



POLICY

CLIMATE CHANGE

OCTOBER 2017

Orica is the global leader in mining and civil blasting. Through our Charter, we are committed to working safely and with integrity and with respect for each other, our customers, communities and the environment.

Our production processes and operational activity include the emission of greenhouse gases and we are committed to finding ways to reduce our impact. In doing so, we will also prepare the business for emerging carbon markets, reduce exposure to direct carbon costs and drive operational efficiencies.

Orica's efforts to reduce emissions will prioritise abatement at our major production facilities where we can make the most difference by lowering direct nitrous oxide emissions. We will also continue to assess the opportunities to reduce direct and indirect CO2 emissions across all our sites and value chain.

We are also preparing the business for the longer term transition to a net zero emissions future by:

- Assessing physical asset risk and putting in place any appropriate mitigations;
- Incorporating scenario analysis in our planning, including the impact of a 2 degree increase in average global temperatures on our business; and
- Putting in place clear governance arrangements and accountabilities to identify, analyse and respond to climate change risks and opportunities.

The global transition to a lower carbon future will also impact our customers, but we believe demand for our core products and services will remain strong while emerging areas of the business continue to grow.

The impact of climate change may also change the physical environment impacting local, national and global socio-economics. Orica will monitor the leading indicators of change to assess the impacts that may ensue.

We will disclose our planning and actions on climate change through:

- Annual sustainability reporting;
- Climate change targets linked to our material risks and the release of emissions data provided to the Carbon Disclosure Project; and
- Updates on our Climate Change Policy as our planning and activities evolve.

Orica will be an active participant in policy development at the national level. We will advocate for climate change policies based on the following principles:

- Open and transparent international carbon markets;
- Managed transition for the energy sector towards low emissions generation; and
- Consideration of trade exposed businesses and the priority of maintaining relative competitiveness between trading nations.

**Approved by
Orica Limited Board
October 2017**

Orica is a leading manufacturer and supplier of explosives. This policy applies to all Orica employees, contractors and activities.

© 2017 Orica Group. All rights reserved. All information contained in this document is provided for informational purposes only and is subject to change without notice. Since the Orica Group cannot anticipate or control the conditions under which this information and its products may be used, each user should review the information in the specific context of the intended application. To the maximum extent permitted by law, the Orica Group specifically disclaims all warranties express or implied in law, including accuracy, non infringement, and implied warranties of merchantability or fitness for a particular purpose. The Orica Group specifically disclaims, and will not be responsible for, any liability or damages resulting from the use or reliance upon the information in this document. The word Orica and the Ring device are trademarks of the Orica Group. Orica Limited ABN 24 004 145 868

