

EXPRESSION OF PRINCIPLES
Dated July 13th, 2023

As entered into between:

- 1. the Minister of Economic Affairs and Climate Policy**, acting as administrative body and as representative of the State of the Netherlands, represented by Mrs. M.A.M. Adriaansens;
- 2. the State Secretary of Infrastructure and Water Management**, acting as administrative body and as representative of the State of the Netherlands, represented by Mrs. V.L.W.A. Heijnen;

and

- 3. AnQore B.V.**, with its registered office in Urmond, the Netherlands and its office address Mauritslaan 49, 6129 EL, Urmond, represented by Mr. P.M.G. Boon;

regarding cooperation to reduce Greenhouse gas emissions in the Netherlands

Parties 1, and 2 hereafter individually as well as jointly referred to as the "State";

Parties, 1, 2 and 3 hereafter jointly referred to as the "Parties";

Whereas

Legal and policy framework for CO₂ reduction

1. Parties acknowledge that additional efforts for reduction of Greenhouse gas emissions are required to achieve the goals of The Paris Agreement, the European Climate Law, the Dutch Climate Law (*Klimaatwet*) and the Dutch Coalition Agreement (*Coalitieakkoord*);
2. The Dutch Coalition Agreement as presented on December 15, 2021, increases the national CO₂ reduction targets to at least 55% in 2030, and the Government aims for 60% CO₂ reduction in 2030, and for climate neutrality in 2050 and for establishment of a green economy that is climate neutral, fossil free and circular;
3. For the industry, as laid down in the recent letter about the additional climate policies¹ (hereafter: "Kamerbrief Voorjaarsbesluitvorming Klimaat"), the proposed target is reduction of CO₂-emissions to a maximum of 29.6 million tons (hereafter: Mton) in 2030;
4. The Government will present a national roadmap to accelerate the transition in the Dutch industry towards a climate neutral, fossil free and circular economy. Parties acknowledge that their mutual cooperation will take place in the context of the developing policy around accelerating the transition of the industry;

Tailor-Made Approach ("Maatwerk")

5. The Government aims to facilitate the climate transition of the industry in the Netherlands with, amongst other instruments, a tailor-made approach for the 10-20 largest industrial emitters. As set out in among others the letter informing parliament on the tailor-made approach² (hereafter: *Zomerbrief*) and the letter informing Parliament on the progress of the tailor-made approach³ (hereafter: "*Voortgangsbrief*"), the aim of the tailor-made approach is to support these companies, based on mutual commitments, in achieving additional and accelerated CO₂ reduction before 2030 and having a sustainable future in the Netherlands. Furthermore, the aim is to contribute and to meet now and in the long-term other sustainability challenges in the Netherlands;
6. Where needed, the Government, as stipulated in the Dutch Climate Policy Programme, intends to support the largest industrial emitters in their endeavors in order to contribute to additional CO₂ reduction, while considering European principles regarding state aid and a level playing field on the internal market and aiming for an international level playing field;
7. In the *Zomerbrief* and the *Voortgangsbrief*, the Government explained the structure of the discussions with the 10-20 largest emitters for a tailor-made approach. The structure will be along the following lines:
 - i. First, discussions will be held to see whether parties can come to an expression of principles ("EoP"), in which they express their intention to further discuss the possibilities of additional CO₂ reduction and reduction of impact on the local environment by the respective companies and the possibilities of the Government to assist therewith;
 - ii. Second, if an EoP appears to be a good basis for further discussions, parties intend to continue discussions with the aim to define the specific measures to be taken and intend to agree on those in a draft joint letter of intent ("JLoI");
 - iii. Third, the draft JLoI will be submitted to the 'Adviescommissie Maatwerkafspraken Verduurzaming Industrie' for an expert advice to the Minister of Economic Affairs and Climate Policy with respect to, among others feasibility, cost-effectiveness and level of ambition;
 - iv. Finally, if a final JLoI has been agreed upon and signed, parties intend to implement and elaborate their agreements in binding tailor-made agreements;
8. The current EoP, therefore, is only of an indicative, non-binding nature, which means that in the further discussions in the context of the tailor-made approach neither Party can be legally held to expressed intentions, statements, facts or numbers mentioned in this EoP, among other things because in this stage, such expressed intentions, statements, facts or numbers cannot and will not be fully verified by the Parties to this EoP and because neither Party wants to enter into legally binding commitments with this EoP;

¹ Kamerbrief *Voorjaarsbesluitvorming Klimaat* d.d. 26 April 2023.

