

**\*\*\* Part A \*\*\* Preamble \*\*\***

**Disclaimer: this is an Expression of Principles between Dow and the Minister of Economic Affairs and Climate Policy to establish a framework for future cooperation with the aim to significantly reduce greenhouse gas emissions at the Dow Terneuzen site and is shared and discussed on a confidential basis, without prejudice and subject to all necessary internal and external approvals.**

**EXPRESSION OF PRINCIPLES**

**Dated 6 December 2022**

Between

**the Minister of Economic Affairs and Climate Policy of the Netherlands, acting as administrative body and as representative of the state of the Netherlands, represented by Mrs. M.A.M. Adriaansens**

**the State Secretary of Infrastructure and Water Management of the Netherlands, acting as administrative body and as representative of the State of the Netherlands, represented by Mrs. V.L.W.A. Heijnen;**

**Gedeputeerde Staten, the Provincial Executives of the Dutch Province of Zeeland, acting as administrative body and as representative body of the Dutch Province of Zeeland, represented by J. de Bat;**

and

**Dow Benelux, represented by Anton van Beek**

**on cooperation to reduce greenhouse gas emissions by Dow Benelux**

Hereafter each referred to as "Party and jointly referred to as the "Parties".

1. WHEREAS, Dow Inc. is the second largest chemical producer in the world and is headquartered in Midland (Michigan, United States of America) and operates 104 manufacturing sites across 31 countries.
2. WHEREAS, Dow Benelux – a full subsidiary of Dow Inc. – has been active in the Benelux since 1955 and in Terneuzen since 1964 and operates the Terneuzen site, which is Dow's second largest production site outside of the United States. It also operates two smaller sites, one in Delfzijl (Groningen) and one in Dordrecht (Zuid-Holland).
3. WHEREAS, the Terneuzen site is a fully integrated site. Aside from manufacturing, the site houses management and departments on research and development, engineering, finance, supply chain and customer service.
4. WHEREAS, Dow Benelux owns and operates three of the six steam crackers in the Netherlands. Steam cracking is the process of breaking long-chain hydrocarbons into short-chain ones, and it is the most important process worldwide to produce high value chemicals.
5. WHEREAS, in the process of the production of high value chemicals Dow Benelux emits 3,9 million tons of CO<sub>2</sub> in 2021 of which around 48% comes from the furnaces in three crackers, 6% from the cracker gas turbines and 38% comes from our co-generation plant and boilers. In addition, Dow Benelux has 8% of smaller emission points.
6. WHEREAS, the crackers at the Terneuzen site produce about 3 Mton of high value chemicals annually, which is about 45% of the total production capacity of high value chemicals in the Netherlands.
7. WHEREAS, Dow Benelux sells 83% of its products inside the European Union. Around 30% of products are directly sold in the Netherlands. The remaining top six export countries include Belgium, Germany, Italy, Poland, Spain and France. A certain share of these exported materials is embedded in manufacturing products the Netherlands imports from these and other countries.
8. WHEREAS, Dow Benelux currently contributes to the Dutch Gross Domestic Product (2.6%) and the Zeeland Gross Regional Product (15%).
9. WHEREAS, Dow Benelux adds 17,600 jobs in the Netherlands, of which 3,600 direct jobs and 14,000 indirect jobs. This makes Dow Benelux the biggest employer in Zeeland, providing about 10% of regional employment opportunities.
10. WHEREAS, Dow Benelux also creates growth at the level of Small Medium Enterprises. On average, Dow Benelux spends about 500 million per year on contractors that cover jobs on maintenance, engineering, etc. Most of these contractors are employed by SMEs.
11. WHEREAS, one of the four core values of Dow is inclusion. In 2021 Dow has exceeded the annual global representation goals on ethnic minorities, employment of women and women in people leadership roles. In addition, Dow has recently linked inclusion and diversity metrics to the annual performance review of all senior leaders in the company. Locally, Dow Benelux sponsors inclusion programs on LHBTQ, female career development and people with disabilities.
12. WHEREAS, another one of the four core values is innovation through collaboration. As such, Dow Benelux chairs the Smart Delta Resources platform, a community of companies based in Zeeland aiming to accelerate the sustainability transition.
13. WHEREAS, additional efforts for reduction of greenhouse gas emissions, hereafter referred to as "CO<sub>2</sub>", but meaning CO<sub>2</sub>-equivalents emissions, are required to achieve the goals of The Paris Agreement as also laid down in the European Climate Law, the Dutch Climate Law (in Dutch: Klimaatwet), and the Dutch Coalition Agreement (in Dutch: Coalitieakkoord).
14. WHEREAS, in the Dutch Coalition Agreement as presented on December 15, 2021, CO<sub>2</sub> reduction targets are increased to 55% in 2030, while the government aims for 60% CO<sub>2</sub> reduction, and for climate neutrality in 2050 and for establishing a green economy that is climate neutral, fossil free and circular.
15. WHEREAS, for the industry, the Dutch Coalition Agreement aims to increase the ambition within the obligations under the European 'Fit-for-55' package. In the letter regarding sustainability of the industry of April 5, 2022 (Parliamentary Paper: Kamerstukken II 2021/22, 29826, nr. 135) the Minister of Economic Affairs and Climate Policy expressed the intention to shape fundamentally new sustainable technologies with the largest industrial

