Climate Change Policy

We Believe:

Dyno Nobel Limited (Dyno Nobel) acknowledges the mainstream scientific direction on the existence of climate change.

We support the international climate agreement developed at the 2015 Paris Conference of Parties, as well as the Nationally Determined Contributions of the countries in which we operate.

We believe carbon pricing can be an effective tool in reducing greenhouse gas (GHG) emissions and advocate for a global, technology-neutral approach which delivers real reductions fairly and equitably.

We recognise the challenge of reducing our own emissions while continuing to provide products which unlock resources, including those required for the energy transition, through groundbreaking innovation.

We believe that our partnerships with customers will be increasingly important in providing solutions to help them minimise their impact regarding climate change and maintain sustainable earnings throughout the energy transition.

We recognise that innovative explosives products and services will be important in order to efficiently and effectively access the minerals and aggregates required for new technologies and infrastructure rebuilding in a world impacted by climate change.

We are Committed to:



Advocating for global cooperation on climate change for an equitable, orderly and just transition to a sustainable future



Reducing our contribution to climate change through decarbonising our manufacturing assets and the carbon intensity of our products



Monitoring and partnering in the development of new technologies which bring climate change solutions for the transition



Leveraging our deep customer relationships to partner on developing technology solutions that reduce our customers' greenhouse gas emissions



Strategically managing risks and opportunities associated with climate change to deliver sustainable returns throughout the transition

Our commitment to managing climate-related risks and opportunities

We recognise that the impacts, risks and opportunities associated with climate change must be proactively managed in order to continue to provide sustainable economic returns to our shareholders, employment opportunities for our communities, and products and services that our customers need to unlock the essential resources that our communities and economies rely on. Dyno Nobel is committed to:

- Governance that oversees the management of risks and opportunities arising from climate change and the energy transition alongside other enterprise and operational risks;
- Integrating climate change-related risks and opportunities into our comprehensive risk management process, monitoring the progress of management controls and the evolution of key climate risk uncertainties, and delivering resilient operations and supply chains;
- Integrating material risks and opportunities into our business strategy; and
- Linking outcomes to remuneration.

Board governance of climate change-related issues

The Dyno Nobel Board acknowledges the risks and opportunities presented by climate change and the global energy transition, and is committed to addressing these issues through strategic oversight and comprehensive governance. The Board oversees and annually reviews the Company's business strategy, Climate Transition Plan, performance against targets and metrics, and risk management.

The Board retains oversight of climate-related risks and opportunities as part of its responsibility for enterprise risk management, long-term resilience and value creation.

The Board is assisted in its duties by a number of committees as outlined below.

The Audit and Risk Management Committee (ARMC) of the Board supports the Board by:

- Reviewing material climate-related risks and opportunities;
- Monitoring alignment with the Risk Appetite;
- Overseeing integration of climate risk governance within the Risk Management Framework; and
- Reviewing relevant climate-related disclosures.

The Charter of the ARMC requires that it review and monitor, by receiving reports from management, Dyno Nobel's climate related financial risks and opportunities, as identified through assessment against future climate-related scenarios that are updated at least every three years, together with management's responses to these assessments.

The Dyno Nobel Risk Management Framework mandates that Climate Change-related Risks and Opportunities shall be managed in accordance with the process set out in the Risk & Opportunity Management Standard and are subject to the same governance, escalation, assurance and reporting requirements as all other material Risk Categories.

The Risk Management Framework also mandates that the Climate Risk Appetite Statement is reviewed annually by the ARMC and approved by the Board.

The Safety and Sustainability Committee (SSC) of the Board assists the Board by

- annually reviewing and recommending to the Board for approval the Group's annual targets and metrics relating to sustainability and climate change;
- annually reviewing and endorsing the Group's Climate Transition Plan; and
- regularly monitoring the delivery of sustainability and climate change-related strategies by receiving regular reports from Management.

The People and Remuneration Committee (PRC) of the Board assists the Board by providing oversight and advice to the Board in relation to the determination of remuneration policy and its application for senior executives, performance evaluation, the adoption of incentive plans, and various governance responsibilities related to remuneration. In fulfilling these responsibilities, the Committee ensures that remuneration packages, including Incentive Schemes and Equity Based Remuneration, are

- based on performance against performance targets and other relevant factors;
- encourage sound risk management, including the management of climate-related risks and opportunities, and cultural alignment with Dyno Nobel's values; and
- support Dyno Nobel's strategic objectives, including those relating to maintaining a competitive position throughout the global energy transition.

Executive management of climate-related risks and opportunities

The Board has delegated responsibility for oversight and management of climate-related risks and opportunities (along with other enterprise and operational risks and opportunities) on a day to day basis to the MD & CEO, who has delegated responsibility for controls and procedures used to monitor, manage and oversee climate-related risks and opportunities to members of the Executive Leadership Team.