² Kamerbrief *Zomerbrief Maatwerk*, d.d. 8 July 2022.

³ Kamerbrief *Voortgang Maatwerkafspraken*, d.d. 27 February 2023.

9. Parties confirm explicitly that (i) they shall have full discretion in agreeing on a JLoI or not, and in modifying, removing or completing any intentions, statements, facts or numbers mentioned in this EoP, and (ii) that at its sole discretion, either Party may terminate discussions at any time for any reason;

AnQore in The Netherlands

10. AnQore is a Dutch company with its head office in Urmond and a world-scale manufacturing facility on the Chemelot Industrial Park in Sittard-Geleen. AnQore provides direct employment to about 200 people and serves customers mainly within the European Union;
11. AnQore produces key building blocks for a wide range of products. AnQore's main product is acrylonitrile. Acrylonitrile is an irreplaceable ingredient for many products including: ABS, acrylamides, nitrile rubber, carbon fibre, acrylic fibre and DMAPA. These products represent over 95% of demand for acrylonitrile. The benefits these products amongst others bring are i) clean water; ii) clean energy and lightweight transportation; and iii) healthcare and nutrition;
12. In the production process of acrylonitrile the following co-products are created: hydrogen cyanide, acetonitrile and an ammonium sulphate solution. Hydrogen cyanide needs to be processed in-situ because it cannot be stored nor transported. In separate plants these co-products are transformed into the following end-products: acetone cyanohydrin (to produce PMMA), sodium cyanide (to produce a/o chelates, vitamins), acetonitrile (used as solvent) and solid ammonium sulphate (fertilizer);
13. More than 95% of AnQore's turnover stems from European customers. The demand for acrylonitrile in the European market is driven by the need for safe deliveries, quality of products and the security of supply, which gives European producers, such as AnQore, a competitive edge over producers overseas;
14. The AnQore plant in Sittard-Geleen, is one of the two existing acrylonitrile plants in Europe;
15. AnQore indicates that EU demand for non-fossil and/or low carbon acrylonitrile is growing rapidly, which is mainly supplied by European manufacturing and AnQore specifically;
16. According to a study commissioned by CEFIC in 2018⁴ in total 20,500 jobs are estimated to be directly created by the manufacture of acrylonitrile and its use by initial downstream users. The manufacture and use of acrylonitrile also leads to induced employment in the wider EU economy of at least 47,500 jobs. The total value from the manufacture and use of acrylonitrile to the EU economy is estimated to be €6.7 billion per year. The estimate does not take into account the value of any further products made along the value chain following the initial use of acrylonitrile (e.g. further use of carbon fibre). AnQore's share in the total acrylonitrile production in Europe is close to 50%;

Decarbonization

17. AnQore indicates that it has the ambition to achieve its CO₂ reduction by 2030 in line with the Dutch Climate Agreement and the Dutch Coalition Agreement and sees opportunities to achieve additional CO₂ reduction. AnQore's investment programme reflects this ambition;
18. AnQore indicates it is committed to the Paris Agreement goals and is committed to be carbon neutral before 2050;
19. In 2019 AnQore launched as first in the industry a more sustainable version of acrylonitrile; "Econitrile". This was possible by replacing the fossil raw materials propylene and ammonia, by ISCCplus certified raw materials from a non-fossil origin meaning of bio, bio-circular, circular or renewable origin^{5,6};
20. AnQore indicates it is committed to the transformation of the acrylonitrile industry towards becoming more sustainable, based on the use and consumption of non-fossil raw materials, helping customers down the value chain to reduce Scope 3 emissions;
21. The total Scope 3 CO₂ footprint related to the use of fossil propylene and ammonia was 0.4Mton CO₂ in 2020. The AnQore long-term Scope 3 CO₂ emission reduction targets are 50% in 2035 and 100% in 2040;

⁴ EFTEC, "Socio-Economic Analysis: Occupational Exposure Limits for Acrylonitrile", prepared For European Chemical Industry Council (cefic) - Acrylonitrile Sector Group, 18 December 2018.