emitter group, while at the same time agreeing on a program for faster and more ambitious additional CO2 reduction.

16. WHEREAS, Dow Benelux wishes to acknowledge its responsibility to work now towards the achievement of CO2 neutrality by 2050 (subject to its further ambition as laid down in recital 37 below) and to contribute to the overall national 2030 CO2 reduction target laid down in the Dutch Coalition Agreement and Dutch Climate Agreement, while at the same time reducing its impact on the environment.
17. WHEREAS, the Government aims to facilitate the climate transition of the industry in the Netherlands, as stipulated in the Dutch Climate Agreement, both with pricing instruments such as the carbon levy for industry and with instruments covering uneconomical parts of necessary and efficient investments, and recognize the necessity of continued involvement with industry to monitor whether the current instruments are indeed suitable and sufficient towards this end.
18. WHEREAS, the Government has developed a national and regional infrastructure program (Cluster Energie Strategieën (CES) / Meerjarenprogramma Infrastructuur Energie en Klimaat (MIEK)) to (i) take stock of all infrastructural needs for the industry, including for Dow Benelux, and (ii) act when addressing possible bottlenecks or acceleration of infrastructural projects where desirable and possible. To this end Dow Benelux's specific energy infrastructural needs for the Province of Zeeland include to be connected to a 380kV electricity network as to enable the electrification of processes at the Terneuzen site, including e-cracking.
19. WHEREAS the Government aims to facilitate the climate transition of the industry in the Netherlands with, amongst other measures, a tailor-made approach for the 10 - 20 largest industrial emitters. As set out in the letter informing Parliament on Tailor-Made agreements (in Dutch: Zomerbrief Maatwerk Verduurzaming Industrie), the aim of the tailor-made approach is to support these companies, based on mutual commitments, in achieving additional and accelerated CO2 reductions and having a sustainable future in the Netherlands, and where possible, contribute to meeting other sustainability challenges in the Netherlands, also in the long term.
20. WHEREAS, the Government has laid down more detailed policy goals regarding sustainable energy, circular economy, sustainable mobility, strategic and green industry and more in several policy briefs.
21. WHEREAS, where needed the Government, as stipulated in the [draft] Dutch Climate Plan and [draft] Dutch Climate Policy, intends to support among others Dow in its endeavor to contribute to additional CO2 reduction, while taking into account European principles regarding state aid and a level playing field on the internal market. In doing so, the Government aims for a level playing field both within Europe and globally.
22. WHEREAS, the Government aims, in line with the European Zero Pollution Ambition for 2050, to reduce air-, water- and soil contamination by 2050 to levels that are not harmful to general health and natural ecosystems, thereby taking into account the limits of planet earth with the aim of realizing a toxic-free environment. The Government has formulated emission reduction and health gain ambitions in several policy acts to this end.
23. WHEREAS, Parties acknowledge that the Netherlands has to decrease reactive nitrogen emissions in order to the decrease deposition on Natura 2000 nature areas, in which each sector, including the industrial sector has to deliver its fair share. Because of the scale of operations, the industry park of Dow Terneuzen is one of the biggest industrial direct emitters of reactive nitrogen in the form of Nitrogen oxides (NOx).
24. WHEREAS, the Government has formulated emission policy that includes the legal obligation to minimise ZZS (zeer zorgwekkende stoffen) emissions and inform the authorities on achieved reduction and next steps every five years.
25. WHEREAS, Parties acknowledge that the use of fossil-based Carbon Capture and Storage (CCS) is a transitional application of this technology that should be phased out before 2050, but that this technique may play a part in achieving negative emissions to offset hard-to-abate emissions. To achieve this, the feedstock should gradually be replaced with sustainably sourced Biogenic and/or Circular Feedstock.