Risk and Opportunity Management

Risk and opportunity management at Dyno Nobel is supported by a governance architecture that establishes clear accountability for risk ownership, effective oversight of risk management activities, and independent assurance to the Board. Dyno Nobel applies the Three Lines Model to ensure appropriate separation between ownership and management of risks; oversight and challenge of risk management activities; and independent assurance over the effectiveness of governance, risk management, and internal control systems.

Risk and Opportunity Ownership

To manage climate change related issues, including material climate-related risks and opportunities effectively, key responsibilities, including climate-related risk and opportunity ownership, are assigned to the CEO & MD and Executive Leadership Team members in line with their leadership responsibilities. Each Executive Leadership Team member is responsible for the integration of the climate-related risks and opportunities they own into their business unit or function strategy, and through this, into overall Company strategy.

Leveraging our Core Values and Strategic Pillars to meet the challenges of climate change and maintain sustainable earnings throughout the energy transition

Dyno Nobel's purpose is to help our customers unlock resources through groundbreaking innovation. Our growth strategy is to expand into growth markets including the copper and metals required for new technologies and the energy transition.

Zero Harm

Zero Harm is Dyno Nobel's number one Core Value. Our Zero Harm ambition extends beyond personal safety to include process safety and environmental management. We aim to ensure that Zero Harm is a way of life not only for employees, but for other stakeholders, and that it extends beyond the Company to make a positive impact on our communities. Dyno Nobel is committed to:

- Identifying and managing the physical risks to our people and operations associated with climate change;
- Supporting a just transition to a sustainable future which balances environmental, social and economic needs; and
- Encouraging global cooperation on climate change and supporting domestic policies which assist our business to transition to a sustainable future while supporting the continued domestic location of our value chains (domestic energy sourcing, employment, manufacturing and customer supply) to reduce the environmental and social impacts associated with transport, carbon leakage and potential job losses.

Privileged Assets and Networks

We recognise that decarbonising our manufacturing assets and supply chains not only reduces our contribution to climate change, but helps us maintain asset values and reduce exposure to carbon pricing risks as the transition progresses. It also reduces the carbon intensity of our products, providing an increasingly important value add that reduces customer scope 3 GHG and helps our products maintain a competitive market position.

Dyno Nobel is committed to:

- Meeting our scope 1, 2 and 3 GHG targets;
- Exploring new ways to reduce our GHG emissions, through energy efficiency, abatement and other technologies;
- Pursuing new manufacturing technologies, such as green hydrogen, as they become available;
- Continuous improvement in the efficient use of energy and water; and
- The use of renewable, recycled and waste raw materials and renewable energy sources wherever practicable.

Proprietary Product Technology

Providing leading technology solutions to our customers is a key driver for our business and we recognise the importance of developing and delivering products and services which enable our customers to reduce their scope 1 GHG emissions, as well as partnering with research institutions to share and develop knowledge.

Dyno Nobel is committed to the continued development and delivery of explosives products and services which reduce our customer's energy use and GHG. To date these include:

- Our DeltaE explosives technology, which matches the density of product to the unique characteristics of each borehole, reducing the total energy requirements for an optimal blast;
- Our eMPU, the first electric heavy vehicle designed and built to deliver explosives to boreholes on customer mine sites; and
- Emulsions containing renewable diesel.

Deep Customer Relationships

We recognise the importance of our role in strategically partnering with customers to reduce their GHG emissions while improving their productivity and safety and reducing their other environmental and social impacts. In addition to providing leading technology solutions to our customers,

Dyno Nobel is committed to:

- Partnering with our customers in the development and on-customer-site trialling of new products which assist them in reducing their GHG;
- Promoting the responsible and sustainable use of our explosives products through customer education and specialised on-customer-site services; and
- Partnering with both customers and suppliers to reduce the scope 3 GHG in our value chain.

Scaling with Smart Capital Deployment

We are disciplined in seeking risk adjusted returns throughout the energy transition, and are allocating capital towards expansion in low-risk growth markets such as copper and metals required for new technologies and the energy transition. We recognise that both capex and opex may be required to implement effective critical controls for financially material climate-related risks and opportunities to ensure the success of our business strategy.

Dyno Nobel is committed to:

- Capital allocation for major decarbonisation projects in line with our Climate Transition Plan and the most appropriate business model for each project;
- Allocating both capex and opex to support the implementation of critical controls to manage climate-related financial risks and opportunities;
- Using an internal carbon price to evaluate investment decisions where relevant;
- Ensuring material climate-related risks and opportunities are considered in decision-making, including all relevant Capex approvals, through mandating the use of a required Climate Risk and Opportunity Attachment.