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INOVYN is part of INEOS Group

INEOS Group overview

$61 bn Turnover

23,000 employees

35 Businesses

60 million tons of chemicals capacity

20 million tons of refinery products (420,000 bbls/day)

26 million boe per annum

183 manufacturing sites worldwide

26 Countries

INOVYN overview

INOVYN - key dimensions

Profile

4,300
PEOPLE

€3.5bn
TURNOVER

6
million tonnes per annum
PRODUCTION

17
MANUFACTURING SITES IN 8 COUNTRIES

150+
PRODUCTS & GRADES

INOVYN™PVC
BIOVYN®
METHOKLONE™
CERECLOR™
KEY BRANDS

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INOVYN is the European leader

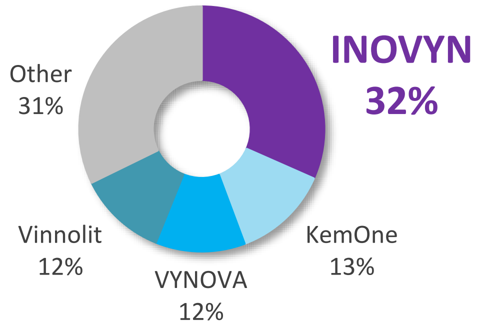
Vinyls

Leadership positions in Europe

- #1 **General Purpose Vinyls**
- #1 **Specialty Vinyls**

2x larger than next European competitor

All PVC [(1)]

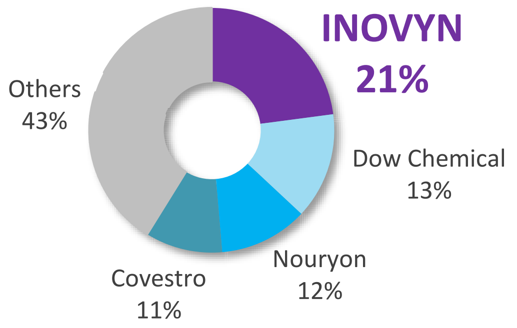


Others

Leadership positions in Europe [(2)]

- #1 **Chlorine**
- #1 **Caustic Soda**
- #2 **Caustic Potash**
- #1 **Epichlorohydrin**
- #3 **Chloromethanes**

Caustic Soda [(3)]



Source: IHS, company information
1. Capacity market share for EEA (2017), excluding Oltchim
2. Based on management estimates for merchant market share
3. Merchant market share for caustic soda liquor (EEA 2016)

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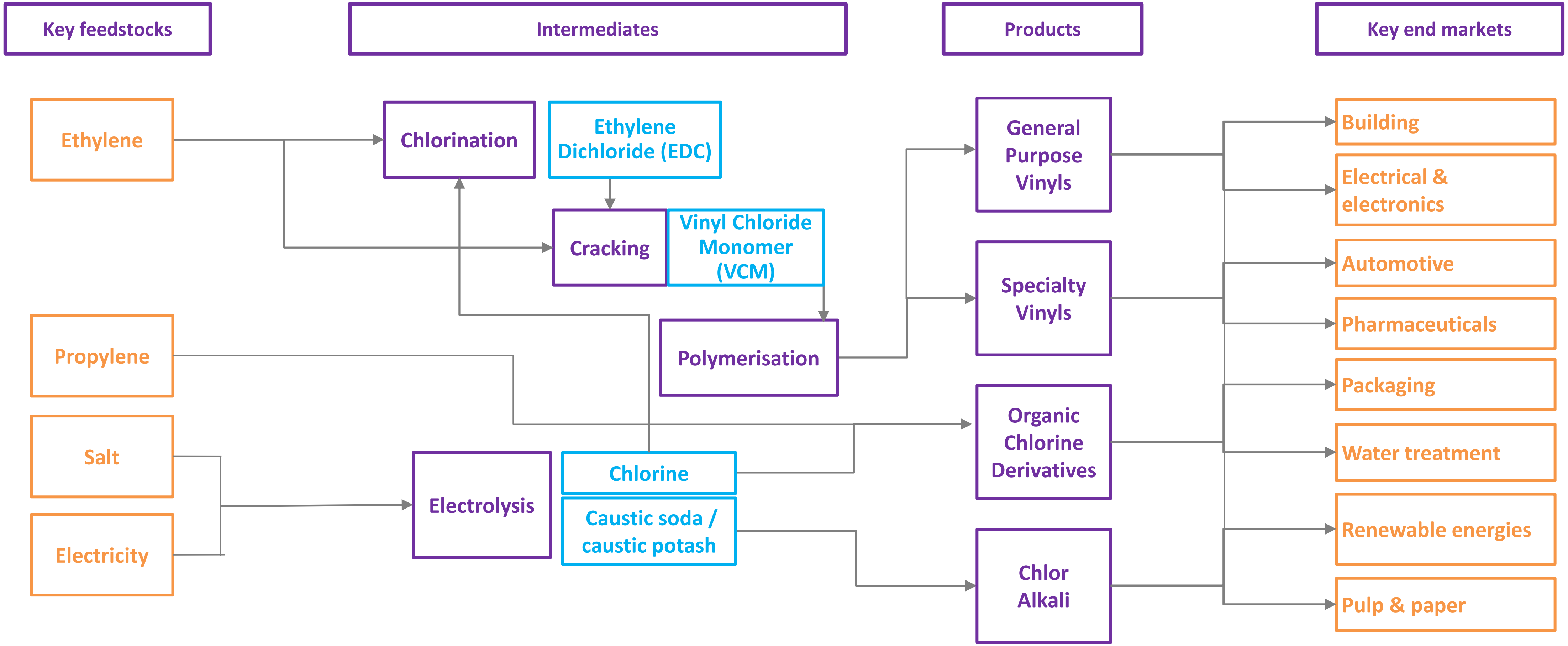
The INOVYN value chain



