see the Awards section on page 40).

All of Methanex's storage terminals are audited according to the Chemical Distribution Institute's Terminal protocol.

Peter Ho, Director, Methanex China, chats with a student during a Responsible Care lecture at Beijing University of Chemical Technology.

Outreach

In 2010, we delivered 54 RC and methanol safety seminars, training sessions and presentations to global stakeholder groups that included customers, logistics providers and carriers, terminals, local communities and emergency responders, industry associations and governments, as well as universities. Although more than 1,600 participants worldwide attended the seminars, we reached far more people thanks to our train-the-trainer model.

Building on the success of our Chilean program to introduce RC to university students and embed RC principles in the chemistry degree curriculum, we brought the same model to China. We held seminars for students at the Beijing University of Chemical Technology and the Taiyuan University of Technology. In 2011, we will continue to bring the RC program to more universities in China. In addition to building RC awareness among university students who will use this knowledge in their professional careers, we also conduct outreach with businesses and industry associations in the country. For more information on our product stewardship efforts in China, please see the Regional Highlights section on page 35.

Finally, this year we also invited our biodiesel customers from Brazil to join our yearly four-day intensive fire brigade training camp in Chile that is held in conjunction with the Punta Arenas fire brigade and our plant operators.

Dialogue

We participated in numerous national and international initiatives in 2010 to promote methanol as a clean fuel and to ensure the safe handling of methanol in markets around the globe.

In May, we shared our product stewardship implementation experience at a Gulf Petrochemicals & Chemicals Association (GPCA) workshop in the Middle East. As a founding member of the GPCA's Responsible Care Committee, we are very pleased to be able to share our expertise and help build a strong RC culture in the region. (For more details about our RC involvement in the Middle East, see page 36).

In June, we co-organized a seminar with the China Association of Alcohol & Ether Clean Fuels and Automobiles and promoted methanol safety and RC in the methanol fuel industry. In September, we signed a Memorandum of Understanding with Methanol Holdings (Trinidad) Limited to determine the feasibility of methanol fuel-blending for the Trinidad and Tobago market and hosted a two-day fuel-blending technical and safe-handling workshop that attracted over 40 professionals. In September, we also held our first RC seminar for China's Ministry of Commerce at its Beijing training centre. Near the end of 2010, we also presented at the first Brazilian National Biodiesel Congress and distributed methanol safe-handling materials in the official package to the 250 congress delegates.

These and our many other product stewardship initiatives demonstrate our commitment to doing our part to foster the responsible growth of methanol markets around the world.

Regional Highlights

Promoting Product Stewardship in China

The application of methanol-for-energy is a rapidly growing market in China and a key business focus for the company. As demand increases, so does Methanex's commitment to proactively promote RC among our Asia Pacific stakeholders. Throughout 2010, Methanex was engaged in various RC advocacy and education initiatives, some of which are highlighted below.

One of Methanex's objectives is to encourage aspiring chemical engineers in China to be ambassadors who can positively influence the future of the industry. During the year, Methanex staff addressed undergraduate students about the importance of RC at two of the country's leading universities for chemical engineering: Beijing University of Chemical Technology (BUCT) and Taiyuan University of Technology.

After its BUCT presentation, Methanex was invited to share its RC views with the Association of International Chemical Manufacturers (AICM). Inspired by Methanex's work with students, the AICM committed to sponsor a new university program entitled "Chemistry and You" at Sichuan University. The program, which includes an RC focus, was launched in October 2010, with Methanex actively involved in its planning, coordination and execution.

Methanex continues to work closely with industry associations to spread the RC message. In June, the company joined forces with the China Association of Alcohol & Ether Clean Fuels and Automobiles (CAAEFA) to present a one-day RC seminar in Hangzhou for local methanol producers and chemical companies. This was the first RC seminar that CAAEFA has produced with a foreign company.

Methanex also counts government agencies among our RC partners and regularly consults with them about best practices. In September, Methanex was invited by the Academy for International Business Officers and China's Ministry of Commerce to be the sole speaker at an RC seminar in Beijing for government officials. The presentation was warmly received, with attendees echoing the importance of RC ethics and the critical role that government plays in the responsible development of the country's chemical industry.

Taking Safety on the Road

Sharing safe-handling information with customers and the people who transport and store our product is an ongoing strategic objective for Methanex. All regions work closely with customers, distributors and logistics service providers to ensure RC practices are implemented throughout our supply chain.

In 2010, Methanex North America's Customer Service & Logistics Team fine-tuned its product stewardship strategy, shifting much of its focus to the truck drivers who transport and deliver Methanex's methanol to customers across the continent.