26. WHEREAS, Dow Inc. has set global CO<sub>2</sub> reduction targets by 2030 (15% compared to its 2020 baseline) and 2050 (carbon neutrality). The targets include scope 1, 2 and 3 emissions and has marked Dow Benelux's Terneuzen site as one of the first sites (total of 104 across 37 countries) in the world to decarbonize. Which means to decarbonize the three crackers, the cracker gas turbines and the co-generation plant, totaling ca. 4 Mton of CO<sub>2</sub> emissions annually.
27. WHEREAS, Dow Benelux has developed a decarbonization plan towards zero emissions, called Path2Zero Terneuzen (hereafter referred to as the "Project"). It features three generations. Two prior to 2030 and one before 2050. The first generation aims to reduce 1.4 Mton of CO<sub>2</sub> emissions per year as of 2028 by capturing residual waste gas from the cracker production process. The residual waste gas will be turned into two separate streams. One CO<sub>2</sub> stream for Carbon Capture and Storage and one hydrogen stream that will fuel the production process. With the implementation of generation 1 of the Project, the crackers on the Terneuzen site will be among the first crackers in the world that will be capable to run on 100% hydrogen.
- The second generation aims to reduce an additional 0.3 Mton of CO<sub>2</sub> emissions per year by year 2030 by replacing gas turbines with electromotors.
- In total, this makes for a reduction of 1.7 Mton of annual CO<sub>2</sub> emissions by 2030. This includes in part a reduction of annual CO<sub>2</sub> emissions which goes beyond the expected reductions achieved through application of the national carbon levy. Dow expects the reduction to contribute towards both Dutch and European targets. With regards to the Dutch targets, Dow Benelux can achieve around 8% of the Coalition Agreement and 12% of the Climate Agreement. With regards to the European targets, Dow Benelux can contribute to the tightening of the ETS benchmark.
- The third generation of the Project aims to have the crackers run on zero emissions by the direct electrification of the crackers and makes for a total reduction of 2.2 Mton of annual CO<sub>2</sub> emission for all 3 generations. The technology, called e-cracking, is under development. Dow is investing together with Shell, TNO and ISPT in developing e-cracking with the aim to start implementing the technology in between 2035-2045. To this end, Dow intends to build a pilot plant in 2025-2030.
28. WHEREAS, the 1.5 Mton of remaining annual emissions come from the co-generation plant called Elsta. They provide the site with electricity and steam. Around 50% of the electricity produced is currently exported to the grid for the consumption of households. Together with the Ministry and Province, Dow Benelux is exploring different options for the decarbonization of this plant.
29. WHEREAS, Dow and the Government acknowledge that the use of CO<sub>2</sub> dispensation rights as part of the national carbon levy will not be traded by Dow Benelux to other companies, in order to prevent a "waterbedeffect". The effects hereof will be discussed in the coming period and worked out in more detail in the Joint Letter of Intent.
30. WHEREAS, Dow is working on finding alternative feedstocks with the aim of making relevant, sustainable, low carbon, circular products for our customers.
31. WHEREAS, with the implementation of the Project, Dow Benelux aims to lay the foundation for the Dow Terneuzen site to become circular, thereby reducing scope 3 emissions.
32. WHEREAS, Dow Benelux intends to start producing synthetic feedstock from internal and external residual waste streams. Synthetic feedstock is an alternative to fossil feedstock and can be phased-in once e-cracking is fully implemented. This has the potential to reduce around 15% of the import of fossil feedstocks.
33. WHEREAS, Dow Benelux will continue to use pyrolysis oil, an alternative feedstock made from recycled plastic. Dow Benelux has been doing so since 2019 and recently announced its intention to increase the level of intake, thereby intensifying the collaboration with several pyrolysis producers such as Fuenix (Weert, Limburg) and in collaboration with refiner convertor Gunvor (Rotterdam, Zuid-Holland). This has the potential to additionally reduce around 15% of the import of fossil liquid feedstock. This percentage is likely to increase over time.
34. WHEREAS, Dow Benelux will continue to work with the government with the aim of increasing

the availability of alternative feedstocks such as pyrolysis oil from recycled waste and synthetic feedstock derived from external waste streams. Dow Benelux does not intend to use pyrolysis oil as fuel.