Production > 40 million tonnes per annum

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The importance of electricity for INOVYN

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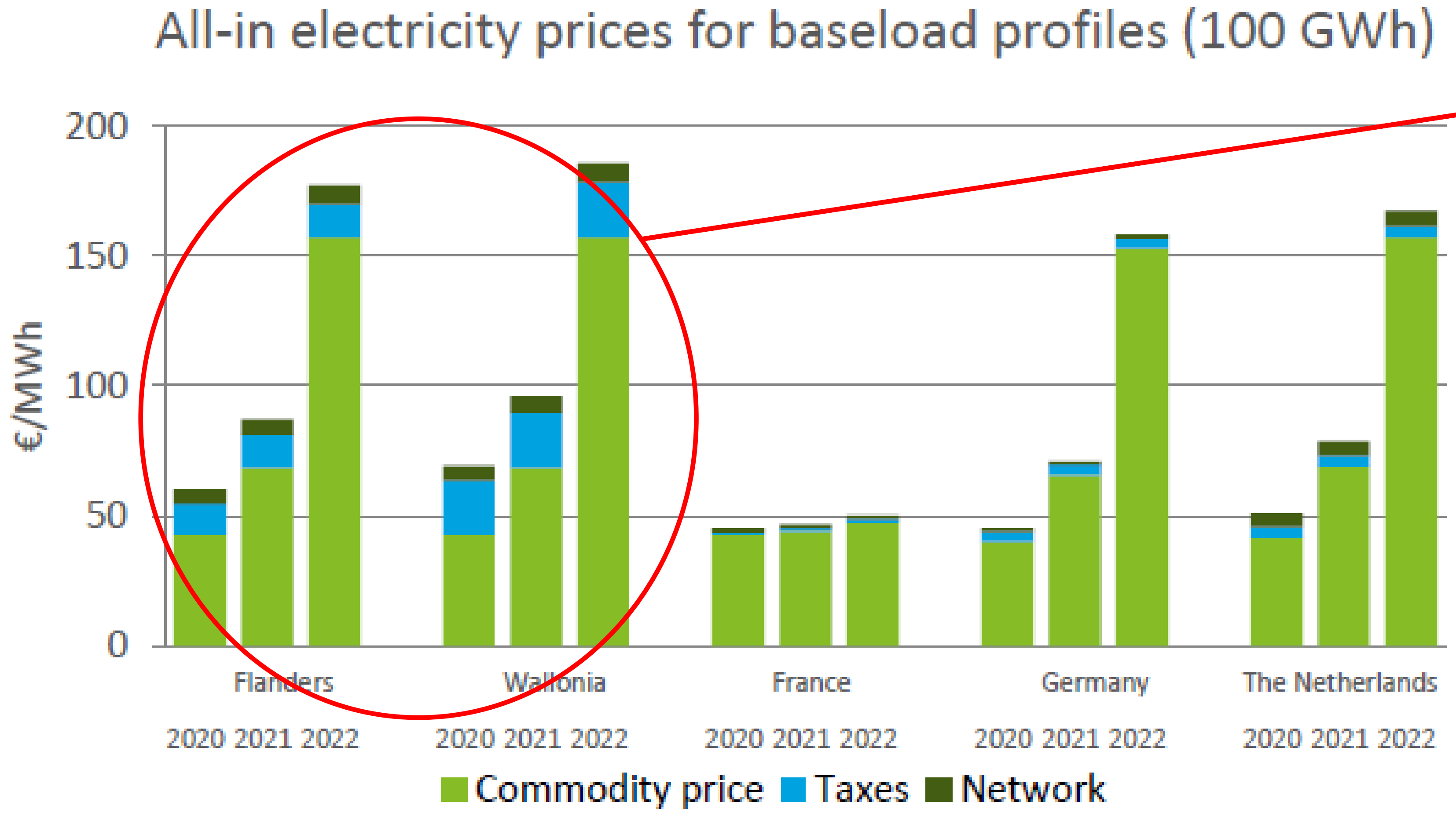
The importance of electricity for INOVYN

