TATA STEEL



Support for a major step towards cleaner steel production

Together with the Dutch government and our Indian parent company, we have signed a Joint Letter of Intent (JLOI). This marks an important step towards cleaner and future-proof steel production – developed in-house and in the Netherlands. This joint signing demonstrates our shared belief in the course of more sustainable steel production in the Netherlands.

Key agreements with the government

We are investing in a new way of producing steel, with clear guiding principles: **contributing to a healthier living environment** and significantly **reducing our CO₂ emissions.**

Healthier living environment

We will build cleaner installations here in the Netherlands, with significantly lower emissions. In addition, we are also taking additional environmental measures to reduce particulate matter (PM) levels from our process in the air in Wijk aan Zee 35% compared to 2019.

Coverages for ore stockyards and scrap processing areas

Windbarier for one of the ore stockyards

Coverings for specific slag processing stages

Additional filters on the new installations

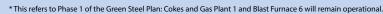




Lower CO₂ emissions

It is our aim to close Coke and Gas Plant 2 (KGF 2), followed by Blast Furnace 7. These will be replaced by a Direct Reduced Iron (DRI) plant and an Electric Arc Furnace (EAF). Initially, these will run on natural gas. We also plan to increase the use of scrap metal. This will cut CO_2 emissions by over 40%. Once biomethane and/or hydrogen are sufficiently available, we will switch to these fuels. As an interim step, we will also capture and store part of the remaining CO_2 (Carbon Capture and Storage, CCS). Together, these measures are expected to reduce CO_2 emissions by approximately 57%.

Energy mix and CO ₂ storage	Coal*	Natural gas Electricity	Natural gas Electricity Carbon Capture Storage	Natural gas Electricity Biomethane Green hydrogen
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Reduction of CO ₂ emissions Mt = million tonnes		-5,4 Mt	-6 Mt	-6,0 - 7,2 Mt
	Current	Step 1	Step 2	Step 3





Circularity

We will increase the reuse of scrap steel, making production more sustainable. Scrap use will rise from 17% to 30%. We are already carrying out tests to ensure that steel with higher scrap content is just as strong and safe as the steel we currently produce for, for example, automotive components.

A selection of our targets**

CO₂ emissions: -43% to -57%

Particulate matter concentrations: in Wijk aan Zee –35%

Targets for Substances of Very High Concern (SVHCs) and heavy metals see Table 6 JLOI

NOx emissions: -44%

SO₂ emissions: -38%

Odour impact reduced in line with the Provincial Odour Decree.

Improved monitoring to reduce peak and tonal noise emissions.

See Table 6 of the Joint Letter of Intent for a complete overview.

Why is this important?



Fewer emissions = a healthier living environment



A key contribution to Dutch, European, and global climate targets.



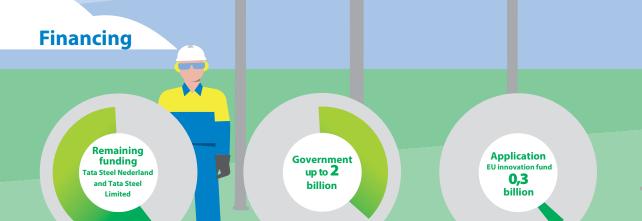
Strategic independence in times of geopolitical uncertainty



High-quality employment



An increasing economic contribution to the region and the Netherlands



** The CO2 percentage reduction is based on a baseline of 12.6 Mt CO2, scaled to 7.23 Mt liquid steel production. The other emission percentages are based on the current situation as shown in the Environmental Impact Assessment (EIA).

www.tatasteelnederland.com/jloi

NIEUWE STAALTJO

Disclaimer

This publication summarises the main points of an economic impact study entitled 'The impact of Tata Steel's transition to a clean, green, and circular company on the Dutch economy and society', carried out by Oxford Economics. Tata Steel Nederland has not endorsed or verified the study and accepts no obligation to update, revise or supplement it. No guarantee or representation is given regarding the accuracy, completeness, or validity of the information in the study. Neither Tata Steel Nederland, nor any of its subsidiaries (nor their respective officers, employees, or agents) accepts any liability for loss or damage arising from reliance on, or actions taken on the basis of, the information in this publication. Supporting documentation can be found on our website: www.tatasteelnederland.com