35. WHEREAS, given the volume of production, Dow Benelux is still one of the largest emitters of air polluting substances of the Netherlands and therefore intends to:
  - a. be transparent as soon as possible regarding the projected emissions related to the Path2Zero Terneuzen project and other sustainable projects, for example by the execution of environmental impact assessments; and
  - b. further reduce industrial emissions to practically zero in 2050.
36. WHEREAS, Dow Benelux intends to realize emission levels comparable to the lower end of the BAT Associated Emission Level bandwidth and will – as required by law - comply with Best Available Technique (BAT) standards.
37. WHEREAS, the Government and Dow Benelux agree to reduce Dow's NOx-emissions with 10% compared to its 2018 emissions in 2030 and working with the competent authorities on how to further reduce the NOx emissions at the Terneuzen site to zero in 2050, whereby:
  - a. With the implementation of Path2Zero Dow Benelux could realize a 10% reduction in NOx emissions compared to its 2018 emissions at the Terneuzen site by 2028 by replacing gas turbines with electromotors;
  - b. Dow will develop and apply innovations in order to prevent that the transition to H2 combustion will result in a higher annual freight of NOx;
  - c. Dow will continue to investigate how NOx-emissions can be reduced further. To that end, Dow will ask a consultant to carry out a study to determine how the NOx emissions from ethylene furnace burners can be further reduced in the future by for example SCR, As mentioned in BREF LVOC. The approach and outcomes will be discussed with the government. Dow will also take the necessary steps in mitigating several low sources of NOx-emissions, e.g., maneuvering on railroads, the electrification of the car fleet and other vehicles on site, buildings, storage and transshipment;
  - d. After 2030 Dow Benelux aims to realize a further 60% reduction of NOx emissions at the Terneuzen site by electrifying the three crackers; and
  - e. The Government will take into consideration Dow's experience and the outcome of its research on hydrogen combustion in reviewing and adapting the regulatory framework.
38. WHEREAS, the Government and Dow acknowledge that the transition towards sustainable, climate neutral and clean production entails a shift towards the use of other raw materials, production methods, energy carriers and fuels. Parties agree that the external safety on and around the Terneuzen site should not diminish in comparison to the situation at hand on the date of this Agreement and, where possible, improve. Where necessary, Dow will mitigate new risks.
39. WHEREAS, the Government and Dow are aware that the 'license to operate' for the chemical industry in a densely populated and intensively used country such as the Netherlands requires good relations with the direct surroundings and Parties acknowledge that such good relations are an important condition for timely granting of permits. Parties are aware that the vicinity of large population centers, critical and well-informed citizens and an attractive and healthy living environment are important aspects of location. Parties therefore intend to:
  - a. Lead by example in Europe by means of green industry;
  - b. Be transparent regarding transition plans, emissions, circularity and external safety;
  - c. Engage with and consider local community and stakeholders in an early phase of transition plans; and
  - d. Where possible consider account (spatial design planning) requests.
40. WHEREAS, Dow Benelux will continue to work with the local authorities and the Ministry of Economic Affairs and Climate Policy on the ambition of providing residual heat to the built environment. Dow Benelux is willing to provide its residual heat to a local or regional district heating company in charge of delivering CO2-neutral heat to households and other buildings.
41. WHEREAS, Dow and the Government want to further improve the intake, handling and

discharge of water on the site, whereby:

- a. Dow Benelux will continue to work (with for example Evides) to try to reduce the intake of freshwater. This would entail an expansion of the pilot project Wetlands and brackish waterline aimed at enhanced recycling of water to the site.
    - (i) The aim is to realize these projects between 2025 and 2030. This will lead to amongst others a higher water quality, more cooling cycles and therefore less cooling water demand and subsequent direct discharge to the Westerschelde;
    - (ii) As for sustainable reuse of water, Dow will implement, as much as possible the actual removal of pollution; and
    - (iii) Dow is striving to make water management on the site more sustainable and environmentally friendly and is conducting and evaluating the results of a number of research projects for this, including E4Water, Condensate Quality, AquaSSpice, FRESH4Cs and AquaConnect.
42. WHEREAS, In the coming months, the Government will present a national roadmap to accelerate the transition in the Dutch industry. Parties Acknowledge that their mutual cooperation will take place in the context of the developing policy around accelerating the transition in the industry.