- INOVYN electricity consumption (typical GWh/y) :
  - Europe : 6250
  - Belgium : 2050 Lillo (Li) : ~1200 GWh/y, Jemeppe (Je) : ~850 GWh/y (~50 GWh/y net)
  - France : 1200
  - Germany : 500

- European investments/projects since INOVYN creation in 2016 :
  - 2016 : Jemeppe (BE) : acquisition of the local cogeneration unit
  - 2017 : Antwerp (BE) : capacity conversion of electrolysis from NaOH to KOH
  - 2018 : Tavaux (FR) and Rheinberg (DE) : capacity expansion of electrolysis
  - 2019 : Jemeppe (BE) : capacity conversion from PVC commodities to PVC specialties
    Stenungsund (SE) : capacity conversion of electrolysis
  - 2020 : Rafnes (NO) : capacity expansion of the electrolysis and vinyls chain
    Jemeppe (BE) : capacity expansion of the vinyls chain
  - 2021 : Stenungsund (SE) : capacity expansion of PVC production
  - 2023 : Rafnes (NO) : capacity expansion of the electrolysis
    Rheinberg (DE) : capacity expansion of the VCM production
  - 2024 : Antwerp (BE) : capacity expansion of EDC production
  - 2025 : Jemeppe (BE) : marginal capacity expansion of the electrolysis, but project questioned due to electricity cost
    Rafnes (NO) : capacity expansion of the VCM production

