

Throughout our long history, we have leveraged our expertise in science and technological innovation to improve outcomes for our customers, shareholders and communities.

We accept the international scientific consensus that human activities are influencing global warming, causing further long-term changes to climate patterns resulting in economic and social consequences.

We support the global response to keep global temperature rise well below 2° Celsius, and to pursue efforts to limit temperature rise further to 1.5° Celsius relative to pre-industrial levels.

The chemical manufacture and use of commercial explosives in mining and civil blasting is energy-intensive and releases greenhouse gas emissions. We recognise our business faces long-term shifts in commodity demand and customer mix as the world strives to transition towards a net zero emissions economy. Climate change is accordingly a material risk to our business, and we are committed to playing our part in a global response.

## **OUR GUIDING PRINCIPLES**

We believe that:

- A transition to a net zero emissions economy is required to limit global warming in line with the goals of the Paris Agreement;
- The path to a net zero emissions economy must represent a 'just transition' and encourage sustainable development;
- Commodities, raw materials and technology are fundamental to the low-carbon transition; and
- Transparency and disclosure drive individual and collective business performance.

We will take action by:

- Integrating consideration of climate change into our governance, risk management, and strategic and financial planning processes with reference to the Task Force on Climate-related Financial Disclosures (TCFD) framework;
- Assessing and responding to the physical and transitional risks and opportunities of a changing climate on our business. This includes ongoing climate change scenario analysis and disclosing climate change risks and opportunities;
- Setting emissions reduction targets informed by science-based methodologies and underpinned by robust investment and implementation plans. We have committed to reducing our operational emissions by at least 40 per cent by 2030 (on 2019 levels) and will use our innovation and technology expertise to enable emissions savings across our value chain. We will continue to prioritise emissions abatement at our ammonium nitrate continuous manufacturing facilities where we can make the most difference by lowering direct nitrous oxide emissions;
- Mobilising our people to support our response to climate change;
- Partnering with government, industry, customers, and civil society to collaborate on climate action;
- Advocating responsibly to progress a coordinated global policy response to climate change; and
- Increasing our transparency and disclosure on climate change performance to support stakeholder decision-making.

**Approved by  
Orica Limited Board  
November 2020**

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

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