⁵ <https://www.iscc-system.org/markets/feedstocks/> d.d. 30 May 2023 <https://www.iscc-system.org/markets/feedstocks/> d.d. 30 May 2023.

⁶ The product carbon footprint (in line with ISO 14040 and ISO 14044 standards) of Econitrile is close to zero in case the non-fossil origin is bio, bio-circular or renewable.

22. AnQore considers the fact that its production is located on the Chemelot Industrial Park as an important enabler for realising its CO₂-reduction ambitions. AnQore believes it can benefit from the dynamics of the Chemelot Industrial Park as a centre point for the production, import and export of sustainable feedstocks. AnQore also indicates that the proximity to Brightsite and the Brightlands Chemelot Campus provides great value since it gives access to unique knowledge and facilities to support AnQore's developments and innovation;
23. The Netherlands has a limited number of industrial emitters of N₂O, including AnQore. N₂O is a very strong greenhouse gas. That is why the government has been in discussion with these companies on how to reduce these emissions. Since 2021, emissions of N₂O (with the production of acrylonitrile) are subject to the national CO₂ levy, despite the fact that this does not fall under the ETS system. This provides Dutch companies with an extra incentive to reduce N₂O. The Netherlands aims for a level playing field within Europe and will address any concerns regarding the internal market;
24. The Government has developed a national infrastructure program (Meerjarenprogramma Infrastructuur Energie en Klimaat) to direct the realisation of energy infrastructure which is essential for the climate and energy transition. Governments, industry and grid operators work together to enable acceleration of infrastructural projects admitted to the MIEK where desirable and possible;
25. MIEK-project Delta Rhine Corridor aims for transport of sustainable energy carriers and (circular) raw materials (underground DC connection, hydrogen, CO₂, ammonia, propene and LPG) by pipelines between Rotterdam, Moerdijk, Venlo, Chemelot Industrial Park, Nordrhein Westfalen, and Ludwigshafen, provided there is a (private) initiator per pipeline. For the hydrogen and CO₂ pipelines, there are already initiators;
26. AnQore indicates that pipeline-connections between the Chemelot Industrial Park to the ARRA (Antwerpen-Rotterdam-Rijn-Ruhr-area) and the German Hinterland for hydrogen, ammonia and propylene are an important enabler for its decarbonization strategy since this would provide access to renewable, green and biobased feedstock and fuels (when combined also referred to as "green"). Green hydrogen is fundamental to realize possible next steps in Scope 1 reductions and green ammonia and propylene for realizing AnQore's Scope 3 ambitions;
27. Parties acknowledge the importance of a level playing field for the chemical industry and the importance of the evaluation of the functioning of the Carbon Border Adjustment Mechanism at the end of the transition period (2025);

Environmental impact

28. Parties acknowledge that the Dutch Coalition Agreement aims to decrease reactive nitrogen emissions to reduce the deposition thereof in Dutch Natura 2000 nature areas, and that each sector, including the industrial sector, is expected to contribute fairly to the necessary reduction of reactive nitrogen emissions. The letter regarding nitrogen⁷ explains the policy framework;
29. The Government aims, in line with the European Zero Pollution Vision, to reduce air-, water- and soil contamination by 2050 to levels that are no longer harmful to general health and natural ecosystems, thereby taking into account the limits of planet earth with the aim of realizing a toxin-free environment and has formulated emission reduction and health gain ambitions in several policy acts to this end;
30. The Government has formulated an emission policy that includes the legal obligation to minimise emissions of persistent pollutants and pollutants of high concern (*zeer zorgwekkende stoffen (ZZS)*) and inform the authorities on achieved reduction and next steps to further achieve zero emissions every five years;
31. The Government is considering possible environmental safety risks and spatial integration issues associated with the storage and transport of hydrogen-rich energy carriers and has informed parliament about the results of the report on "Environmental safety of future flows of hydrogen-rich energy carriers"⁸ The Government aims to send the principles for the policy on health and safety in the energy transition to parliament in the autumn of 2023;