In North America, it is the individual customers who contract trucking services for the transport of chemicals. While Methanex has no direct control over the truck drivers' handling approach, we do have some influence on recommended best practices. We collaborate with our industry partners to encourage safety through education, enabling truck drivers to hit the road

What Others Say

"Thank you, Methanex, for generously sharing such comprehensive information and materials with us. We are very glad to see a responsible foreign company care for the sustainable development of our industry in China. This also shows your commitment to our country. Your seminar is not only fruitful, but also propels and inspires our industry to improve our Responsible Care practices."

Ma Liang
Executive Secretary General

China Association of Alcohol & Ether Clean Fuels and Automobiles

Peter Ho, Director, Methanex China, shares his views about Responsible Care at the Association of International Chemical Manufacturers' conference.

Methanex employees and a representative from the Chinese government (second from right) at an Academy for International Business Officers' seminar in Beijing.

Training truck drivers about methanol safe handling is an important part of our product stewardship initiatives.

Methanex is taking a leading role in promoting Responsible Care in the Middle East's chemical industry.

armed with the proper training about methanol transport and what to do in the rare case of an accidental leak or spill.

In 2010, Methanex North America offered 13 seminars on methanol safe handling, eight of which were targeted specifically to truck drivers. More than 200 participants had the opportunity to learn about best practices and emergency procedures. Judging by the positive feedback from attendees, such seminars will remain a strong component of Methanex North America's 2011 RC outreach initiatives.

These educational workshops were but a part of Methanex's global product stewardship effort in 2010. By maintaining the highest safety standards – and by focusing on training and outreach – we minimize risk to the environment as well as to all of the people involved in the transport and storage of our product.

Responsible Care Efforts in the Middle East

A key part of the mandate for the Methanex Middle East office in Dubai is to promote RC within the region's chemical industry, and in 2010 significant progress was made towards this goal.

Early in the year Methanex became a founding member of the Gulf Petrochemicals and Chemicals Association's (GPCA) newly formed RC Committee, joining other multinational and local companies in the region. The GPCA was originally formed in 2006 to represent and support the rapidly expanding petrochemicals and chemicals industry in the Arabian Gulf. In 2009, the GPCA signed a Memorandum of Understanding with the American Chemistry Council (ACC) to utilize the ACC's expertise and support to develop a comprehensive RC program for the Middle East.

As a member of the ACC, Methanex North America played an active role in this process, helping the GPCA create RC standards and requirements while sharing with other committee members our expertise and experience. As part of this transfer of knowledge, Methanex made two presentations – one on behalf of the ACC – on the principles and practices of RC product stewardship at the GPCA's first product stewardship workshop in Dubai in June 2010.

Thanks to the efforts of the GPCA's RC committee, in October 2010 the GPCA became a member of the Responsible Care Leadership Group of the International Council of Chemical Associations. In addition to standing with other global organizations that have a strong commitment to education and the safe handling of chemicals, this affiliation formally acknowledges that the GPCA has a recognized RC program for the Arabian Gulf.

While there is still considerable work to be done to engage all GPCA members with RC, a foundation is now in place upon which to build a strong RC culture in the Middle East.

ECONOMIC PERFORMANCE

Leadership looks like sound financial management.

As the global methanol leader, Methanex's business growth and financial performance are essential to its continued sustainability. Creating long-term value for our shareholders is a key focus for the company.

2010 Financial Highlights (US$ millions, except where noted)	**2010**	2009	2008	2007	2006
Operations					
Revenue	**1,967**	1,198	2,314	2,266	2,108
Net income	**102**	1	169	373	482
Income before unusual item (after-tax)[1]	**80**	1	169	373	456
Cash flows from operating activities[1,2]	**252**	129	235	491	622
Adjusted EBITDA[1]	**267**	142	330	649	799
Modified Return on Capital Employed (ROCE)[3]	**8.0%**	1.2%	13.6%	25.4%	32.6%
Diluted Per Share Amounts (US$ per share)					
Net income	**1.09**	0.01	1.78	3.65	4.40
Income before unusual item (after-tax)[1]	**0.85**	0.01	1.78	3.65	4.17
Financial Position					
Cash and cash equivalents	**194**	170	328	488	355
Total assets	**3,070**	2,923	2,799	2,862	2,453
Long-term debt, including current portion	**947**	914	782	597	487
Debt to capitalization[4]	**40%**	40%	36%	30%	29%
Net debt to capitalization[5]	**35%**	35%	25%	7%	10%
Other Information					
Average realized price (US$ per tonne)[6]	**306**	225	424	375	328
Total sales volume (000s tonnes)	**6,929**	5,948	6,054	6,612	6,995
Sales of produced product (000s tonnes)	**3,540**	3,764	3,363	4,569	5,310

1 Adjusted EBITDA, cashflows from operating activities, income before unusual item (after-tax) and diluted income before unusual item (after-tax) per share are non-GAAPmeasures. Refer to page 45 of the 2010 Annual Report for a reconciliation of these amounts to the most directly comparable GAAP measures.