**\*\*\* Part B \*\*\* Definitions \*\*\***

## Have agreed

### 1. Definitions

The following terms, if capitalized as indicated, shall have the following meanings:

- a. "**Carbon Capture and Storage**" is the process of capturing, transporting and permanent storing of carbon dioxide to prevent it for entering the atmosphere;
- b. "**Circular Feedstock**" means feedstock based on reused and/or recycled carbon from any source available;
- c. "**Bionegic Feedstock**" means feedstock produced or originating from living organisms;
- d. "**Cluster Energie Strategie**" document that describes, on the level of an industrial cluster: (i) the preferred route to achieve CO<sub>2</sub> reduction in 2030 and climate neutrality towards 2050; (ii) the implications of this route for the use and production of energy and feedstock carriers, and the capture and storage of CO<sub>2</sub> (CCS); and (iii) the translation of these implications into infrastructural requirements for energy, feedstock and CCS;
- e. "**Dow Benelux**", means Dow Benelux B.V. with offices at Herbert H.Dowweg 5, Hoek (municipality of Terneuzen), the Netherlands, duly represented by Anton van Beek, President Dow Benelux, subsidiary of Dow Inc.;
- f. "**Dow Inc.**" a corporation, registered in the State of Delaware, United States, under number 7020550, having its principal place of business at 2211 H.H. Dow Way, Midland MI 48674, United States;
- g. "**Dutch Climate Agreement**" means the agreement dated 28 June 2019 between the Government, Dutch companies and other interested parties for the reduction of greenhouse gases as part of the Dutch climate policy, also known as the *Klimaatakkoord*;
- h. "**Dutch Coalition Agreement**" means coalition agreement (*Coalitieakkoord*) of the sitting Government dated 15 December 2021;
- i. "**[draft] Dutch Climate Plan**" means the integral National Energy and Climate Plan (*Integrale Nationale Energie-en Klimaatplan*) dated 25 November 2019 on the main features of the national climate policy for the period 2021 through 2030;
- j. "**[draft] Dutch Climate Policy**" means the governmental draft policy dated 2 June 2022 on the main features of the climate policy until 2030 aimed at the realization of the objectives of the Dutch Climate Law;
- k. "**EoP**" means this Expression of Principles;

- l. **"Government"** means the government of the Kingdom of the Netherlands, as represented by the Minister of Economic Affairs and Climate Policy and/or the State Secretary of Infrastructure and Water Management;
- m. **"Greenhouse gas emissions"** mean the gases listed in Annex II to Directive 2003/87/EC of the European Parliament and of the Council of 13 October 2003 establishing a scheme for greenhouse gas emission allowance trading within the Union;
- n. **"Meerjarenprogramma Infrastructuur Energie en Klimaat"**: the multi-annual program in which the Government, together with other stakeholders, coordinates timely decision-making and realization of infrastructural projects of national scale that are needed to achieve CO<sub>2</sub> reduction (by industry);
- o. **"Parties"** means the Parties whose names appear on the first page of this Expression of Principles;
- p. **"Permits"** means any permits, licenses, exemptions, consents or other authorizations that Dow requires from the Government or any (local) governmental organization for the realization of the Project;
- q. **"Path2Zero Terneuzen"** has the meaning assigned to in recital 26;
- r. **"the Project"** has the meaning assigned to it in recital 26;
- s. **"SDE++"** means the aid scheme 'Stimulation of sustainable energy production and climate transition' through which the Government can subsidize the unprofitable component of a project during the operation period of that Project;
- t. **"Terneuzen site"** means the production location owned and operated by Dow Benelux in Terneuzen;

**\*\*\* Part C \*\*\* Objectives \*\*\***

## 2. Objectives

1. The objective of this Expression of Principles is to establish a framework for future cooperation between the Parties with the aim of realizing the reduction of greenhouse gas emissions on the Terneuzen site, whereby:
  - a. Dow Benelux seeks additional financial support to execute parts of the Project, with the intention to use, where possible, such financial support through generic financial mechanisms. This support concerns other parts of the Project than those for which Dow Benelux has made the 2022 SDE++ application; and
  - b. The Government seeks sufficient comfort that Dow Benelux before 2030
    - 1) will reduce its CO<sub>2</sub> emissions by 1.4 Mton with generation 1 and additional 0.3 Mton with generation 2 of the Project resulting in a total reduction of 1.7 Mton (which includes in part a reduction of annual CO<sub>2</sub> emissions which goes beyond the expected reductions achieved through application of existing governmental binding measures);
    - 2) will reduce its NO<sub>x</sub> emissions from industrial emissions by 10% compared to its 2018 emissions and will seek for further NO<sub>x</sub> reductions, both in industrial and other emissions; and
    - 3) will further improve the intake, handling and discharge of water.