Deloitte 2022 study for JEMEPPE : confirmation of 2020/2021



A difference of 20 €/MWh
is equivalent to
2 M€/y for 100 GWh/y

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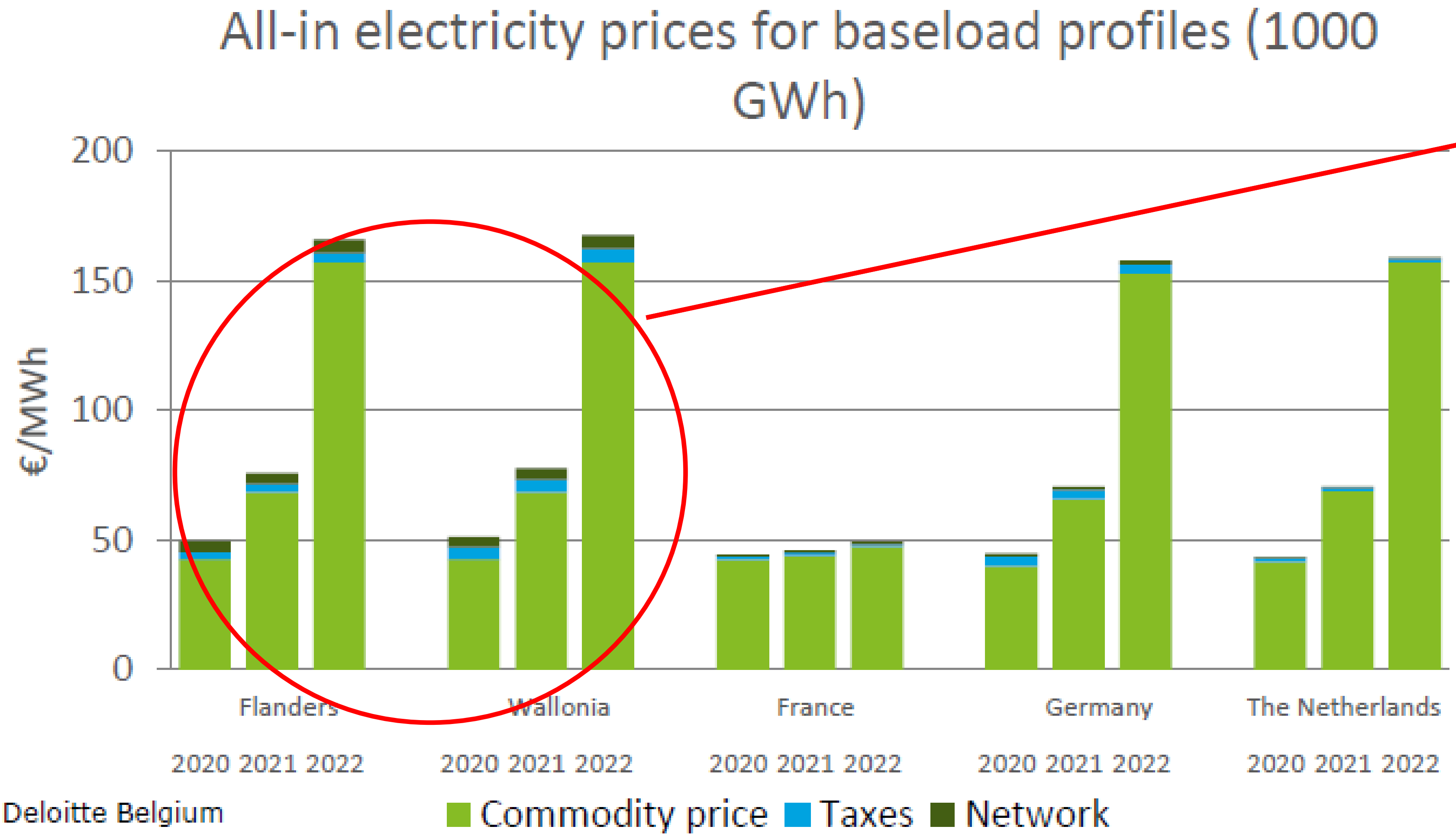
Deloitte 2022 study for LILLO : confirmation of 2020/2021



A difference of 10 €/MWh is equivalent to 10 M€/y for 1000 GWh/y

Belgium Electricity Competitiveness in 2022

- Additional short/medium terms risks vs EU/WW competition :
  - **Capacity Remuneration Mechanism financing (Federal)**
  - **Indirect CO2 emissions compensation (EU) :**
    - Limitation of eligible activities for compensation
    - Reduction of compensation emission factor (EF) vs other EU countries
  - **Direct CO2 emission : impact of current CO2 price increase**
  - **Security of Supply in case of delay of 2 GW nuclear extension**

Belgium Electricity Competitiveness in 2022

Short/medium terms risks (M€/y) :	Lillo (1200 GWh/y)	Jemeppe (50 GWh/y)
CRM financing (diverging estimations)		
Haulogy study (250 M€/y)	+4.3	+0.2
PwC study (614 M€/y)	+10.6	+0.5
Indirect CO2 emission compensation (CO2 @ 80 €/t)		
(a) : reduction of eligible activities	+0.6	+4.8
(b) : (a) & EF reduction (0.76 -> 0.37 t CO2/MWh) (FR : 0.51, DE : 0.75, NL : 0.50, …) (*) in case of max compensation in Wallonia vs EU rules	+23.8	+14.3 (*)
Direct CO2 emission cost increase (CO2 @ 80 €/t today vs 40 €/t last year)		
Emission not covered by free allocations	+2.5	+11.4

Belgium Electricity Competitiveness in 2022

- Conclusion :
  - **Deloitte 2022 study : 2020/2021 conclusion mainly confirmed**
    - Handicap of 2~10 M€/y for Inovyn sites in BE vs neighboring countries (FR, NL, DE, …)
  - **From 2022 : additional major risks for Belgium electricity competitiveness**
    - Up to +~25 M€/y vs 2020 for 50 GWh/y baseload consumption with local CHP
    - Up to +~35 M€/y vs 2020 for 1200 GWh/y baseload consumption

→ Urgent need to restore Belgium competitiveness of electricity price for industrial consumers !