⁷ Kamerbrief *Stand van zaken stikstof en landelijk gebied*, d.d. 15 juli 2022.

⁸ Kamerbrief *omgevingsveiligheid waterstofrijke energiedragers* d.d. 17 maart 2023.

32. AnQore indicates it is committed to operate its assets with zero emissions from harmful matters for humans and the environment by 2050, in line with the European Zero Pollution Vision. The investment programme of AnQore reflects this ambition;
33. AnQore has recently commissioned an investment into a waste water pre-processing unit at its manufacturing location to reduce the amount of emissions of substances of concern to water;
34. AnQore indicates it has a strategic commitment to improve sustainability, safety and security. AnQore indicates, that it is committed to maintain safety not only by operating a cutting-edge, well maintained, well-operated and continuously improved production facility but also by operating a state-of-the-art fleet of rail tank cars and tanktainers to ensure safe supplies to customers. AnQore indicates it goes the extra mile to improve safety in its value chain through active products stewardship: training of customers and logistic partners (transport, external storage) and audits of customer and logistics unloading facilities with improvement plans;
35. AnQore indicates that the internal and external safety for both its employees, business partners and surroundings are a key priority. AnQore continues to work with the competent authorities to further optimize its operations and safety performance, throughout the value chain to develop and share its knowledge concerning safety with stakeholders.

Have agreed:

1. Definitions

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

- a. **BAT:** best available technologies (*beste beschikbare technieken*) as defined in article 1.1 paragraph 1 of the Dutch Environmental Permitting (General Provisions) Act (*Wet algemene bepalingen omgevingsrecht*);
- b. **Carbon Capture and Storage:** the process of capturing, transporting and permanent storing of carbon dioxide to prevent it for entering the atmosphere, hereafter also to be referred to as 'CCS';
- c. **Climate neutrality:** net-zero Greenhouse gas emissions in CO₂ equivalent terms;
- d. **CO₂:** all Greenhouse gases in CO₂ equivalent terms, unless stated otherwise;
- e. **AnQore:** means AnQore B.V.;
- f. **DEI+:** means the Demonstration Energy Innovation grant scheme;
- g. **Dutch Climate Law:** the law enacted on 2 March 2022, also known as the *Klimaatwet*;
- h. **Dutch Climate Agreement:** the agreement dated 28 June 2019 as supported by the Government, Dutch companies and other interested parties in relation to the reduction of Greenhouse gases as part of the Dutch climate policy (*Klimaatakkoord*);
- i. **Dutch Coalition Agreement:** coalition agreement (*Coalitieakkoord*) of the current Government, dated 15 December 2021;
- j. **Dutch Climate Policy Programme:** the governmental policy programme (*beleidsprogramma Klimaat*) dated 2 June 2022 on the main features of the climate policy until 2030 aimed at the realisation of the objectives of the Dutch Climate Law;
- k. **Dutch CO₂ Levy:** the national levy on industrial CO₂ emissions, governed by the 'Wet belastingen op milieugrondslag' chapter VIB;
- l. **EoP:** this Expression of Principles;
- m. **ETS:** a system for greenhouse gas emission allowance trading within the European Union (Directive 2003/87/EC).";
- n. **ISCC PLUS:** a voluntary global certification system that is applicable for the bioeconomy and circular economy for food, feed, chemicals, plastics, packaging, textiles and renewable feedstock derived from a process using renewable energy sources;
- o. **Government:** the government of the Netherlands;
- p. **Greenhouse gases:** 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 European Union;
- q. **MIEK:** means the **Meerjarenprogramma Infrastructuur Energie en Klimaat**. This is the multi-annual program in which the Government, together with other stakeholders, coordinates timely decision-making and realisation of infrastructural projects of national interest that are needed to achieve CO₂ reduction;