2 The term "cashflows from operating activities" in the 2010 Annual Report refers to cashflows from operating activities before changes in non-cashworking capital.

3 Defined as net income before interest expense (after-tax) divided by average productive capital employed. Average productive capital employed is the sum of average total assets less the average of current non-interest bearing liabilities. Average total assets exclude projects under development (Egypt plant under construction) and cash held in excess of $50million. Additionally, we use an estimated mid-life depreciated cost base for calculating our average assets in use during the period.

4 Defined as total debt divided by the total of shareholders' equity and total debt.

5 Defined as total debt less cash and cash equivalents divided by the total of shareholders' equity and total debtless cash and cash equivalents.

6 Average realized price is calculated as revenue, net of commissions earned, divided by the total sales volumes of produced and purchased methanol.

For additional highlights and additional information about Methanex, refer to our 2010 Factbook available at www.methanex.com.

2010 was a stronger earnings year for Methanex, due in large part to the significant recovery of the global methanol market from the 2009 economic downturn. Methanol demand rose by about 13 per cent over the year and ended at record levels, resulting in higher methanol prices and, in turn, improved financial results for the company.

At the start of 2010, global methanol demand had recovered to pre-recession levels, driven by demand in Asia, particularly China. Demand also improved in Latin America, Europe and North America, in tandem with a gradual return to pre-2009 industrial production activity.

Methanex has always sought to maintain a strong balance sheet while investing in value-adding strategic initiatives. In 2010 we completed construction and began commissioning our Egypt project, slated to begin production in 2011. We also allocated capital to our existing assets in Chile and New Zealand, with a goal to increase production there. At the same time, we reacted quickly to the lower price environment in the North American natural gas market and launched a restart project of our idled plant in Medicine Hat, Canada in 2011. As these investments begin generating cash flow, we will build on our excellent track record of returning excess cash to shareholders.

The growing use of methanol in fuel-blending and other energy sector applications in 2010 continued to be a bright spot for our business. China's use of methanol in fuel-blending again increased, as did its demand for dimethyl ether. We also initiated a fuel-blending pilot program in Trinidad, and are engaged with several producers of renewable methanol to develop methanol for energy markets.

The future of the methanol industry looks positive. We increased sales volumes by 16 per cent in 2010, and we are well positioned for continued earnings growth in 2011 and beyond. For a full account of Methanex's financial performance, please see the *2010 Methanex Annual Report* posted in the Investor Relations section of our website at www.methanex.com/investor.

Awards

In 2010, Methanex was honoured with numerous awards recognizing our unwavering commitment and ongoing contribution to Responsible Care and Social Responsibility. Here are some of the global highlights.

New Zealand

Westpac Taranaki Chamber of Commerce Business Awards 2010

Now in their 17th year, these awards recognize and celebrate business excellence in the Taranaki Region. Methanex took top honours in four categories:

- *Shell Todd Oil Services Health & Safety Award*: Awarded to businesses that demonstrate an ongoing commitment to health and safety, and an integration of this philosophy throughout their business operations.
- *Implement and Associates Employer of Choice Award:* Awarded to businesses that are clearly investing in their people and readily acknowledge that the success of any organization is built on its people.
- *CApENZ Primary Industries, Trades, Manufacturing and Engineering Award:* Given for demonstrated excellence by a business in the rural production, manufacturing, engineering or recognized trades sector.
- *Office Max Extra Large Business Award:* Awarded to a company demonstrating excellence across all aspects of its business, whose size and stature exceeds criteria identified for the large business award category.

3M Award for Innovation in Health and Safety 2010

Now in its seventh year, the 3M Award acknowledges organizations that have implemented innovative approaches to improving the health and safety of the New Zealand workforce. Entries are judged across a variety of categories, including innovative thinking, proactivity, sustainability, applicability and outcomes.

Methanex received the bronze award for its entry, "We're all Human at Methanex NZ," which detailed the success of a workplace behavioural safety program called Human Factors.