**\*\*\* Part D \*\*\* Next steps \*\*\***

## 3. Cooperation and Timing

1. The Parties intend to closely cooperate and regularly consult on the topics of this Expression of Principles with the aim setting up a Joint Letter of Intent. Each Party intends to maximize its efforts in this regard.

2. Upon signing of this EoP, the Parties will start their negotiations on a Joint Letter of Intent with the aim to conclude the negotiations and sign a Joint Letter of Intent in the first half of 2023.
3. Upon signing both parties should take into account the European Commission's innovation fund planning in order to avoid underutilization of this funding program.

#### **4. Costs**

1. Each Party will bear its own costs associated with the cooperative activities intended to be carried out under this document unless the Parties agree otherwise in writing.

**\*\*\* Part F \*\*\* Confidentiality \*\*\***

#### **5. Interpretation of terms and substance of this document**

1. The terms of this document are solely meant to lay down the joint current understanding of, and the approach to and next steps to be undertaken jointly in an effort to realize the objectives as outlined under section 2 above.
2. The terms of this document are not legally binding and not legally enforceable upon either Party hereto and automatically end by the date the Parties enter into the definitive agreement on the subject matter hereof.
3. This EoP has been drawn up on the basis of the facts and premises as known to the Parties on the date of the signing of this EoP.
4. This document is governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute about the interpretation or implementation of this document will be resolved through consultations between the Parties.

#### **6. Other**

1. This document comes into effect on the signature date and will be jointly reviewed upon written request by one or both Parties.

**Signed in the Hague on 6 December 2022 in four original copies, each in the English language.**

**Minister of Economic Affairs and Climate Policy**

By: Mrs. M.A.M. Adriaansens

Date:

**State Secretary of Infrastructure and Water Management**

By: Mrs. V.L.W.A. Heijnen

Date:

**Gedeputeerde Staten, the Provincial Executives of the Dutch Province of Zeeland**

By: J. de Bat

Date:

**Dow Benelux**

By: Mr. Anton van Beek

Title: President

Date:

**ANNEX I** –Support Letter Dow Inc.



Minister Economic Affairs and Climate  
t.a.v. mvr. Micky Adriaansens  
Bezuidenhoutseweg 73  
2500 EK Den Haag

November 29, 2022  
Concerning: Expression of Principles

Dear Minister,

I hope this letter finds you well. I am contacting you in my capacity as Chief Executive Officer and Chairman of the Board of Dow. As one of the world's leading materials science companies, we are committed to using science-based solutions and acting collaboratively to help lead the transition to a more sustainable society.

Our industry-leading manufacturing operations in Terneuzen (Zeeland) play an important role in our commitment to decarbonize our business, while meeting growing demand for our products and contributing to a low-carbon future through continued investment in new products, technologies and processes.

The Dow Benelux team in Terneuzen, which has delivered extraordinary pioneering work in recent years, has designed an impressive blueprint towards CO<sub>2</sub> reduction within our operations. By 2028 we intend to cut CO<sub>2</sub> emissions by around 50% at our Terneuzen site. At that time, we will also be able to reduce 10% of our NO<sub>x</sub> emissions. By 2050 we intend for our crackers to be CO<sub>2</sub> and NO<sub>x</sub> neutral. Bringing this blueprint to life will be one of the first of its kind for our operations globally. As part of this Terneuzen blueprint, Dow intends to make a series of significant investments in its Terneuzen manufacturing facilities by 2030 and beyond. We anticipate that these investments will result in both short- and long-term important regional job growth.

We are proud of our investments in The Netherlands and with good reason. The Terneuzen site is our largest manufacturing operation outside of the United States. The proximity to the North Sea, the well-developed network of roads and pipelines, and the highly educated workforce enable us to produce materials for many of society's most needed products.

I would like to add a chapter to Dow's Zeeland history book – one where we produce products that benefit the planet as much as they benefit society and help lead the way in the transition to a net-zero carbon and circular economy. Doing so, however, is a complex endeavour – one that Dow cannot solve alone. We need partners that can help us along the way. As such, I am very pleased with the opportunity



for Dow Benelux to sign an Expression of Principles with the Dutch Government in support of the project.

Dow's Board of Directors and management team recognize this project's ability to further accelerate our sustainability commitments, while adding value to our company and all our stakeholders, including our employees, communities, customers, and investors.

Please do not hesitate to reach out to me or my team if there are any additional questions about our commitment. In the meantime, please rest assured that the Dow team in Terneuzen is fully engaged in the success of this project and enjoys my full confidence and support.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Fitterling".