- r. **NEa:** Dutch Emissions Authority (*Nederlandse Emissieautoriteit*);
- s. **NIKI:** an aid scheme currently being developed by the Government aimed at, among others, the reduction of CO₂ in energy-intensive industrial sectors and the acceleration of the further upscaling of technologies from demonstration phase to commercial scale by supporting first-movers which scheme in Dutch is named '*Nationale Investeringsregeling Klimaatprojecten Industrie*';
- t. **Parties:** the Parties to this Expression of Principles;
- u. **Party:** one of the Parties to this Expression of Principles;
- v. **Permits:** means any permits, licenses, exemptions, consents or other authorizations that AnQore requires from the Government or any (local) governmental organization for the realization of the Projects;
- w. **Project:** means the project listed in article 3.2;
- x. **SDE++:** the aid scheme 'Stimulation of sustainable energy production and climate transition' through which the Minister of Economic Affairs and Climate Policy can subsidize the unprofitable component of a project during the operational period of that project;
- y. **Site:** means the production location owned and operated by AnQore in Geleen, the Netherlands.

2. Objectives for the cooperation between the Parties

The objectives of this EoP are to:

1. express non-binding principles for potential subsequent mutual agreements on the cooperation between the Parties to pursue the intentions as stated below in this section each from their own purview (see recitals above) and subject to each Party's internal criteria for cooperation and decision making;
2. accelerate reduction of AnQore's CO₂ emissions subject to the Dutch CO₂ Levy in the Netherlands, aiming for 0.4 Mton CO₂ reduction in the year 2030 relative to the year 2020;
3. accelerate reduction of AnQore's local environmental impact in the Netherlands, with a focus on nitrogen; and
4. accelerate the transition to a sustainable economy, notably through stimulating markets for sustainable products in AnQore's value chain.

3. Intentions

3.1 Intention 1 – establish basis for cooperation

1. Parties intend to cooperate on the basis of mutuality ("wederkerigheid") in a staged process to create mutual and simultaneously increasing levels of commitment, in due course towards binding agreement(s) on achieving the objectives, to be laid down in writing and subject to authorised signature;
2. As the next step, Parties intend to strengthen their cooperation by drawing up and agreeing on a JLoI. The JLoI will elaborate on the levels of commitment related to all intentions to be pursued thereafter. At the moment of signing this EoP, Parties aim to agree on the JLoI in 2023;
3. Parties intend to periodically discuss AnQore's role as a key player at the Chemelot Industrial Park and the benefits of the Project towards developing the Chemelot Industrial Park and how AnQore's transition activities can contribute to economically strong and Climate neutral sites;
4. Parties intend to monitor and periodically evaluate AnQore's CO₂ emissions and environmental impact;
5. Parties acknowledge that apart from an adequate application process, early alignment, effective prioritisation, planning and cooperation between the State, the relevant (local) public authorities, the relevant public institutions and AnQore are important for effectively conducting permitting processes to obtain the relevant Permits, including NO_x related permits and to that effect:
 - a. Parties acknowledge each Party's and other entities' responsibilities under various laws and regulations;

- b. Parties intend to, individually and jointly, engage and align with relevant public entities and institutions to promote a timely and predictable permitting process. AnQore intends to continue its engagement with relevant stakeholders, e.g. those in the vicinity of its operations, in relation to the permitting process; and
- c. the State intends to facilitate, where possible and within its purview, timely decision-making on permit applications for any Permit and, whilst respecting their respective authority and role under public law, encourage relevant public entities and authorities whose actions and/or decisions are required for obtaining any Permit, to contribute to timely decision making.