Responsible Care® New Zealand (RCNZ) Outstanding Achievement Award 2010

Formerly the New Zealand Chemical Industry Council, RCNZ presented this award to Methanex in recognition of a milestone achievement: 10 years without a single lost time injury among its employees.

North America

American Chemistry Council (ACC) Responsible Care Company of the Year

This premier award, the ACC's highest honour, acknowledges outstanding achievement by a company in all disciplines of Responsible Care (RC) over a sustained period of time.

To be considered, a company must perform in the top 10 per cent of its size category in employee safety during the past three years and meet all global product strategy milestones. In addition, it must have zero process safety incidents in the past year and actively promote RC.

In 2010, Methanex was one of three companies to receive this honour.

Canadian Pacific (CP) 2009 Shipper Safety Award

CP presents this award to companies that have shipped more than 400 tank car shipments on their lines without a single non-accidental release.

CIAC Award for Excellence in Safety 2010

Our Canadian operations were recognized by the Chemistry Industry Association of Canada for continued excellence in safety. This is awarded to member organizations for outstanding performance in safety over a five-year period.

Union Pacific Railroad Pinnacle Award 2009

Winners of this award are distinguished for their safe-loading techniques and securement of shipments. They also are deemed to have the most effective programs in place for avoiding non-accidental releases (NARs) and having zero NAR incidents in 2009.

American Commercial Lines (ACL) Marine Environmental Stewardship Award

Methanex received this award for our commitment to environmental protection in 2009, during which we shipped more than 1.4 billion gallons of methanol, most of it on ACL barges. The accolade also recognizes our accomplishment of zero reportable product spills on ACL ships, and the safe completion of more than 70 product transfers during the year.

Burlington Northern Santa Fe Product Stewardship Award 2009

This award is presented to companies that have successfully transported in the previous year a minimum of 500 loaded tank cars of hazardous materials, with zero non-accidental releases during the entire transportation cycle.

This is the second year in a row and the fourth time in the last six years that Methanex has received this honour.

Chile

Special Recognition from the Government of Chile: "Reconocimiento a Methanex por su aporte al desarrollo sustentable de la región de Magallanes y país"

Chile's Ministry of Environment presented this special award to Methanex Chile in recognition of the company's contribution to sustainable development in the Region of Magallanes and throughout the country.

The award highlights Methanex's ongoing commitment to promote energy efficiency and other environmental practices in Chile's secondary schools through its long-term sponsorship of environmental education programs. This initiative strongly supports the government's own efforts to promote energy conservation in all Chilean communities.

2009 Canadian National (CN) Gold Safe Handling Award

CN's award recognizes customers that have shipped more than 5,000 railcar shipments on CN lines in 2009, with no non-accidental releases. This honour betters the 2008 silver award Methanex received from CN, acknowledging the company's improved safety performance.

The majority of Methanex's CN shipments in 2009 were loaded at Kitimat, BC; others originated from terminals in Montreal, Quebec and St. Rose, Louisiana.

Trinidad and Tobago

Corporate Social Responsibility Leadership Award 2010

For the second consecutive year, Methanex Trinidad received the 'Recognizing the Value of People' Award from the Energy Chamber of Trinidad and Tobago. The award recognizes Methanex's emphasis on internal social responsibility. Employees' opinions are used as the measure for an independent third-party survey.

Caution Regarding Forward-looking Statements

This document contains forward-looking statements with respect to us and the chemical industry. Statements that include the words "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates," "anticipates," or the negative version of those words or other comparable terminology and similar statements of a future or forward-looking nature identify forward-looking statements.

More particularly and without limitation, any statements regarding the following are forward-looking statements:

» expected demand for methanol and its derivatives (both traditional derivatives and energy applications),
» ability to increase production from our existing plants,
» expected levels of natural gas supply to our plants,
» anticipated results of natural gas exploration in southern Chile and New Zealand,
» anticipated start-up date and production from our methanol project in Egypt as well as the restart of our idled Medicine Hat facility,
» our ability to improve health and safety performance among employees and contractors,
» our expectations regarding our environmental compliance record,
» ability to reduce greenhouse gas emissions (including CO_2) and/or emissions intensity and achieve emission targets,
» expected impact of new laws and regulations including legislation related to greenhouse gas emissions and our ability to comply with such laws and regulations,
» ability to play a leadership role in developing new markets for methanol, including in energy applications,
» financial strength and ability to meet future financial commitments,
» expected cash flows or earning capability and expected distributions to shareholders,
» expected global or regional economic activity (including industrial production levels), and
» expected actions of governments, gas suppliers, courts, tribunals and other third parties.