3.2 Parties' intentions related to Objective II – CO₂ reduction

3.2.1 Parties' intentions related to reduction of AnQore's CO₂ emissions subject to the Dutch CO₂ Levy in the Netherlands

1. This objective relates to CO₂ emissions of AnQore activities at its Site that are subject to the Dutch CO₂ Levy. In the year 2020, AnQore's CO₂ emissions subject to the Dutch CO₂ Levy were 0.5 Mton (of which 0.4 Mton CO₂ equivalents from N₂O emissions);
2. AnQore aims, with support of the tailor-made approach by the State, to reduce its annual CO₂ emissions, by 0.4 Mton Mton in the year in 2030 compared to the year 2020. This would mean 0.2 Mton additional CO₂ reduction beyond the CO₂ reduction required to achieve an emission level equal to the expected amount of CO₂ dispensation rights in 2030 under the Wet belastingen op milieugrondslag;
3. AnQore intends, with support of the tailor-made approach, to invest in the Project with the aim to reduce CO₂ emissions as stipulated in 3.2.1 sub 2;
4. The Project consist of the building of a new Thermal Oxidizer (hereafter "TO"), which processes the off-gas from AnQore's production of acrylonitrile;
5. Parties expect that the new TO will have a novel design due to its multiple purpose of reducing acrylonitrile, N₂O, NO_x as well as reducing or minimizing other emissions to comply to the requirements of the Wet Milieubeheer and other regulations, at a later stage to be assessed on the basis of the actual design;
6. The operating temperature of the new TO must increase substantially compared to the existing one, to break down N₂O. However, the new TO will, through amongst others optimized heat integration, reduce the energy consumption (today natural gas) despite the substantially higher operating temperature. As a result the use of natural gas will be reduced by 15%. AnQore intends to further reduce the use of natural gas, to meet the intended CO₂ reductions, by replacing it with other non-fossil fuels (like hydrogen or biogas). The design of the TO will be flexible with regard to the use of fuel;
7. AnQore intends to explore the different pathways for the use of steam produced by the TO, both technically as well as economically;
8. AnQore intends, with the support of the tailormade approach, to have the new TO operational by the end of 2027;
9. Parties recognize that a reduction of the Scope 1 CO₂ emissions of AnQore will have a substantial impact on the overall emission reduction at Chemelot Industrial Park by 2030.

3.2.2 Parties' intentions related to AnQore's Scope 3 CO₂ emissions

AnQore intends to realize a Scope 3 CO₂ emission reduction of 0.1 Mton in 2030 (relative to 2020) by replacing fossil-based ammonia and propylene by ISCCplus certified raw materials from a non-fossil origin, meaning bio, bio-circular, circular or renewable origin. The intended reduction will depend on the availability (on the Geleen site) and affordability of ISCCplus certified raw materials.

3.2.3 The State's intentions regarding AnQore's Project

The intention of the State is to explore how to enable, accelerate and/or mature AnQore's Project. The State's support may consist of (a portfolio of) generic and tailor-made support instruments, among others in relation to financing. A clear substantiated ask from AnQore is needed to consider

the possible support from the State. The State's support can only take place within the boundaries of the law and as far as in its control or discretion.

- Financial support
 - AnQore is responsible for the financing of the Project;
 - AnQore has indicated that financial support is essential to ensure the economic viability of the Project;
 - AnQore has indicated that the availability of subsidies and incentives provided by the State would increase the economic viability of the business case of the Project;
 - Parties intend to initially look into financial support through generic financial mechanisms, including SDE++, DEI+ and the VEKI for which AnQore can apply;
 - Parties will furthermore jointly investigate the possibilities for AnQore to apply for financial support to the Project under the new to be established NIKI scheme;
 - If the generic financial mechanisms are deemed insufficient or not fit for purpose, Parties intend to investigate if there is a need to contribute to the Project through one or a combination of the following financing instruments:
 - other future subsidy programmes;
 - provision of subordinated loans; or
 - other specific mechanisms for financial support.
 - While investigating possible financial instruments, the State will in each case strictly adhere to applicable European and Dutch laws for state aid support and the procedures and parameters for such financial instruments;
 - In addition, it is the responsibility of AnQore to apply for relevant subsidies or other financial instruments. The State however intends to promote the Project for qualification of applicable EU subsidies, loans and other financial support instruments within its own purview;
 - The State's investigation into potential financial support mechanisms for the Project is dependent upon the willingness of AnQore to provide the necessary detailed financial and commercial information.

3.2.4. Other intentions of Parties related to the Project

Flexible electricity

1. Parties intend to explore the potential to increase the share of flexible electricity consumption, in order to allow for the efficient integration of renewable electricity into the electricity grid in space and time.

Residual heat

2. In anticipation of the new Heat Act⁹ and the revised Energy Efficiency Directive¹⁰, AnQore is prepared to engage with local authorities and stakeholders at their request to provide insight in its residual heat potential for sustainable district heating plans;

Dispensation Rights

3. Parties acknowledge that it is AnQore's intention not to further trade with other companies additional CO₂ dispensation rights under the Wet belastingen op milieugrondslag that ensue from the additional CO₂ reduction realised by the tailor-made approach, in order to prevent a "waterbed effect". The effects hereof will be discussed in the coming period and worked out in more detail in the JLoI.

Long-term transition plan

4. AnQore will, as part of the JLoI, (further) elaborate on its long-term strategic transition plan to reach Climate neutrality by 2050 at the latest and provide further insight into how the Project contributes to the goal of Climate neutrality and the transition to a circular economy.

3.3 Parties' intentions related to Objective III - reduce the local environmental impact

1. The intentions under this paragraph relate to emissions to air and water (other than CO₂), external safety, noise, and impacts of logistics and local zoning. Parties acknowledge that commitment to reduce the local environmental impact is essential for the future development

⁹ Expected to come into effect mid 2024.

¹⁰ Expected to come into effect mid 2023.

- of a sustainable industry in the Netherlands. A sustainable operation is defined as an operation in line with the European Zero Pollution Vision. Parties acknowledge that a shared fact base, application of high environmental standards and cost effectiveness are important;
2. AnQore intends to reduce its NO_x emission in 2030 with 50% compared to 2020 by implementing the Project¹¹. AnQore intends to continue aiming for further reduction of NO_x emissions. AnQore will carry out a feasibility study to minimize NO_x emissions for all other activities, including emissions from logistics, mobile sources and diffuse sources on the site;
 3. AnQore is committed to reduce the emissions of acrylonitrile, which is a substance of high concern (ZZS). The aim is to comply with the minimization obligation and therefore to minimize emissions as much as possible;
 4. AnQore intends to identify other potential, substantial contributions AnQore can make to improving the environment based upon reported emissions. To this effect AnQore intends to carry out a study with the objective to identify the potential for reduction of (i) persistent pollutants and pollutants of high concern emitted to air and local receiving water bodies (according to EU regulation); and (ii) emissions of particulate matter. Parties intend to discuss the scope and outcome of the studies indicated above. With this, Parties intend to achieve a common understanding on potential next steps to substantially reduce emissions, taking into consideration the overall environmental improvement that can be achieved;
 5. Parties acknowledge that sustainable waste water treatment and water supply are part of the transition towards sustainable, Climate neutral and green production. AnQore supports the intentions of the Chemelot Industrial Park to further reduce emissions of priority substances via the local water treatment plant to the river Maas. AnQore supports water circularity initiatives;
 6. AnQore intends to realize emission levels comparable to the lower end of the Best Available Technique (BAT) Associated Emission Level bandwidth and will comply with BAT standards. The aim for ZZS-substances is to comply with the minimization obligation and therefore to minimize emissions as much as possible;
 7. AnQore is 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. AnQore therefore intends to continue to engage with and take into account local community and stakeholders at an early phase of the relevant transition plans and the Project;
 8. AnQore aims that the on-site and external safety exposure, on and around production- and storage sites should not deteriorate in comparison to the current situation and, where possible, improve. In case new risks are identified, AnQore intends to mitigate these risks.