We believe that we have a reasonable basis for making such forward-looking statements. The forward-looking statements in this document are based on our experience, our perception of trends, current conditions and expected future developments, as well as other factors. Certain material factors or assumptions were applied in drawing the conclusions or making the forecasts or projections that are included in these forward-looking statements, including, without limitation, future expectations and assumptions concerning the following:

» supply of, demand for, and price of methanol, methanol derivatives, natural gas, oil and oil derivatives,
» production rates of our facilities in accordance with plan,
» success of natural gas exploration in southern Chile and New Zealand,
» availability of future natural gas supply on commercially acceptable terms for our plants,
» receipt or issuance of third-party consents or approvals, including without limitation, governmental approvals related to the establishment of new fuel-blending standards,
» operating costs, including natural gas feedstock and logistics costs, capital costs, tax rates, cash flows, foreign exchange rates and interest rates, in accordance with plan,
» completion date of our project in Egypt and Medicine Hat, as well as our ability to complete other capital projects on time and on budget,
» our ability to achieve continuous improvement in our performance in the areas of health, safety and environment,
» global and regional economic activity (including industrial production levels),
» absence of a material negative impact from changes in laws, regulations or standards, including laws, regulations and standards related to health, safety and or the environment, and
» performance of contractual obligations by customers, suppliers and other third parties.

However, forward-looking statements, by their nature, involve risks and uncertainties that could cause actual results to differ materially from those contemplated by the forward-looking statements. The risks and uncertainties primarily include those attendant with producing and marketing methanol and successfully carrying out major capital expenditure projects in various jurisdictions, including without limitation:

» conditions in the methanol and other industries, including fluctuations in the supply, demand and price of methanol and its derivatives, including demand for methanol for energy uses,
» significant decrease in energy prices (including prices for oil, natural gas and coal feedstock),
» the success of natural gas exploration and development activities in southern Chile and New Zealand,
» availability of future natural gas supply on commercially acceptable terms for our plants,
» the timing of the start-up to complete our new methanol project in Egypt and the restart of our idled Medicine Hat plant,
» the ability to successfully carry out corporate initiatives and strategies,
» unexpected technical issues with our production facilities,
» human error by our employees or contractors,
» actions of competitors and suppliers,
» actions of governments and governmental authorities that could impact demand for methanol or its derivatives,
» changes in laws or regulations,
» import or export restrictions, anti-dumping measures, increases in duties, taxes and government royalties and other actions by governments that may adversely affect our operations,
» worldwide economic conditions, and
» other risks described in our 2010 Management's Discussion and Analysis.

Having in mind these and other factors, investors and other readers are cautioned not to place undue reliance on forward-looking statements. They are not a substitute for the exercise of one's own due diligence and judgment. The outcomes anticipated in forward-looking statements may not occur and we do not undertake to update forward-looking statements except as required by applicable securities laws.

Methanex Corporation
1800 Waterfront Centre
200 Burrard Street
Vancouver, BC
Canada V6C 3M1

General Inquiries
1 800 661 8851 (Toll-free in North America)
+1 604 661 2600 (Phone)
+1 604 661 2676 (Fax)

www.methanex.com

Responsible Care and Social Responsibility Regional Contacts
If you have questions or comments about this report or our Responsible Care and Social Responsibility activities, please contact us:

Asia Pacific
Kelly Zhou
Manager, Government & Public Affairs
Beijing, China
+86 10 5923 1063

Caribbean
Deborah Samaru
Manager, Public Affairs
Point Lisas, Trinidad and Tobago
+1 868 679 4400

Europe
Gil Dehogne
Co-ordinator, Responsible Care & ISO
Brussels, Belgium
+ 32 2 352 06 85

Middle East
Riham Reda
Manager, Public Affairs
Cairo, Egypt
+202 235 94511

New Zealand
Zaneta Ewashko
Manager, Public Affairs
Motunui, New Zealand
+64 6 754 9700

North America
Louise McMahon
Manager, Public Affairs
Vancouver, Canada
+1 604 661 2600

South America
Amparo Cornejo
Manager, Government & Public Affairs
Santiago, Chile
+56 2 37 44052

METHANEX®
A Responsible Care® Company

Responsible Care®
Our commitment to sustainability.

Printed in Canada on FSC®-certified paper. By printing on FSC®-certified paper, Methanex is supporting responsible forest management.
Design: Signals Design Group Inc, Vancouver, BC
Printing: Metropolitan Fine Printers, Vancouver, BC