3.4 Parties' intentions related to Objective IV – stimulate markets for sustainable products and Scope 3 effects

1. Parties recognise that the EU legislative process concerning market uptake of sustainable products (among others Packaging and Packaging Waste Regulation ("PPWR"), End of Life Vehicles Directive ("ELV") and Eco-Design for Sustainable Product Regulation ("ESPR")) is crucial to stimulate investments in circular plastics. Parties acknowledge that a successful and accelerated development of sustainable products also depends on having appropriate policies in place, in particular the enabling of mass balancing;
2. The State intends to promote an ambitious sustainable materials uptake scheme at the European level including the necessary instrumentation;
3. The State intends to further stimulate investments in recycling technologies and sustainable products, among others by the proposed¹² introduction of an obligation for plastic products produced in the Netherlands for the Dutch market to contain 25-30% recycled or biobased content in 2030;
4. The State intends to explore pathways to incentivize and accelerate the availability of sustainable biogenic resources for sustainable plastics and sustainable chemicals manufacturing, as a next step to sustainable production and to various ways of recycling.

¹¹ Note that in the current situation the NO_x related to the existing thermal oxidizer are reported by USG, not by AnQore directly.

¹² Kamerbrief *Voorjaarsbesluitvorming Klimaat* d.d.26 april 2023.

4. Time schedule

Parties share a joined sense of urgency. Parties therefore have the ambition to draw up and agree to a JLoI in 2023.

5. Costs

Each Party bears its own costs associated with this EoP.

6. Interpretation of terms and substance of this document

1. The terms of this EoP are not legally binding nor legally enforceable upon either Party hereto;
2. The current EoP is only of an indicative, non-binding nature, which means inter alia that neither Party can be legally held to expressed intentions, statements, facts or numbers mentioned in this EoP, among other things because in this stage, such expressed intentions, statements, facts or numbers cannot and will not be fully verified by the Parties to this EoP and because neither Party wants to enter into legally binding commitments with this EoP; the EoP only serves the goal of affirming Parties' intention to engage in further discussions about the possibilities of additional CO₂ reduction;
3. Parties shall after signing this EoP begin discussions on a JLoI, which will more specifically describe the plans of the State and AnQore in this respect;
4. Parties confirm explicitly that (i) they shall have full discretion in agreeing on a JLoI or not, and in modifying, removing or completing any intentions, statements, facts or numbers mentioned in this EoP, and (ii) that at its sole discretion either Party may terminate discussions at any time for any reason, in which case the terminating Party is not liable for any damages or compensation of costs towards (any of) the other Parties;
5. The Province of Limburg is co-signing this EoP to express its support of the objectives and intentions of this EoP and to express its intention to participate in the upcoming discussions about the JLoI and possibly becoming a party to that JLoI;
6. To the extent this EoP creates any legal relationship between the Parties, that legal relationship shall be governed by and shall be construed in accordance with the laws of the Netherlands. Any dispute about the interpretation or implementation of this EoP will be resolved through consultations between the Parties.

7. Other

This EoP comes into effect on the signature date.

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Signed in 4 (four) original copies, each in the English language.

Minister of Economic Affairs and Climate Policy,

acting in her capacity as administrative body (bestuursorgaan) and as representative of the State of the Netherlands,

By: Mrs. M.A.M. Adriaansens

Place: The Hague

Date: 13 July, 2023

State Secretary of Infrastructure and Water Management,

acting in her capacity as administrative body (bestuursorgaan) and as representative of the State of the Netherlands,

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

Place: The Hague

Date:

The Chief Executive Officer of AnQore B.V.

By: Mr. P.M.G Boon

Place: The Hague

Date: 13 July, 2023

Gedeputeerde Staten, the Provincial Executives of the Dutch Province of Limburg

By: Mr. S.H.M. Satijn

Place:

Date: