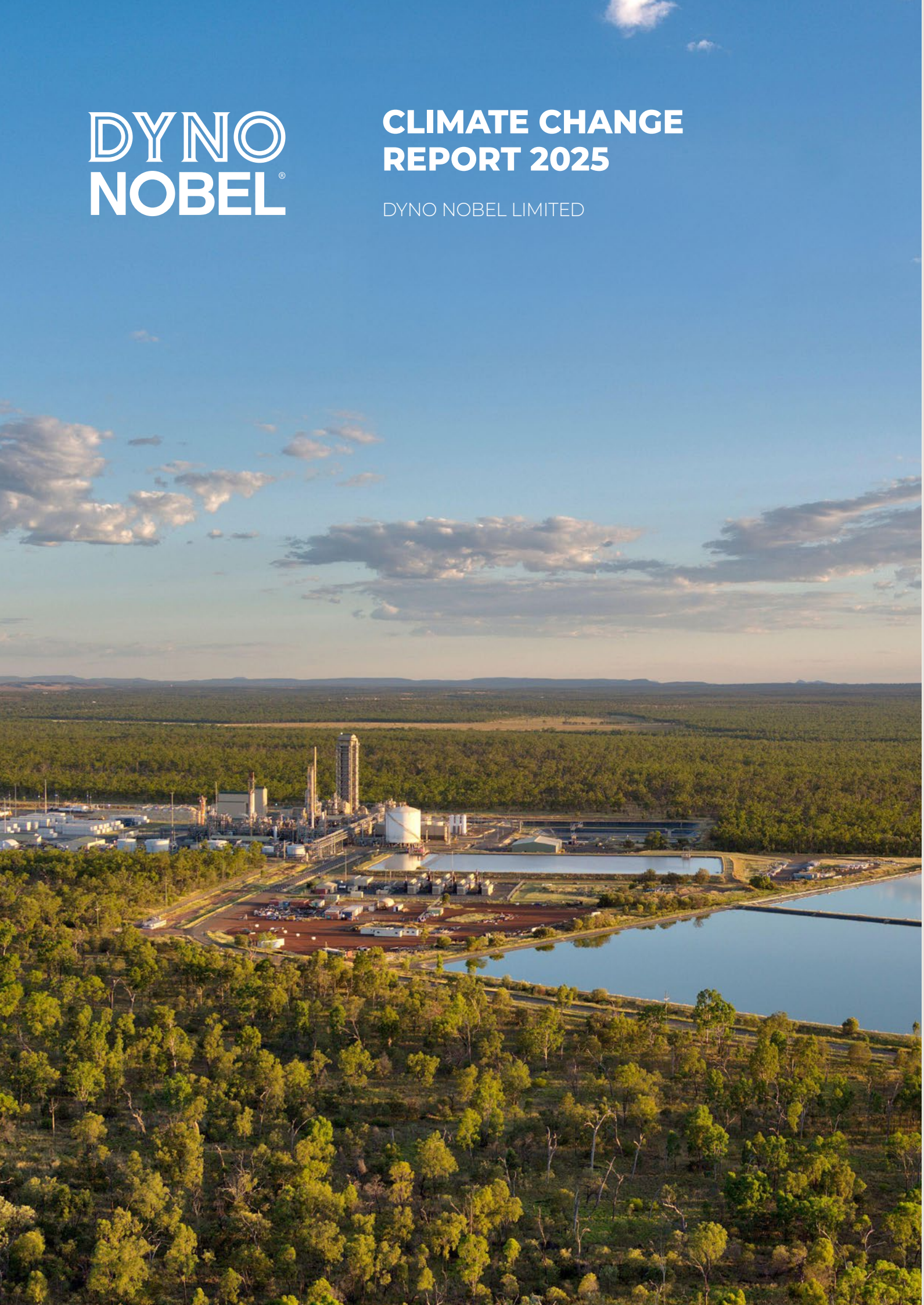
CLIMATE CHANGE REPORT 2025

DYNO NOBEL LIMITED



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Forward Looking Statements

This Report contains forward looking statements, including, but not limited to, statements regarding trends in commodity prices and supply and demand for commodities; assumed long-term scenarios; potential global responses to climate change; regulatory and policy developments; the development of certain technologies; the potential effect of possible future events on Dyno Nobel and the plans, strategies and objectives of the organisation.

Forward looking statements may be identified by the use of terminology, including, but not limited to, 'intend', 'aim', 'project', 'see', 'anticipate', 'expect', 'estimate', 'plan', 'objective', 'believe', 'may', 'should', 'will', 'would', 'continue', or similar words. These statements refer to future results, asset conditions or financial conditions, or provide other forward looking information. The forward looking statements in this Report are based on the information available as at the date of this Report and/or the date of the Group's planning processes or scenario analysis processes.

There are inherent limitations with the use of forward looking statements and in particular where they relate to scenario analysis, and it is difficult to predict which, if any, of the scenarios might eventuate. Scenarios do not constitute definitive outcomes for Dyno Nobel. Scenario analysis relies on a range of assumptions that may or may not be, or prove to be, correct and may or may not eventuate, and scenarios may be impacted by additional factors to the assumptions disclosed. Additionally, forward looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this Report. Dyno Nobel cautions against reliance on any forward looking statements or guidance.

To the extent permissible by law, Dyno Nobel disclaims all liability to any third party who uses or relies on any forward looking statements or guidance in this Report. For example, future decarbonisation opportunities identified and described in this Report will be based, in part, upon the availability and reliability of alternative and developing technologies, and incentives and support from government bodies and the industry, which may differ from assumptions, estimates and forecasts. These variations may affect the timing or the feasibility of the development of a particular technology or project, and their subsequent adoption and use by Dyno Nobel or the broader industry more generally.

Except as required by applicable regulations or by law, Dyno Nobel does not undertake any obligation to publicly update or review any forward looking statements, whether as a result of new information or future events. Forward looking statements are current only as at the earlier of the date of this Report or the date the planning process assumptions or scenario analysis assumptions were adopted, as relevant and applicable. Past performance cannot be relied on as a guide to future performance.

The views expressed in this Report contain information that has been derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information. This Report should not be relied upon as a recommendation or forecast by Dyno Nobel.

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During 2025, Dyno Nobel Limited (Dyno Nobel) progressed its consolidation into a pureplay explosives business. Serving mining, quarry and construction customers across six continents, including Australia, North America, Europe, Asia, South America and Africa, we manufacture and supply ammonium nitrate based explosives and initiating systems, and provide technical blasting services. We owned and operated our Incitec Pivot Fertilisers (IPF) business during the year, manufacturing and distributing nitrogen and phosphorus fertilisers, and nitrogen-related industrial and specialty chemicals. The divestment of the IPF distribution business was announced in May 2025 with completion of the sale on 30 September 2025. We also announced the sale of the St Helens, Oregon fertiliser manufacturing site, the closure of the Geelong, Victoria fertiliser manufacturing site by October 2025 and, that if an agreed sale of Phosphate Hill cannot be reached by 31 March 2026, we will progress an orderly closure of the operations by 30 September 2026.[1]

1. See the Company's ASX releases dated 12 May 2025 and 1 October 2025.

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For scope 1 and 2 calculation references, see 'About the Data' in the **2025 GRI Index and Data Supplement**.

For a comprehensive Glossary see the **2025 Sustainability Review**.

About this Report

This Report provides an overview of Dyno Nobel's governance around climate-related risks and opportunities; outlines how we identify and assess potential climate-related impacts on our businesses; describes our approach to climate-related risks/opportunities management and integration; and provides additional information regarding climate-related metrics and targets. The Report covers Dyno Nobel's performance for its 2025 financial year from 1 October 2024 to 30 September 2025, for facilities and activities under Dyno operational control for part or all of the period. This period is referred to throughout the Report as '2025'.

The following reporting frameworks were considered in developing this Report: the Australian Accounting Standards Board (AASB) Exposure Draft ED S1 and S2 Australian Sustainability Reporting Standards (ASRS) – Disclosure of Climate-related Financial Information, as well as the International Sustainability Standards Board (ISSB) International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. These standards supersede the Financial Stability Board's TCFD Guidelines, which Dyno Nobel has reported against since 2018.

The Australian Sustainability Reporting Standards (ASRS) will apply to Dyno Nobel for the first time in the 2026 Dyno Nobel financial year.

We acknowledge the Traditional Owners of the lands upon which we operate and recognise their continuing connection to land, waters and culture. We pay our respects to their Elders past and present.

DYNO NOBEL

Dyno Nobel is a global leader in blasting technology, commercial explosives and mining services to the mining, quarry and construction sectors and is committed to helping create a sustainable and decarbonised world.

Links to other Reports

The following reports are available on our website.

2025 GRI Index and Data Supplement

2025 Sustainability Review

2025 Annual Report

2025 Corporate Governance Statement

Modern Slavery Statements

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About Us

Dyno Nobel is the largest industrial explosives distributor (by earnings) in North America and the second-largest industrial explosives provider in Australia. With operations stretching across the Americas, Europe, Middle East, Africa (EMEA) and Asia Pacific, we supply products and services to the mining, quarry and construction sectors. During 2025, we also owned and operated the largest fertiliser business on the east coast of Australia, Incitec Pivot Fertilisers.

Our purpose is to unlock the world's natural resources through groundbreaking innovation. Our explosives products and services unlock iron ore, copper and quarry and construction materials used to build electric vehicles, wind turbines and critical infrastructure. Our advanced and premium technology, manufacturing excellence and world-class services are focused on the diverse needs and aspirations of our customers, ensuring Dyno Nobel's continuing key role in developing the efficiency and sustainability of the world's resources sector through our three business units (BUs):

Dyno Nobel Americas (DNA) provides ammonium nitrate, initiating systems and technical services to the Quarry and Construction sector primarily in the Southern US, Northeast US and Canada; the Base and Precious Metals sector in the US mid-West, US West and Canada; and the Coal sector in the Powder River Basin, Illinois Basin and Appalachia.

Dyno Nobel Asia Pacific (DNAP) provides ammonium nitrate based industrial explosives, initiating systems and services to the Metallurgical (MET) Coal and Base and Precious Metals sectors in Australia, and internationally to a number of countries including Indonesia and Papua New Guinea through its subsidiaries and joint ventures.

Dyno Nobel EMEA and LATAM (DNEL): With the purchase of Titanobel in 2022, Dyno Nobel entered the French quarry and construction market and gained access to New Caledonian and West African markets with future facing mineral opportunities. When combined with the existing Nitromak business in Türkiye, this provides a compelling foundation to grow the business across Europe, the Middle East, Africa and Latin America, where many of the copper and new world metals reserves required for the transition are located.

Global Manufacturing: In North America, DNA manufactures ammonium nitrate (AN) at its Cheyenne, Wyoming and Louisiana, Missouri plants. The Cheyenne, Wyoming plant is adjacent to the Powder River Basin, strategically placed for both the Base and Precious Metals sector and North America's most competitive thermal coal mining region. The Louisiana, Missouri plant has a competitive logistic footprint from which to support the Quarry and Construction sector throughout south-eastern US, and mining in both the Illinois Basin and Appalachia. Initiating Systems are manufactured at Dyno Nobel's facilities in Connecticut, Kentucky, Illinois, Missouri, Chile and Mexico, and are also sourced from DetNet South Africa (Pty) Ltd (DetNet), a Dyno Nobel electronics joint venture.

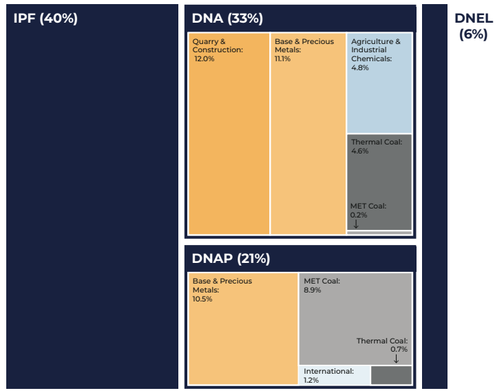
In Australia, DNAP manufactures AN at its Moranbah plant in the Bowen Basin, the world's premier MET coal region. We also have a 50% interest in the fully integrated, state of the art AN manufacturing facility near Moura in Central Queensland. Initiating Systems are manufactured at DNAP's Helidon facility in Queensland and are also sourced from DNA's facilities in the Americas and our joint ventures.

Incitec Pivot Fertilisers

During 2025, we owned and operated our fertilisers business, Incitec Pivot Fertilisers (IPF). Progressing our consolidation into a pure play explosives business, we announced the sale of the IPF Distribution Business in May 2025. The business includes more than 20 Primary Distribution Centres and stretches from Cairns in North Queensland down the eastern and southern Australian coasts to Port Lincoln in South Australia. These include three EASY Liquids sites based in Boundary Bend, Victoria, and Moree and Whitton in New South Wales, providing a wide range of liquid fertilisers to key agricultural markets close to these distribution points, which we operated until conclusion of the sale in September 2025.

While Dyno Nobel continued to operate its fertiliser manufacturing plants at Geelong, Victoria, and Phosphate Hill, Queensland throughout 2025, the Company announced the sale of the St Helens, Oregon fertiliser manufacturing site, the closure of Geelong by October and that if an agreed sale of Phosphate Hill cannot be reached by 31 March 2026, it will progress an orderly closure of the operations by 30 September 2026.

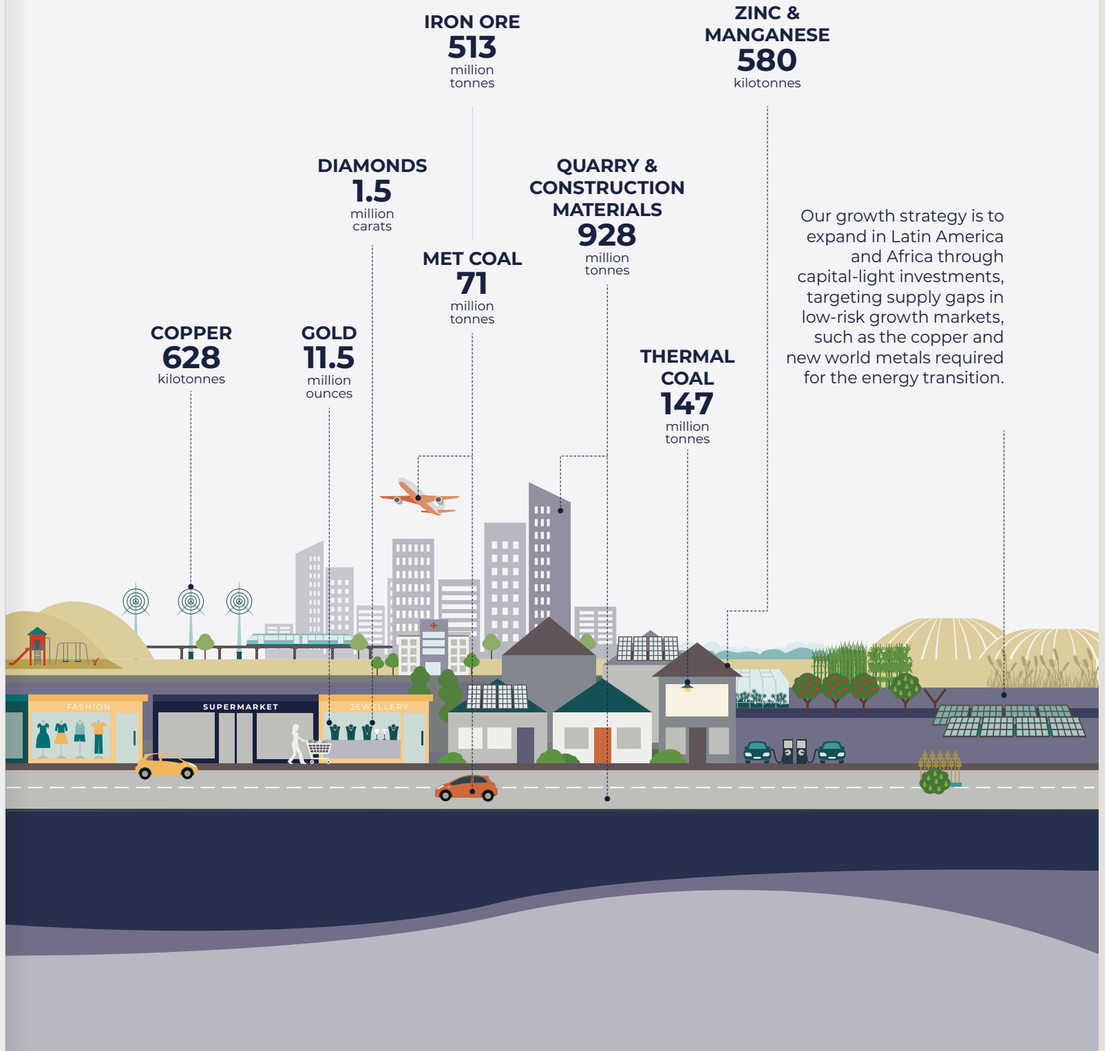
Graph of our revenues by business and sector



Our Business and our Markets

The natural resources our products unlock are central to modern life.

We are committed to unlocking resources through groundbreaking innovation, by sustainably delivering products to our mining, quarry and construction customers into the future. During 2025, our explosives products were used by our customers to unlock approximately:



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CEO & Managing Director Report

I am pleased to present this, our sixth standalone Taskforce on Climate-related Financial Disclosures (TCFD) aligned Climate Change Report, outlining the significant progress made in prioritising and addressing the challenge of climate change over the past 12 months.

With the increasing interest in our climate transition strategy, and the new Australian Sustainability Reporting Standards (ASRS), which apply to Dyno Nobel as of our 2026 financial year, we remain committed to transparently communicating our challenges, strategy and progress.

In a major milestone in our journey to become the leading global pure play explosives business, on 31 March 2025, the Company's name changed from Incitec Pivot Limited to Dyno Nobel Limited. In line with our business strategy, during 2025 we also divested the Incitec Pivot Fertilisers distribution business as well as the Gibson Island, Queensland and St Helens, Oregon fertiliser manufacturing sites, and announced the closure of the Geelong, Victoria fertiliser manufacturing site and, should a buyer not be found by March 2026, an orderly closure of the Phosphate Hill operations by 30 September 2026. This has significantly changed both our register of forward looking climate-related risks and opportunities and our operational and scope 3 greenhouse gas emissions profiles, as explained in this report.

While we operate in a hard-to-abate manufacturing sector, we have made significant progress in our GHG transition pathway in the last three years, planning and completing two capital intensive GHG reduction projects over this time which make a material difference in our scope 1 & 2 GHG.

We achieved our short-term absolute reduction target of 5% by 2025 against our 2020 baseline[1], underpinned by our 2024 $20m investment in N_2O abatement at Moranbah, Queensland. While this facility was built in 2012 with secondary abatement in place, marking us as an early mover in GHG abatement, we set our targets against our later 2020 baseline to achieve even greater reductions. Our investment in adapting tertiary abatement technologies to suit the nitric acid plant at this site has increased the abatement of N_2O from around 60% to more than 95%, an extra 200,000 tonnes of CO_2e each year.

In addition, we completed the US$8m Louisiana, Missouri N_2O abatement project in 2025, which will underpin our 25% by 2030 target, also against our 2020 baseline[1]. The reductions will be much greater at this site, due to it being the only nitric acid plant we own without some form of abatement already installed, with reductions of approximately 550,000 tonnes of CO_2e annually each year. These are major, capital intensive projects which materially reduce our operational GHG emissions, demonstrating our commitment to maintaining competitive operations throughout the transition.

Due to our progress and the change in our operational portfolio, we reviewed our GHG targets in 2025, adopting our 25% by 2030 target as our new short-term target, and setting a new medium-term target of 50% by 2036. This is an ambitious target for a company in a hard-to-abate sector and I am pleased to able to confidently announce it. The target is set against our 2020 baseline, adjusted for the sale of our fertiliser assets, and is underpinned by a pipeline of Dyno Nobel projects.

We also set scope 3 GHG targets at the business unit level, where the management of scope 3 GHG is being built into purchasing decisions. DNAP has set a 25% reduction in upstream scope 3 per tonne of ammonium nitrate (AN) purchased by 2030 against its 2020 baseline. This covers 75% of DNAP's total scope 3 and is expected to be equal to a 25% reduction in its total scope 3. DNA has set a 40% reduction in downstream scope 3 per tonne of bulk product sold by 2030 against its 2020 baseline[1]. This covers 25% of DNA's total scope 3 and is expected to be equal to a 40% absolute reduction in downstream scope 3 and a 17% absolute reduction against its total scope 3. This marks a significant step in our management of value chain GHG.

1. 2020 baseline adjusted for the sale of the Waggaman, Louisiana (WALA) ammonia manufacturing plant.

We remain committed to our Net Zero Ambition by 2050 or as soon as practicable and continue to investigate green ammonia opportunities and other new and emerging technologies as required for the next steps in our transition pathway. While we know that the transition will take time, and the reality is that not all green hydrogen/ammonia projects will be commercially successful in the short term, we continue to pursue these solutions and advocate for supportive policies to bring them forward.

We continue to embed scope 3 management processes at the business units level and remain focused on providing our customers with low carbon solutions. This year we were short-listed for an industry award for delivery of the world's first electric Mobile Processing Unit (eMPU), which is a heavy vehicle that delivers explosives to boreholes on our customers' mine sites, and is complete with its own solar charging station. Our DeltaE technology reduces our customers' energy use, GHG, NOx and dust while improving their productivity, and we continued testing and development of the use of renewable diesel in our explosives products across the Americas and Asia Pacific, with commercialisation planned for 2026. Combined with our high quality upstream GHG scope 3 data, and our global technology strategy, our innovative approach gives us a unique advantage in assisting our customers with value added solutions.

Our GHG management platform also supported our first global limited assurance engagement for scope 1 & 2 in 2025. This is one year ahead of mandatory ASRS requirements and we are preparing for a global scope 3 audit in 2026.

Most importantly, we recognise that to ensure long-term sustainable returns, and ongoing success, the management of the risks and opportunities associated with climate change must be fully integrated into our governance framework, business strategies and risk management processes, as are any other strategic risks. Our most recent updated scenario risk assessment in 2024 used bespoke 1.5°C, 1.8°C, 2.7°C and 4+°C climate scenarios and we continue to manage both risks and opportunities to maximise business value.

During 2025 we completed a comprehensive gap analysis against the requirements of the new ASRS standard and created an Implementation Plan to ensure the required internal documentation exists across each of the four ASRS pillars of Governance, Strategy, Risk Management and Metrics and Targets for climate-related financial risks ahead of our first ASRS audit in 2026. We are well advanced and welcome the opportunity to internally review our climate risk management processes against the new standard.

In addition to the decarbonisation projects, value chain measures and product innovations I have already described, I am excited to have the privilege of continuing to lead Dyno Nobel in its journey to become a truly global player and partner for our mining customers. As the energy transition progresses, this includes strategic growth into expanding copper and future facing minerals markets to ensure the availability of these essential commodities for new technologies and sustainable returns for our shareholders.

I welcome your interest in our 2025 Climate Change Report and invite your feedback as we embark on the challenges and opportunities ahead with transparency and in collaboration with our customers and stakeholders.

Mauro Neves
CEO & Managing Director

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Highlights on our Journey

2010

Leadership conducts an initial assessment of the risks and opportunities associated with climate change.

The Company joins the Australian Industry Greenhouse Network.

2014

Setting of our first GHG intensity reduction target: a 1.5% reduction in GHG emissions per tonne of Australian manufactured product by 2015.

2015

Setting of our first global greenhouse gas reduction target linked to executive remuneration: a 2% global reduction in tCO_2e/t ammonia produced by 2017.

2016

Completion of the Waggaman, Louisiana Ammonia Plant, which uses the industry's leading technology and is among the most efficient plants of its kind in the world. This increases our production, and therefore our global operational GHG emissions, but reduces our global emissions per tonne of ammonia.

2018

Creation of Company-specific 2° and 4° future climate-related scenarios and completion of our second climate-specific risk and opportunity assessment with TCFD reporting adopted in our 2018 Sustainability Report.

2019

Our Climate Change Policy is adopted by the Board. Our Board Charter and the Audit and Risk Management Committee Charter are updated to formally enshrine Directors' roles in relation to the strategic management and oversight of climate change related issues.

The Company joins the Carbon Market Institute.

2020

Completion of the $2.7m Moranbah Solar Hydrogen Feasibility Study, supported by $0.9m from the Australian Renewable Energy Agency (ARENA).

Setting of our first absolute GHG reduction target of 5% by 2026 against our 2020 baseline.

Our CEO becomes a founding member of the Australian Climate Leaders Coalition (CLC), a group of cross-sectoral Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonisation targets.

2021

5% absolute GHG reduction target brought forward to 2025.

25% medium-term target set for 2030.

Long-term Net Zero Ambition set for 2050.

Formation of the Decarbonisation and Energy Transition Committee, chaired by our CEO, to develop our GHG Transition and oversee the incorporation of climate-related risks and opportunities into Company strategy.

Updating of our Company-specific 1.5°C, 2°C, 3°+C and Delayed Action (Inevitable Policy Response) scenarios.

Pathway established to >42% reduction in scope 1 and 2 GHG by 2030 for current portfolio.

Development of Transition Plans to 2030 by business, supported by specific projects.

Establishment of Sustainability Capex to fund 2030 Transition Plans.

Design of scope 3 management strategies for integration at business unit level.

Investigation of Science Based Targets.

2022

Release of our Energy Policy.

$50m in Sustainability Capital invested in decarbonisation projects.

$5.6m Capex invested towards 2024 installation of Moranbah Tertiary N_2O Abatement.

The GI Green Ammonia Project passed through Front End Engineering Design (FEED) stage[1].

Completion of FEED stage for the Waggaman, Louisiana CCS[2] Project.

Approval of Tertiary N_2O Abatement Project at Louisiana, Missouri (LOMO) with installation targeted for 2025.

Scope 3 GHG sources fully mapped by business throughout our value chains, using cradle-to-gate scope 3 emission factors.

High level Just Transition Risk Assessment completed for employees across our major manufacturing facilities.

2023

Comprehensive risk and opportunity assessment using updated 1.5°C, 1.8°C, 2.7°C and 4°C+ scenarios.

$20m Moranbah Tertiary N_2O Abatement Project completed, reducing scope 1 GHG by 200,000 tCO_2e per year.

Sale of the Waggaman, Louisiana ammonia plant to CF Industries, with handover of CCS[2] Project at FEED stage.

Scope 3 GHG supplier questionnaires developed, including GHG calculator.

Implementation of new global GHG data management platform.

Internal quantification of risks and opportunities completed.

2024

Achievement of our short-term 5% by 2025 scope 1 and 2 GHG reduction against 2020 baseline, underpinned by the Moranbah, Queensland Tertiary N_2O Abatement Project.

Completion of the US$8m Louisiana, Missouri (LOMO) Tertiary N_2O Abatement Project reducing scope 1 GHG by ~550,000 tCO_2e per year.

Comprehensive ASRS gap analysis conducted and implementation plan commenced.

Limited Assurance of global 2025 scope 1 and 2 GHG, supported by use of new global GHG data management platform.

Setting of updated GHG targets, including our first scope 3 targets, as presented below.

2025

Scope 1 and 2 targets

-5% by 2025[4] – Achieved

-25% by 2030[4]

-50% by 2036[5]

2050 Net Zero Ambition

Scope 3 targets

-25% by 2030 upstream scope 3/t AN purchased by DNAP[6]

-40% by 2030 downstream scope 3/t sold by DNA[7]

1. A final investment decision was not made by our partner FFI.
2. Carbon Capture and Storage.
3. Science Based Targets.
4. Against our 2020 baseline adjusted for the sale of the Waggaman, Louisiana ammonia manufacturing facility.
5. Against our 2020 baseline adjusted for the sale of the IPF distribution business and fertiliser manufacturing assets Gibson Island, Phosphate Hill, Geelong and St Helens.
6. Covers 77% of DNAP's total scope 3 and is expected to equate to ~25% absolute reduction in upstream scope 3 against DNAP's 2020 baseline (based on it's current portfolio).
7. Covers 25% of DNA's total scope 3 and is expected to equate to ~40% absolute reduction in downstream scope 3 against DNA's 2020 baseline (based on it's current portfolio).

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Our Position on 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 emissions and advocate for a global, technology-neutral approach which delivers real reductions fairly and equitably.

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 believe that our partnerships with customers will be increasingly important in providing solutions to help them minimise their impact regarding climate change.

We recognise the challenge of reducing our own emissions while continuing to provide products which help our customers unlock resources through groundbreaking innovation.

Our approach

Advocating for global cooperation on climate change for an equitable global transition to a sustainable future.
- Our CEO & MD is a member of the Australian Climate Leaders Coalition.
- Dyno Nobel is a member of the Australian Industry Greenhouse Network (AIGN) and the Carbon Market Institute (CMI).
- Engaging with policy makers for an orderly and just transition.

Reducing our contribution to climate change through manufacturing excellence, energy efficiencies and abatement opportunities.
- 5% absolute reduction by 2025: Achieved.
- 25% absolute reduction by 2030, with a pathway to more than 42% reduction in GHG to air for our current portfolio.
- 50% absolute reduction by 2036.
- Net zero by 2050 ambition.

Monitoring and partnering in the development of new technologies which bring climate change solutions.
- 2020 completion of the $2.7m Moranbah Solar Hydrogen Feasibility Study, supported by $0.9m from ARENA.
- Completing a FEED study in partnership with FFI to investigate green ammonia at Gibson Island, supported by $13.7m from ARENA, and collaborating on the Gladstone Green Ammonia Project with a global consortium. While not proceeding at this time, we continue to seek opportunities to bring this technology forward.
- Progressing the Waggaman, Louisiana carbon capture and storage (CCS) project until sale of this asset, and investigating CCS and carbon capture and usage (CCUS) options for our major manufacturing facilities.

Working with our customers to develop leading technology solutions which reduce their GHG emissions, including:
- Our DeltaE explosives technology, with a customer partnership to quantify the GHG reductions completed in 2022 and independent **Limited Assurance** completed in 2023.
- Our very first eMPU, complete with its own charging station, which we designed, built and delivered to a mining customer.
- Continued testing and development of renewable diesel for use in our explosives emulsions.

Strategically managing the risks and opportunities associated with climate change to deliver sustainable value.
- 2018 – 2°C and 4°C risk assessment.
- 2021 – Refresh of 2018 scenarios and risk assessment with 1.5°C and Inevitable Policy Response scenarios added.
- 2024 – 1.5°C, 1.8°C, 2.7°C and 4+°C scenario updates and comprehensive risk and opportunity assessment.
- 2025 – More explicitly documenting our strategic risk management approach ahead of ASRS.

Overview of our Climate Change Strategy

Our climate strategy pillars

1. Ensuring Strong Governance
2. Reducing Operational Emissions
3. Delivering products and strategies that reduce scope 3 emissions
4. Managing Strategic Business Risks and Opportunities

2025 Highlights and next steps

- ASRS Gap Analysis completed, with Implementation Plan underway, ahead of first year of reporting in 2026.
- Review of criteria by which we assess the skills and competencies required to manage climate risks and opportunities.
- Non-binding 'Say on Climate' vote at the 2025 AGM.

- Achievement of our short-term 5% by 2025 absolute reduction target.
- Redefining our 25% by 2030 target as our new short-term target.
- Setting a new medium-term target of 50% by 2036.
- Continuing to work towards our 2050 Net Zero Ambition

- Delivery of our electric vehicle 'eMPU' to a customer mine site – see page 50.
- Continued development of biodiesel and renewable diesel, with commercialisation planned for 2026 – see page 51.
- Continuing to provide high quality scope 3 data on products sold to customers.

- Limited Assurance of our global scope 1 and 2 GHG and planning for global scope 3 assurance in 2026.
- Review of risks, risk owners and controls for those identified in our most recent scenario analysis in 2024 using updated 1.5°C Fast Action, 1.8°C Forecast Policy, 2.8°C Current Trajectory and 4+°C Disrupted State scenarios.

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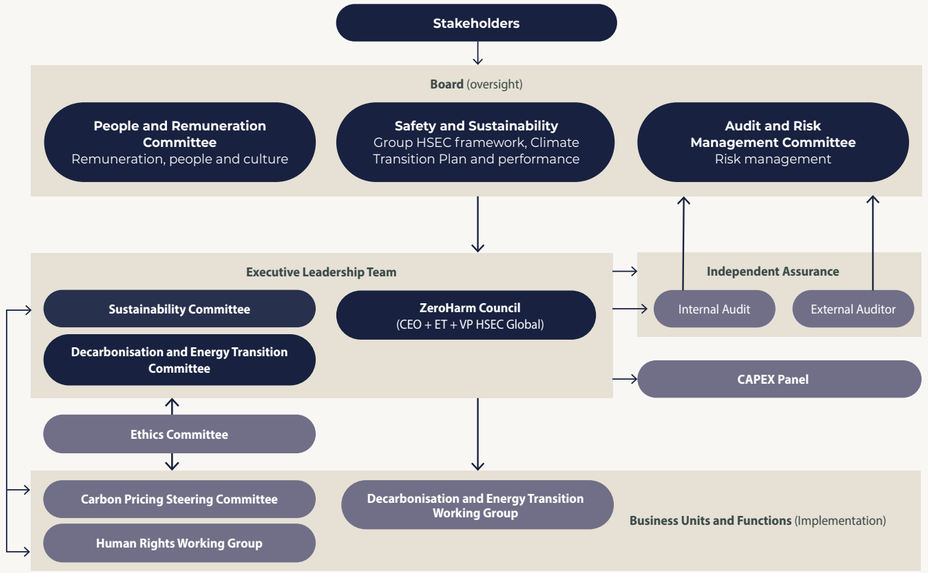
1. Ensuring Strong Governance

Our Climate Change Governance

Climate change is a material and strategic issue for our business and is part of ongoing discussion and analysis at the most senior levels of management and the Board. Climate change considerations are included in strategy discussions, investment decisions and risk management oversight. We assess our performance against our climate change commitments, which are also reflected in the remuneration outcomes.

Dyno Nobel's governance of climate change related risks and opportunities



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We recognise that the demand for disclosures on companies' governance and management of sustainability and climate-related issues is increasing. The creation of the International Sustainability Standards Board (ISSB) by the International Financial Reporting Standards (IFRS) Foundation in 2021, the release of its IFRS S1 and S2 standards in 2023, and the adoption of S2 by the Australian Accounting Standards Board for mandatory climate disclosures all indicate growing awareness of the financial risks associated with climate change, and a step-change in expectations regarding public reporting on the identification and management of climate change related risks and opportunities.

Dyno Nobel was an early adopter of the risk assessment and reporting guidelines of the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD) in 2018, also commencing the use of future climate-related scenarios in our risk and opportunity assessments in that year. Our TCFD aligned disclosures were included in our annual Sustainability Reports from 2018 to 2020, with a stand-alone TCFD-aligned Climate Change Report released annually since 2021.

We continue to monitor, and to respond to, increasing expectations and regulations on climate reporting and investor demands for information. During 2024 we reviewed our reporting against the new ISSB standards. In 2025, we conducted a gap analysis and created an Australian Sustainability Reporting Standards (ASRS) Implementation Plan ahead of our first year of mandatory ASRS reporting in 2026.

This section covers our governance of climate change related issues and our plans to further develop our understanding, management and oversight of these issues. While this Report does not meet every individual requirement of the ASRS standards, it includes many of these, as well as disclosures on work done this year, and plans for next year, to ensure our readiness to fully comply with the ASRS Standards next year.

1.1 Role of Board and Executive Leadership Team

The Board acknowledges the risks and opportunities presented by climate change and is committed to addressing these issues through strategic oversight and comprehensive governance. The Dyno Nobel Board oversees the Company's climate change strategy, performance, and governance responsibilities. The Company's Climate Change Policy was adopted by the Board in 2019, and the Dyno Nobel Board Charter along with the Audit and Risk Management Committee Charter formalise some aspects of Directors' roles in managing and overseeing climate change related issues.

Climate-related risks and opportunities are included in the Board's review and guidance of business strategy, major capital expenditures on decarbonisation projects, and acquisition and divestiture decisions. The Board's 2025 business strategy review included integration of identified climate risks and opportunities into business strategies. This included the following:

- The macroeconomic trends in mining demand from 2024-2029 and 2029-2035 were described in the context of identified transition risks relating to customer demand.
- In 2025, a third business unit, Dyno Nobel EMEA and LATAM (DNEL), was formed to progress business growth across Europe, the Middle East, Africa, and Latin America. This growth is aligned with identified transitional opportunities in many of these regions in quarry and construction as well as copper and new world minerals which are required for renewable technologies. Ahead of this, the Board oversaw the acquisition of Titanobel in 2022, allowing Dyno Nobel to enter the French quarry and construction market and gain access to New Caledonian and West African markets with future facing mineral opportunities – a strategic decision made to manage this opportunity at a global level.
- DNAP's AN sourcing strategy included consideration of its scope 3 GHG reduction target in order to manage identified risks associated with carbon pricing in our upstream value chain.
- DNAP's Indonesia and Asia strategy included consideration of the high Climate Risk Indicator score for Indonesia and the potential physical impacts which may occur under the 2.7°C and 4°C+ scenarios in the timeframes 2030 and 2050.
- The Sustainability function presented the Company's operational (scope 1 and 2) decarbonisation strategy in the context of addressing identified risks associated with carbon pricing using the 1.5°C, 1.8°C and 2.7°C scenarios for the time frames 'Current', 2030 and 2050.

Separate to the 2025 Board Business Strategy review, the Board has also previously reviewed and approved:

- The allocation of 'Sustainability Capital' within the Capital Allocation Framework in order to progress a range of major projects required to decarbonise our operations and address potential carbon pricing risks.
- Funding for our $20m Moranbah and US$8m Louisiana, Missouri (LOMO) Tertiary N_2O Abatement Projects which have both been installed.
- Funding to progress opportunities relating to the development of green hydrogen and green ammonia. Dyno Nobel has a core capability in the manufacturing and handling of ammonia and is well placed to play a role in the development of green ammonia. While not all green hydrogen/ammonia projects will be commercially successful in the short term, our scenarios indicate that green hydrogen will be competitive with natural gas for ammonia manufacturing by around 2040 and we continue to work to bring this technology forward.
- Business unit based scope 3 strategies.

A description of reporting to the Board on climate-specific risks and opportunities is included below under '1.1.2 Board and Executive Leadership Team climate risk management'.

1.1.1 Training and skill enhancement for Board and Executive Leadership Team

The Board has taken a number of measures to ensure that its decisions are informed by climate change science and by expert advisors. This includes individual Directors attending climate change related briefing sessions led by experts, including sessions on the changes to climate reporting requirements; undertaking climate change related training programs; partaking in climate change related delegations and roundtables, and undertaking self-education by reading climate change related material and attending webinars.

Following our three-year climate scenario refresh in 2024, the Executive Leadership Team completed an education session presented by the specialist third party who created our bespoke 1.5°C, 1.8°C, 2.7°C and 4+°C climate scenarios and assisted us with our Company-wide risk and opportunity assessment workshops. The session included understanding climate scenarios, how the most recent climate science was used to inform the scenarios, how the scenarios were used in workshops across the business to identify climate-related risks and opportunities across several time horizons and how the risks and opportunities were rated for materiality using Dyno Nobel's risk matrix, including financial quantification of risk impacts.

During 2025, we reviewed the criteria by which we assess the knowledge, skills and competencies required by the Board, senior management and other relevant employees to manage climate-related risks and opportunities. This criteria will form the basis of training to be developed during 2026.

1.1.2 Board and Executive Leadership Team climate risk management

As described at 1.1, the alignment between business unit and function strategies and identified strategic climate-related risks and opportunities is included in the Board's review and guidance of business strategy. The **Audit and Risk Management Committee (ARMC)** of the Board oversees risk management more broadly, including climate-related risks, with the Board retaining overall accountability for Dyno Nobel's risk management framework. The ARMC reviews Dyno Nobel's climate-related risk scenarios and risk and opportunity assessment, and its charter requires these to be updated and reviewed every three years. The results of our most recent climate-related scenario update and risk assessment in 2024 were presented to the ARMC in 2025.

The ARMC also regularly received reporting on a subset of current and short-term climate-related risks, including an update on the effectiveness of management strategies and controls for those risks. The ARMC provides guidance and feedback regarding management strategies.

In addition, the annual Risk Review process with the Executive Leadership Team informs the ARMC on the Group's strategic risks and mitigation plans. In 2025, this strategic risk review included the climate-related risks.

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The CEO & MD and his Executive Leadership Team develop Dyno Nobel's business strategy, including planning, investment decisions, and risk management processes, including in response to identified climate change related risks. The CEO & MD is responsible for delivering the Board-approved climate strategy, which we began to consolidate our approach into a formal internal Climate Transition Plan during 2025. The Chief Financial Officer (CFO) manages financial aspects related to climate change, including the Capital Allocation Framework and use of internal carbon price, while the Chief Development and Sustainability Officer (CDSO) oversees the Dyno Nobel GHG Transition Pathway.

1.1.3 Scenario analysis and strategy development

The climate-related risks and opportunities identified as a result of Dyno Nobel's comprehensive climate scenario risk assessments are classified as strategic or operational, with strategic risks being integrated into business strategy development and planning in the same way as other strategic business risks: that is, business strategies which relate to the management of recognised risks are included in the annual strategy process and updates are provided to the Board during the year as they arise. Refer to section 1.1 for examples. Operational risks are owned by site managers and mostly arise from acute or chronic physical impacts related to heat stress, integrity of building structures or impacts on site-related logistics.

Business strategies relating to the management of strategic risks and opportunities, such as the transition away from thermal coal, increasing demand from new world minerals and copper markets, decarbonisation projects to manage direct carbon pricing risks and the development of business unit based scope 3 management strategies to manage indirect carbon pricing risks were among those included in Executive Leadership Team strategy development and Board review in 2025. In addition, the Sustainability function strategy reviewed by the Board included GHG Transition Pathway strategies, review of scope 1, 2 and 3 GHG targets and a review of our green hydrogen and ammonia strategy. The Finance strategy continues to include allocation of first order capital to decarbonisation projects, which was approved by the Board in the 2022 Finance strategy.

During 2025, we began to formally document the processes we use to integrate identified climate-related risks and opportunities into business strategy in our internal Climate Transition Plan and Risk Management Framework, with work planned to continue in 2026.

1.1.4 Targets, remuneration and incentives

The People and Remuneration Committee of the Board provides oversight and advice 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. The Board has linked delivery of certain aspects of Dyno Nobel's Climate Transition Plan to Executive Key Management Personnel (KMP) remuneration outcomes for several years. The specific incentives for the 2025 Dyno Nobel financial year are described under '4.2.3 Executive accountability and performance metrics'.

1.2 Management-level oversight of climate risks and opportunities

As described at 1.1.2, the CEO & MD is responsible for delivering the Board-approved climate strategy and his Executive Leadership Team develop Dyno Nobel's business strategy, including planning, investment decisions, and risk management processes in response to specific climate-related risks.

Key responsibilities allocation

To address climate-related risks and opportunities effectively, key responsibilities, including formal strategic risk and opportunity ownership, are assigned to Executive Leadership Team members by the CEO & MD in line with their leadership responsibilities. This ensures that the management of identified climate-related risks and opportunities is integrated into business unit and functional strategies and risk management processes along with other strategic and operational risks and opportunities, and are managed by team members with the knowledge, capability and experience to manage them.

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. In addition, roles and responsibilities are assigned through The Executive Leadership Team's **Decarbonisation and Energy Transition Committee (DETC)**, as described below.

The DETC met three times in 2025 and includes all members of the Executive Leadership Team. This allows updates on climate-related risks and management strategies across the business to be monitored at the Executive Leadership Team level, including the incorporation of opportunities and key trends into business strategy.

The Chief Financial Officer (CFO) is the risk owner for carbon pricing related risks and controls and is the Executive Leadership Team member with oversight of the management and mitigation of principal risks, including the assessment and management of climate-related financial risks, that could materially impact the Group's business objectives and exceed its risk tolerance. The VP Risk and Insurance reports to the CFO.

The CFO is also responsible for Dyno Nobel's Capital Allocation Framework which prioritises 'Sustainability Capital' as part of the order 1, or 'first taker' of capital, as shown in the diagram in section 2.4.1. This capital is allocated to progress a range of major projects related to decarbonisation of our operations as part of managing risks and opportunities related to carbon pricing, emerging regulatory risks, customer demand for products with reduced upstream scope 3 GHG, and the investigation of green ammonia opportunities. The CFO is also responsible for overseeing the use of internal carbon pricing, which is described under section '4.2.2 Internal carbon price'.

The Chief Development and Sustainability Officer (CSDO) owns the opportunities associated with access to funding and grants to implement decarbonisation measures and oversees the development of Dyno Nobel's bespoke future climate change related scenarios, which are reviewed every three years. The CDSO's team includes the GM Sustainability, a climate change specialist, who works with the VP Risk and Insurance and team members across business units and functions to conduct the Group-wide climate-related scenario-based risk assessment process, also conducted every three years.

The DNA, DNAP and DNEL Business Unit Presidents' own, and are responsible for managing, the strategic climate-related risks and opportunities relevant to their business units. These include, but are not limited to, the transitional risks and opportunities associated with a shift in mining customer markets away from thermal coal towards metals and copper; risk of carbon pricing impacts on their upstream supply chain and scope 3 strategies to manage this; and potential physical impacts on their supply chains and logistics. Members of their teams, including site operations managers and HSEC managers, own and manage risks at the operational level, such as potential physical impacts on site structures, physical events which may impact on access to site for employees or logistics, and HSEC risks such as potential heat stress.

The Chief Technology and Marketing Officer is responsible for the management of risks and opportunities related to the development of low carbon explosives products and services, and increased customer demand for products and services that reduce customer GHG and Dyno Nobel's downstream scope 3 GHG.

During 2025 (prior to the divestment of the IPF Distribution Business), the President IPF and his Executive Leadership Team were responsible for the management of the strategic and operational climate-related risks and opportunities relevant to IPF. These included, but were not limited to, the transitional risks and opportunities associated with increased customer demand for specialist fertilisers, including EEFs that reduce farming customer GHG, and potential physical impacts associated with baseline water stress and extreme weather events on IPF's supply chains, logistics, operations and employees.

Climate risk assessment and key decision sign-off

The GM Sustainability and VP Risk and Insurance collaborate to conduct Group-wide climate-related scenario-based risk assessments every three years as described in section 3 under '3.2 Assessment of climate-related risks'. These positions report to the CDSO and CFO respectively. The results of the assessment are presented to, and validated by, the Executive Leadership Team in a workshop which, following the most recent assessment in 2024, included an education session from the specialist third party who developed the bespoke climate-related scenarios. Key decisions are discussed at the Executive Leadership Team level and recorded in the minutes of the Executive Leadership Team meetings.

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2. Strategy

Our Strategy

As previously stated, we recognise the challenges associated with climate change and the need to reduce our own GHG emissions while continuing to provide products and services which help our customers unlock the natural resources society relies on.

To ensure continued business success and sustainable returns, we do this through the four pillars of our Climate Change Strategy:

1. Ensuring strong governance of climate-related issues
2. Reducing our operational emissions (scope 1 and 2 GHG)
3. Delivering products and strategies to reduce our scope 3 GHG (our upstream and downstream value chain GHG)
4. Managing strategic risks and opportunities

To enact these four pillars, we continue to update our climate change related risk and opportunity assessments, in line with leading practice, to identify and manage those risks and opportunities most material for our business. Our most recent updated scenario risk assessment in 2024 identified eight material transitional climate-related risks and opportunities and three material physical climate risks for our Dyno Nobel explosives business. These are described in section '2.2 Our climate risks and opportunities'.

The future climate change related risks and opportunities identified during the updated 2024 assessment for our fertilisers business have not been included in this report due to the sale of the fertilisers distribution business, which was completed on 30 September 2025, and the closure, sale or intended sale of our remaining fertiliser assets. For the risks and opportunities identified for the fertilisers business in our 2024 assessment, see our **2024 Climate Change Report**.

Transition risks

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, reputational and market changes that vary in type and occur at different rates of change across different geographical regions. These changes can arise from efforts to slow climate change, to mitigate its impacts, or as a result of changes in consumer or customer demand in response to climate change. We have assessed the transitional risks and opportunities which may impact our business and consider these, along with other changing external factors, in our internal strategy discussions and long-term planning.

Physical risks

These risks include changes in the frequency and intensity of acute weather events and chronic changes in long-term weather patterns that may impact our operations, associated site logistics, customers and suppliers. Acute physical risks generally arise from weather events such as cyclones, floods, storms and bushfires. Chronic physical risks are associated with longer-term shifts in weather patterns, such as sustained higher temperatures which may lead to heatwaves and creeping sea-level rise, and changes to rainfall patterns which may cause increasing periods of drought or longer and more intense wet seasons.

2.1 Our climate scenarios

Global progress on reducing GHG emissions depends on a range of factors and policies, making the future rate and magnitude of global temperature rise, and the resulting impacts, difficult to predict. For this reason, and as recommended by the Financial Stability Board's Taskforce on Climate-related Financial Disclosures (TCFD) and the International Financial Reporting Standards (IFRS) Foundation, we make use of a diverse range of future climate-related scenarios to analyse potential risks and opportunities that may arise from different pathways and impact on our operations and business strategy.

- We conducted our first climate scenario risk and opportunity assessment in 2018, using bespoke 2°C and 4°C scenarios created specifically for our business.
- In 2021, we reviewed and updated our 2°C and 4°C climate scenarios, and created two new scenarios: a 1.5°C and an Inevitable Policy Response (IPR) scenario, and reassessed our existing climate-related risks and opportunities against these.
- In 2024, we used four updated bespoke scenarios as described below, and performed an updated assessment to identify material transitional and physical risks and opportunities.

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These scenarios aligned with global **Intergovernmental Panel on Climate Change (IPCC)** climate scenarios: SSP1-1.9, SSP2-2.6, SSP2-4.5 and SSP5-8.5 each representing different global temperature increases, and were named as follows;

- Scenario A: Fast Action (1.5°C),
- Scenario B: Forecast Policy (1.8°C),
- Scenario C: Current Trajectory (2.7°C), and
- Scenario D: Disrupted State (4+°C).

Using these four scenarios allows us to assess risks and opportunities associated with a broad range of potential futures, from a fast transition to renewable energy, new technology adoption and demand for low carbon products, to a potential future in which insufficient global action is taken to reduce warming and significant physical impacts occur. Therefore, a wide range of potential risks and opportunities have been considered in the developing of our strategic response to climate change.

The bespoke climate scenarios developed for our business include the relevant jurisdictions in which we operate across Australia, the Americas and Europe, and the relevant key macroeconomic trends and key regional level variables across the following sectors: Agriculture, Energy and Power, Mining, Industry, Social, and Carbon Markets (see pages 24-31). The implications for Dyno Nobel, its business units and the fertiliser manufacturing facilities we currently retain are described below.

Dyno Nobel context and implications of Scenario A: Fast Action (1.5°C)

Scenario A is aligned with the most recent international agreement on climate change available in 2024. This scenario describes financially material transitional risks for Dyno Nobel which fall into four main categories: policy and legal, technology, market, and reputation. This scenario also describes multiple financial opportunities for Dyno Nobel.

Regulatory requirements and reputation: The increased regulatory requirements and investor expectations described in this scenario increase reputational risks and penalties in case of non-compliance. On the other hand, it presents an opportunity for Dyno Nobel to offer low carbon products and services to assist customers wanting to reduce their scope 3 emissions.

Technology: There are significant opportunities for improved efficiencies in Dyno Nobel's operational activities and investments in abatement technologies. There are potential funding opportunities for new technologies through financial incentives associated with carbon pricing schemes, grants, and policies in support of decarbonisation.

Market: The global change in demand for explosives described in this Fast Action scenario, which relates to a reduced demand for thermal coal mining and an increased demand for copper and metals for the transition, may impact Dyno Nobel operations that rely on regional economic activities to generate revenue.

Dyno Nobel context and implications of Scenario B: Forecast Policy (1.8°C)

As for Scenario A, Scenario B describes the main risk and opportunity areas for Dyno Nobel as transitional, and related to the regulatory, technology and market and reputation areas. However, unlike the 1.5°C scenario, some of the significant physical climate-related impacts also begin to materialise in this scenario.

Regulatory requirements and reputational risks: If this scenario were to occur, Dyno Nobel's reputation may be negatively impacted if it fails to demonstrate sufficient climate action, impacting its ability to raise capital.

While not as high as in the 1.5° scenario, the drive from investors to decarbonise described in this scenario would put pressure on Dyno Nobel, which may impact on its share price.

Operations: The climate-related physical impacts described in this scenario are less severe than those described in the 2.7°C or 4+°C scenarios. However, changes in long-term weather patterns are described as impacting agricultural growing regions and harvesting times, which may lead to changes in fertiliser demand from fertiliser manufacturing facilities we still currently retain.

Market and Technology: Like the 1.5°C scenario, this scenario describes a significant increase in demand for mining of 'new world minerals' and copper which are required for new low-carbon technologies. This would provide an increased opportunity for Dyno Nobel to expand into new markets. Additionally, the growing demand for hydrogen as an energy fuel, coupled with the government incentives described in this scenario, would create increased opportunities for Dyno Nobel to produce green ammonia.

Dyno Nobel context and implications of Scenario C: Current Trajectory (2.7°C)

This scenario describes Dyno Nobel businesses experiencing a significant number of material transition risks due to a lack of coordination between government policies and action. The physical impacts of climate change also become a substantial risk for the Company's operations and customers, resulting from climate-related events such as extreme weather (e.g. heatwaves, storms, cyclones, flooding and drought).

Were this scenario to occur, these events could disrupt Dyno Nobel's operations, supply chains, or demand for its products. The transition risks associated with this scenario are largely attributed to the absence of government regulation and policy to support companies who are seeking to decarbonise their operations. This would reduce the number of financial opportunities for Dyno Nobel businesses, compared to the lower warming scenarios. Due to the lack of timely government action described, warming surpasses the 2°C threshold in this scenario.

Operations: Due to the changing climate described in this scenario, there is an increase in the frequency and intensity of extreme weather events, which may impact some of Dyno Nobel's assets and operations if this scenario were to occur.

Regulatory requirements and reputational risks: This scenario describes a higher degree of warming due to a lack of government incentives to reduce GHG. This results in diminished growth in technological advancements for decarbonisation. If this scenario were to occur, this would impact Dyno Nobel's ability to decarbonise its operations and supply chains and reduce the proportion of opportunities that could be materialised.

Dyno Nobel context and implications of Scenario D: Disrupted State (4+°C)

Scenario D describes no increase in current government ambitions to reduce global warming. As a result, countries fail to reach their existing targets by 2050, which results in global warming exceeding 4°C by the end of this century. Consequently, this scenario, should it occur, is considered to result in severe impacts in affected regions. While our business currently operates primarily in Australia and the US, which are wealthy countries with good governance which may be more resilient than most, some of our growth markets and operations are in other regions, and the long-term future described in this 4+°C scenario would not be conducive to operating a business regionally and/or globally.

Operations: The increase in frequency and intensity of extreme weather events described in this scenario would impact Dyno Nobel's assets, operations, customers and global supply chains if this scenario were to occur. These impacts would result in additional repair costs, operational delays, reduced customer demand and supply chain disruption.

Reputational risks: If this high warming scenario were to occur, there would be potential for public backlash to arise towards high-emitting companies. This may be increased for Dyno Nobel due to a perception that companies associated with mining are contributing significantly to global warming. This public sentiment could lead to reputational damage and may lead to reduced business growth.

Market demand: This high warming scenario describes severe physical impacts from extreme weather events, flood and drought having significant impacts on Dyno Nobel's customers and supply chains globally. These result in regional food and water shortages, geopolitical conflict, mass migrations and significant disruptions to global trade.

Engaging with policy makers for an orderly and just transition

During 2025, we continued to engage with a range of policy makers and associations on issues important to advancing the clean energy transition. Our engagement was either directly, through consultation opportunities, or through participation in roundtables and events organised by various associations of which we are a member.

Our engagement activities this year included directly engaging with the Australian Clean Energy Regulator on:

- Method Development for using nitrification inhibitors to avoid nitrous-oxide emissions from fertiliser use.
- Enabling deep liquid transparent and accessible carbon markets in Australia.
- Direct consultation on carbon market infrastructure for the holding of carbon offset certificates and units.

We also engaged directly with the Australian Department of Climate Change, Energy, the Environment and Water, participating in

- the 'Carbon Leakage Review' second consultation; and
- the 'Carbon Leakage Review – Ammonia and Derivatives' roundtable.

Other engagement included participation in a discussion organised by the Australian Renewable Energy Agency (ARENA) on the development of the Australian Hydrogen Industry and Business Council of Australia Roundtables entitled 'Productivity Commission Inquiry – Australia's opportunities in the circular economy' and 'NEM Wholesale Market Settings Review – Initial Consultation'.

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Table 1 – **Scenario A: Fast Action (1.5°C)**

GLOBAL SCENARIO ANALYSIS

SSP1-1.9

GLOBAL GHG IN 2050

2.4 Gt CO_2-e/yr

GLOBAL TEMP. INCREASE BY 2100

1.0-1.8°C

KEY CHARACTERISTICS

- **Global coordinated action, strong government policies and incentives**
- **Complete reliance on renewable energy and the phasing out of fossil fuels by 2050**
- **Customer preference shift and stakeholder pressure**

GLOBAL TRENDS

This Fast Action scenario describes rapid and immediate climate action and a shift to cleaner industrial processes and renewable energy sources. A shift away from fossil fuels, including coal mining, and more sustainable customer and supplier behaviour and global policies to reduce GHG results in global warming limited to just 1.5°C above pre-industrial levels, thereby mitigating the most severe physical impacts of climate change. Nevertheless, the frequency of climate-related natural disasters is anticipated to slightly increase, especially in areas affected by extreme weather patterns that have implications for agriculture and aspects of Dyno Nobel's supply chains[1].

MACRO-ECONOMIC TRENDS

In line with limiting warming to 1.5°C, this scenario describes coal production – Australia's main source of economic activity – being reduced significantly which, in turn, impacts the Gross Domestic Product (GDP). The GDP of Australia falls by 4.4%[20]. Due to a slight increase in frequency and intensity of extreme weather events there is also a slight increase in the annual average cost of natural disasters on the Australian economy rising to $61bn by 2050[21]. In the US, similar economic decline is described in this scenario, with US GDP decreasing to US$22.89 trillion by 2050[20].

US TRENDS

This 1.5°C scenario describes the US successfully fulfilling its net zero policy commitment through shifting towards renewable energy, increased energy efficiency, and the adoption of sustainable practices in industries such as agriculture and manufacturing. The US' net zero commitments are achieved by reducing emissions from existing facilities, decarbonising transport, shifting from coal to natural gas for electricity generation and the increased uptake of wind generation[3,74].

In the 1.5°C trajectory, US businesses are supported to transition by favourable policies which assist them in remaining globally competitive, and they improve climate-related reporting to comply with current and emerging disclosure requirements[4].

AUSTRALIAN TRENDS

The 1.5°C scenario describes Australia achieving its net zero policy commitments by 2050, driven by its commitment to the goals of the Paris Agreement and policies that support a rapid, early transition from fossil fuels to renewable energy sources.

Whilst less than in other scenarios, the nation still anticipates notable shifts in climate patterns, including an escalation in the duration, frequency and intensity of heatwaves across terrestrial and aquatic environments.

This scenario describes Australia continuing to experience a decrease in the overall number of tropical cyclones. However, rising ocean surface temperatures and a warmer, wetter atmosphere provide a larger source of energy for cyclones once they form, indicating that those that do occur are expected to result in higher-intensity events, with significant variability from year to year[2]. Short-duration heavy rainfall events increase, amplifying the risks associated with flooding and erosion in affected regions[2].

AGRICULTURE

This scenario describes an increased focus on sustainable land management, biodiversity, and sustainable intensive farming, resulting in a reduced need for agricultural land clearing. Cropland land cover will decrease by 0.1% by 2050 from the 2023 baseline due to increased food productivity and a focus on reducing food waste. In this scenario, improved cropland management[5] results in a 12% increase in crop yields by 2050 compared to 2024[58]. Land use is strongly regulated, however global forest area is described as declining by 4% by 2050 from 4.06bn ha[40]. This scenario also describes more efficient farming processes resulting in a decline in total applied nitrogen by 2030[9]. GHG emissions from the agricultural sector are expected to decrease by 17% by 2050 on 2024 levels[58]. In this scenario the demand for plant-based products increases as the world shifts away from meat consumption[30].

ENERGY AND POWER

This scenario describes global renewable energy uptake growing very quickly and almost replacing fossil fuels by 2050[10]. In Australia, the percentage of renewable energy for electricity generation increases to 99% by 2050, compared to the current renewable market share of 32%[14]. The US renewable energy percentage increases to 80% by 2050 from the current 21% renewable market share[10], with other currently used low GHG technologies, such as nuclear, continuing to contribute their share of grid decarbonisation. Concurrently, annual global bioenergy generation is described as increasing, rising to 3,056 TWh by 2050, while natural gas supply declines by 83% by 2050[11].

Electric vehicle sales in Australia rise to 100% of market share by 2050[7]. Under this scenario, the widespread adoption of decarbonisation technologies drives low-carbon innovations.

MINING

This Fast Action scenario describes the global use of thermal coal for electricity generation decreasing from 10,427 TWh in 2024 to zero by 2050[11] due to coordinated action to limit warming to 1.5°C. The global production of both thermal coal and metallurgical (MET) coal are significantly reduced, by 92% and 90% respectively, by 2050[19]. The entire coal-powered fleet in the Australian National Electricity Market (NEM) is retired by 2035[14]. In this scenario, an early and orderly transition to a clean energy system increases demand for minerals, including lithium, copper, cobalt, nickel and neodymium. In this scenario, lithium mineral has the greatest demand for use in clean technologies, increasing by 1,514% by 2050 from 73kt in 2024[12].

CARBON MARKETS

This scenario describes carbon credit prices in Australia meeting the price ceiling set by the Australian Government from 2024 to 2031, beginning at $75 in 2024 and reaching approximately $100 in 2031. In the US, carbon prices meet the cost containment price ceiling set by the California Emissions Trading Scheme (ETS) every year to 2031, reaching approximately US$150 in 2031.

Post 2031 in this scenario, prices continue to grow, in order to meet net zero commitments, until they align with global carbon pricing by 2050. The global carbon price established in this 1.5°C scenario by 2050 is US$750-900[37].

SOCIAL

This scenario describes the limiting of global warming to 1.5°C, resulting in the proportion of the world population exposed to climate-induced physical risks being significantly less than that described in other scenarios. While the global population in this scenario grows to 8.53bn by 2050 (compared to 9.17bn under Scenario B), systemic transitioning of economies and employment across urban and rural areas supports a stable economy. Coupled with strengthened governance, and changes to both human behaviour and lifestyles, this enables a faster, more orderly transition to net zero with effective adaptation and adoption of new technologies.

INDUSTRY

Under the 1.5°C scenario, industries that continue to rely on fossil fuels for their revenue are at risk as the energy sector diversifies into renewable energy. This scenario describes global demand for MET coal reducing by 85% by 2050 against 1,530 million tonnes of coal in 2024[19]. Conversely, the annual global demand for hydrogen increases substantially by 237% to 214m tH_2 by 2050[27].

In this scenario, policies, and funding to develop new, low emitting gaseous fuels such as hydrogen increases, resulting in annual production exceeding 30 million tonnes by the year 2030. While a considerable portion of this is produced close to its point of use, there is increasing government support for hydrogen and hydrogen-based fuels[38] and by 2050 there are hydrogen trade links established around the globe.

Note: The footnotes in this section refer to the references in Appendix 1.

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Table 1 – **Scenario B: Forecast Policy (1.8°C)**

GLOBAL SCENARIO ANALYSIS

SSP2-2.6

GLOBAL GHG IN 2050

10.6 Gt CO_2-e/yr

GLOBAL TEMP. INCREASE BY 2100

1.3-2.5°C

KEY CHARACTERISTICS

- **Continued ambition for strong government policies and incentives**
- **High renewable energy uptake, significant impacts on energy & mining sectors**
- **Customer preference shift and stakeholder pressure**

GLOBAL TRENDS

This scenario is based on less aggressive and more reasonable forecasts of climate policy than the 1.5°C scenario to drive a more foreseeable pathway for investors called the Forecast Policy Scenario (FPS)[31]. This scenario describes decarbonisation efforts being predominantly propelled by government policies and industry standards on a global scale.

The climate-related physical impacts under this trajectory are less severe when compared to higher-warming scenarios. However, there is an increased likelihood of a range of extreme weather events occurring more frequently. For example, heavy one-day-precipitation events and droughts are expected to occur at slightly higher rates compared to the IPCC's 2°C scenario[2].

MACRO-ECONOMIC TRENDS

This scenario describes a greater rise (than the 1.5°C scenario) in the frequency and intensity of extreme weather events, which poses a threat to infrastructure and imposes costs to the economy. This, in turn, increases the annual average cost of climate change on the Australian economy to US$63bn by 2050[21]. In the US, the annual damage estimate due to climate change is described as US$110bn by 2050[31].

From 2030, the economy experiences rapid changes in energy and transport systems in this scenario. This delayed but rapid change results in a discrepancy between industrial companies, with those who are reacting slowly to the low-carbon trajectory facing a greater risk of owning stranded assets. Hence, this scenario describes those who cannot operate under carbon constraints being forced to close.

US TRENDS

Like the 1.5°C scenario, this 1.8°C scenario also describes the US implementing more ambitious strategic planning, technology implementation and policy changes than the higher warming scenarios, in response to rising climate impacts.

In order to limit global warming to 1.8°C, this scenario describes, the US establishing a $3.5 trillion Build Better Act (US Budget Reconciliation bill) and Inevitable Policy Response aligned climate policies, including a target of 100% clean power by 2040, 100% ZEV sales from 2040, and zero emissions production processes by 2040[70]. Federal and State regulations, coupled with tax incentives for low carbon technologies assist in meeting targets to limit warming to 1.8°C.

Due to this, the physical climate impacts described for the US are less severe than those described in warmer scenarios. However, the US is still impacted by an increase in the number of heatwaves and major climate events such as flooding and hurricanes in this scenario.

AUSTRALIAN TRENDS

The 1.8°C scenario describes Australia progressing along a decarbonisation trajectory characterised by a more measured pace than the 1.5°C scenario. This is primarily driven by a transition away from fossil fuels to renewable electricity sources and the widescale electrification of various industrial sectors.

However, this scenario also describes Australia experiencing a greater frequency of heatwaves, and increased aridity across southern regions due to reduced seasonal rainfall coupled with elevated rates of potential evapotranspiration[2].

Moreover, there is a sustained rise in the frequency of dangerous fire weather days, coupled with an extended fire season, particularly impacting southern and eastern regions of Australia[19].

Extreme rainfall events continue to increase across northern Australia, increasing the risk of flooding[47,74].

AGRICULTURE

This scenario describes a 14% increase in crop yields by 2050[58] driven by sustainable intensification of food production, which is required to feed a growing population[8]. However, cropland cover in this scenario decreases by 9% by 2050 from 2023 due to land degradation and desertification[8]. Under this scenario, there is no change in global forested areas from 2024 to 2050. This is due to afforestation and avoided deforestation related to the adoption of climate mitigation policies by countries across the globe[40,42].

This scenario also describes US and Australian Governments introducing comprehensive GHG mitigation policies aimed at reducing GHG emissions from crop production and livestock farming by 2025[28].

ENERGY AND POWER

Under this scenario renewables grow quickly, replacing most fossil fuels by 2050. In Australia, the percentage of renewable energy for electricity generation increases to 97% by 2050, compared to the current renewable market share of 32%[14]. In comparison, the US percentage of renewable energy share increases to 78% by 2050[10], with other currently used low GHG technologies, such as nuclear, continuing to contribute their share of grid decarbonisation. Global bioenergy generation increases by 132% from 2024 values[21].

Electric vehicle sales share reaches 99% of all vehicles by 2050 in Australia, and 70% by 2050 in the US[7,36]. Natural gas continues to be used as a transition fuel globally but is gradually replaced by zero-carbon electricity and hydrogen from 2040. In this scenario, the global demand for metallurgical coal will fall by 58% by 2050[19].

MINING

Under this scenario, 'first mover' countries progress with coal phase-out by 2030, with thermal coal use being virtually non-existent in developed countries by 2040. As a result, the mining sector shifts toward the extraction of the metals required for clean technologies. This scenario describes the total cumulative demand for lithium increasing by 1,392%[12] against 73kt in 2024. Demand for cobalt, nickel and neodymium also significantly increases, by approximately 335%, 750% and 550%, respectively[12]. Thermal and MET coal are still produced globally, however this is significantly reduced by 77% and 65% respectively by 2050, from 4,888 and 988 million tonnes of coal 2024[19].

CARBON MARKETS

Like the 1.5°C scenario, this 1.8°C scenario also describes carbon credit prices in Australia meeting the price ceiling set by the Australian Government from 2024 to 2031, beginning at $75 in 2024 and reaching approximately $100 in 2031. In the US, carbon prices also meet the cost containment price ceiling set by the California ETS every year to 2031, reaching approximately US$150 in 2031.

Post 2031 the prices will continue to grow to meet net zero commitments and align with global carbon pricing by 2050. However, the global carbon price described under this scenario is lower than the 1.5°C scenario price, at US$260-750 by 2050.

SOCIAL

This scenario describes substantial global population growth, from 8.04bn in 2024 to 9.17bn by 2050[23].

From 2030, significant socio-economic challenges occur due to rapid and unprecedented changes to government policy and the economy in response to the physical impacts of climate change, with increased pressure from society, financial markets and regulators in support of climate action and a just transition, particularly in the traditional energy and energy-intensive sectors[32].

INDUSTRY

This scenario describes carbon emissions decreasing by almost half by 2050 in relation to 2024 levels. The demand for hydrogen grows substantially, reaching 128m tH_2 by 2050[27]. In this scenario, green hydrogen is the largest proportion of total global hydrogen production (at 65%), followed by blue hydrogen (produced using natural gas but with carbon capture and storage) at 35%.

The total demand for coal has a clear downward trend in this scenario, with global demand for thermal coal described as decreasing 82% by 2050 from 3,642 million tonnes of coal in 2024 and global demand for MET coal decreasing 58% by 2050 from 1,629 million tonnes of coal in 2024[19].

Note: The footnotes in this section refer to the references in Appendix 1.

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Table 1 – **Scenario C: Current Trajectory (2.7°C)**

GLOBAL SCENARIO ANALYSIS

SSP2-4.5

GLOBAL GHG IN 2050

43.9 Gt CO_2-e/yr

GLOBAL TEMP. INCREASE BY 2100

2.1-3.5°C

KEY CHARACTERISTICS

- **Delayed government support required for decarbonisation**
- **Slower transition to low-carbon technologies**
- **Mitigation efforts may face obstacles such as technological constraints**

GLOBAL TRENDS

This scenario is characterised by a lack of coordinated global action and timely government support for the transition. This results in the Paris Agreement's target of limiting global warming to well below 2°C not being achieved. This scenario describes a delayed shift away from fossil fuels due to a lack of government policy to drive the transition to renewable energy sources, implement energy efficiency, or implement carbon capture and storage technologies. This results in global temperatures rising by 2-3°C above pre-industrial levels by 2100. Under these conditions, the frequency and intensity of extreme weather events are significantly heightened, which results in physical impacts on Dyno Nobel's operations, and customers in the mining and agricultural sectors and supply chains[1].

MACRO-ECONOMIC TRENDS

The frequency and intensity of extreme weather events described in this scenario poses a threat to infrastructure, costing the Australian economy up to US$66bn by 2050[21]. The annual damage estimate in the US due to climate change in this scenario is US$273bn by 2050.

Australian GDP decreases by 27% by 2050 from US$2 trillion dollars in 2024[20]. GDP in the US decreases by 32% by 2050 from US$32bn in 2024[20].

US TRENDS

This scenario describes shifts to renewable energy and improved energy efficiency stalling, and the US failing to decarbonise the electricity grid by 2050. The US' current policies remain unchanged and there is no increased ambition to achieve the country's net zero targets. Insufficient policies[40] result in a lack of investment in low carbon technologies from the private sector.

The US is projected to experience higher average temperatures under this scenario. Climate change is expected to intensify existing regional rainfall patterns with the Southeast US becoming wetter and the Northwest drier[56]. Total annual precipitation is expected to decrease, however there will be an increase in heavy precipitation events. These changes will have significant impact on the average crop yield in the US[33]. This scenario describes a significant increase in winter flood hazards across the southwest region; while the northwest is projected to have more frequent droughts[60].

AUSTRALIAN TRENDS

In this scenario, Australia does not reach net zero by 2050. While this scenario describes some efforts to decarbonise the electricity grid, the shift from fossil fuels to renewables progresses slowly due to a lack of substantial government policies and inadequate private-sector funding.

Under this scenario, Australia experiences an increase in the frequency and intensity of heatwaves, an increase in rainfall variability and heightened periods of drought across Australia, leading to diminished water resources, increasing baseline water stress and increased water restrictions[47]. Agricultural areas which depend on surface waters for irrigation are also impacted.

There is a sustained rise in the occurrence of hazardous fire weather conditions and an extended fire season, particularly affecting regions in southern and eastern Australia[2].

By 2090, there will be increases in the intensity of 1-in-20-year extreme rainfall events in most regions, particularly Northern Australia[2].

AGRICULTURE

In this scenario, crop yields increase to some degree, although this is not sufficient to meet growing food demand, due to expected population growth[23]. As a result, agricultural land is expanded at the expense of forests and other natural assets[42]. Due to the impacts of increasingly severe weather events and chronic adverse weather conditions on agricultural yields, greater cropland area is required to maintain agricultural outputs[3], resulting in an increase of 8% in global land area under crops by 2050 against a 2023 baseline[8]. As a result, global forested areas decrease by 5% by 2050 from 4.06bn hectares in 2024[40].

ENERGY AND POWER

This scenario describes the decarbonisation of electricity grids occurring at a slower rate relative to scenarios A and B. However, there is a large shift to bioenergy with the global supply increasing by 35% from 2024 to 2050[19], while coal powered electricity generation decreases by 53% from 2024 to 2050[12]. Under this scenario, by 2050 the percentage of renewable energy in Australia and the US climbs to 92% and 71%, respectively. Additionally, electric vehicles account for 69% and 65% of fleet share by 2050 in Australia and the US, respectively[7].

MINING

This 2.7°C Current Trajectory scenario describes a slow and disrupted transition from fossil fuels to renewable energy sources, resulting in warming of 2.7°C.

Under this scenario, global production of thermal and MET still occurs, but declines 45% and 30% respectively by 2050[12,19]. The gradual shift to renewable energy technologies leads to a slower but growing demand for 'new world minerals' than in the 1.8°C scenario, including neodymium and lithium. Lithium demand is described as increasing by 571% by 2050 from 73kt in 2024[12].

CARBON MARKETS

This scenario describes the demand for carbon credits to address a significant portion of unabated emissions growing more rapidly than supply from 2024 to 2031. This drives growth in Australian carbon credit prices, but not enough to meet the carbon price ceiling set by the Australian Government. In the US, carbon prices continue to fluctuate between California's regulated floor and ceiling prices.

Post 2031 in this scenario, there is no global carbon price established. However, by 2050 Australian carbon credit prices are described as reaching $390. In the US, prices track in alignment with a 3°C trajectory, reaching $71 by 2050[43].

SOCIAL

There is also substantial growth in population described in this 2.7°C scenario, with the global population described as increasing by 14% by 2050 from 8.04bn in 2024[23].

Societal development remains steady, with general improvement in living standards, education and healthcare. However, progress will be uneven across regions, leading to social inequalities, and the implementation of policies to promote social equity.

The physical impacts of climate change create unfavourable living conditions and impact the ability to grow crops in some regions, leading to some population migration.

INDUSTRY

This Current Trajectory scenario describes companies facing increasing pressure from investors to decarbonise but without coordinated government support. This results in significant challenges for businesses with a lack of investment also resulting in a delayed transition to low carbon energy, and therefore, manufacturing.

In this scenario, hydrogen production will increase by 101% by 2050 from 64 mtH^2t in 2024[27]. A large proportion of this hydrogen is still produced using natural gas, with blue and green hydrogen accounting for less than 50%.

Note: The footnotes in this section refer to the references in Appendix 1.

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Table 1 – **Scenario D: Disrupted State (4+°C)**

GLOBAL SCENARIO ANALYSIS

SSP5-8.5

GLOBAL GHG IN 2050

84.7 Gt CO_2-e/yr

GLOBAL TEMP. INCREASE BY 2100

4.0-5.7°C

KEY CHARACTERISTICS

- **Significant severe weather events, sea-level rise, and ecosystem degradation**
- **Continued reliance on fossil fuels, particularly coal, oil and natural gas**
- **Mitigation and adaptation efforts face significant challenges**

GLOBAL TRENDS

In this scenario, uncoordinated international efforts, along with several nations not fulfilling their pledges for net zero emissions, drives GHG emissions to 84.4bn tonnes of CO_2e by 2050, a 129% rise from 2005 levels. This leads to substantial and irreversible changes in the Earth's climate system, causing widespread extreme weather events, poverty, food disaster, geopolitical conflict and economic damage. These changes impact developing countries the most, resulting in a large number of refugees and high global migration rates. GDP is described as significantly declining in all regions by 2050[20].

Globally, the frequency and intensity of one-in-10-year extreme weather events increases by 2100. Extreme temperature events such as heatwaves and bushfires are 9.4 times more probable than in 2024, and heavy precipitation events such as those associated with hurricanes and cyclones are twice as likely. Agriculture and ecological drought events are four times more likely to occur[25].

MACRO-ECONOMIC TRENDS

Due to the high degree of warming, this scenario describes widespread economic losses due to supply chain disruptions and infrastructure damage globally, resulting from extreme weather events.

In Australia GDP declines from US$2 trillion in 2024 to US$1.19 trillion by 2050. The frequency and intensity of extreme weather events damages infrastructure and imposes costs on the Australian economy, reaching $71.35bn per year by 2050.

Similarly, this scenario describes US GDP decreasing from US$32 trillion in 2024 to US$21 trillion by 2050.

US TRENDS

This scenario describes the US experiencing an increase in the number of the strongest (Category 4 and 5) hurricanes and associated increased rainfall rates[5]. The frequency of days with high temperatures above 32°C is expected to increase throughout the US[5]. This increase in extreme temperatures reduces the average yields for several of the US' major crops[33] which results in farmers needing to adapt their crops and move into new areas[34].

There is significant degradation of natural ecosystems and loss of biodiversity, reduced surface water availability and reduced water quality. There are widespread physical impacts on infrastructure, businesses, supply chains, farming regions, cities and people's wellbeing from direct extreme weather events, mental health impacts, as well as nutritional security due to changes to agriculture and livestock.

AUSTRALIAN TRENDS

In this scenario, Australia experiences significant damage to its infrastructure, supply chains, businesses and ecological systems, by 2050. This is accompanied by a depletion of natural resources such as water, timber, natural gas and minerals. This scenario describes a significant decline in livelihoods and incomes due to declining agricultural production and food price inflation.

This heightened warming scenario describes increasingly severe bushfire risks across south-eastern Australia, with a projected increase of 100-300% in the occurrence of extreme fire days by 2050[75]. Fire seasons continue to commence earlier and extend later under this scenario[18].

Heatwaves are described as occurring as frequently as seven times a year by 2050, lasting an average of 16 days per event[2] and resulting in an increase in heat-related mortality and morbidity.

AGRICULTURE

This scenario describes a global expansion of cropland by 14% from a 2010 baseline by 2050[8,41] due to unsustainable land management practices and increased pressure on land and water resources to meet a rising demand for food from a growing population. Total crop yields are required to increase by 11% between 2024 and 2050[58].

This scenario also describes unregulated land use, and expansion of timber plantations decreases natural forest areas by 3% globally by 2050 from 4.06bn ha in 2024[40,41].

ENERGY AND POWER

This 4+°C scenario describes a future in which the energy sector decarbonises slowly. Electricity generation from bioenergy in this scenario remains the same as current levels, with an annual generation of 687 TWh[19]. Natural gas supplies are described as increasing by 56% by 2050 from 2024[11].

Under this scenario, there is no significant investment in low-carbon technologies; this leads to few technological advancements and no significant adoption of innovations in the energy sector.

This scenario also describes a lack of economic incentives for the adoption of electric vehicles, resulting in sales of EVs stalling.

MINING

This scenario describes significant amounts of thermal and MET coal continuing to be used across the world. Coal usage is expected to double by 2050 against 2024 use[40].

In this scenario, the demand for minerals for clean technologies also increases slightly but is limited due to much lower investment in decarbonisation and low-carbon technologies compared to other scenarios[12].

CARBON MARKETS

This scenario describes demand for carbon credits in Australia from 2024 to 2031 as lower than supply, resulting in slower carbon price growth than in the other scenarios. In the US, carbon prices fall to the regulated floor price of the California ETS between 2024 to 2031.

Post 2031 in this scenario, there is low demand for credits, which negatively impacts prices in Australia. In the US, carbon prices in this scenario continue to increase, but do not reach prices high enough to drive decarbonisation, resulting in emission reduction targets not being reached.

There is no linking between regional carbon pricing schemes in this scenario and a global carbon price is not established.

SOCIAL

This scenario describes the global population growing to 8.58bn globally by 2050. There is increasing risk of global conflicts due to resource depletion, crop failure and growing inequalities[23].

The physical impacts of climate change described in this high warming scenario include an increased incidence of extreme weather events, floods, and increased periods of chronic drought, which cause damage to infrastructure, interrupt global trade and result in water and food shortages. As a result, this scenario describes mass migrations and increasing geopolitical instability, with the probability of global conflicts increasing to 26%[57].

INDUSTRY

In this scenario, a lack of policies and investment results in global GHG emissions doubling between 2024 and 2050[31]. Thermal and MET coal production remains similar to the present day until 2050, and no further transition towards low carbon energy, manufacturing, products or technology is made[19].

Innovation within industries is described as limited in this scenario due to a lack of incentives to decarbonise operations.

Note: The footnotes in this section refer to the references in Appendix 1.

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2.2 Our climate risks and opportunities

During our most recent comprehensive risk assessment in 2024, all four scenarios were used in assessing transitional climate risks and opportunities in the near (2030) and mid-term future (2050). To assess physical climate risks, scenarios C and D were used to represent 'worst-case' physical climate impacts in the near (2024-2040) and mid-term future (2050-2070).

In the 2024 assessment, climate risks and opportunities were assessed for our Dyno Nobel and IPF business units individually, including across multiple business functions (finance, regional sales and customer relations, strategy, procurement, investor relations, technology, legal and asset managers, supply chain, logistics, HSEC and DETSC) and included specific assessments for eight Australian sites and seven US sites. As we are consolidating into a global explosives business, have sold the IPF distribution business and announced the closure, sale or intended sale of our remaining fertiliser assets, the risks and opportunities for our fertiliser business are not included in this report[1].

The outcomes of the climate risk and opportunity assessment identified eight material transitional climate-related risks and opportunities and three material physical climate risks for our Dyno Nobel explosives business. A summary of the material climate risks and opportunities is provided in Tables 2-4. These tables also include a summary of our management strategy and a residual risk assessment.

1. For the risks and opportunities identified for the fertilisers business in the 2024 assessment, see our **2024 Climate Change Report**.

2.2.1 Quantification of climate risks and opportunities

The Dyno Nobel Risk Matrix determines a financially material risk as one which, should it be realised, would result in an EBIT impact of $20m or more. Risks are also deemed material if they have a potentially fatal health and safety risk.

To more closely assess the potential financial impacts associated with our identified material risks and opportunities, a quantitative climate risk and opportunity assessment was also conducted in 2024. This has allowed priority risk and opportunity areas to be identified based on the magnitude of the financial impacts were the risk or opportunity to be released; and the timeframe identified for each.

Workshops were conducted with internal Dyno Nobel risk and opportunity stakeholders to develop an appropriate quantification methodology for each risk and opportunity, and to agree on assumptions aligned with three climate scenarios: our bespoke 1.5°C, 1.8°C and 4+°C scenarios. The financial impacts associated with selected material climate risks were quantified for 2030 and considered two cases – unmitigated impact and mitigated impact (with risk controls in place). Opportunities were quantified at two horizons: 2030 and 2050. The outcomes of our climate risk and opportunity quantification are included in the summary tables of material climate risks and opportunities below using Low, Medium and High classifications.

Table keys

CLIMATE SCENARIOS	1.5° Fast Action	1.8° Forecast Policy	2.7° Current Trajectory	4+° Disrupted State
UNMITIGATED IMPACT/ POTENTIAL OPPORTUNITY	L Low	M Medium	H High	

Material Climate Risks

Table 2 – Material transitional climate risks for Dyno Nobel

RISK NAME	RISK STRATEGY AND MITIGATING ACTIONS	RESIDUAL RISK ASSESSMENT
Transitional Climate Risk 1: Market Risk **Changing market demands for explosives** Dyno Nobel's revenues may be impacted by a reduced demand for thermal coal mining. Thermal coal markets comprised 14% of Dyno Nobel Americas revenues and 4% of Dyno Nobel Australian revenues in 2025. **Scenarios:** 1.5° 1.8° 2.7° **Time frame:** Current, 2030 and 2050 **Unmitigated Impact (2030):** L **M** H **Unmitigated Impact (2050):** L M **H**	• The management of this risk has been built into Dyno Nobel's global business strategy along with opportunities 2, 3 and 4 which describe growth in other markets. Strategic action has been taken to shift operations and supply into emerging new world mineral markets in both South America and western US, and to increase revenues from the quarry and construction sector. • Dyno Nobel monitors the global environment, conducts detailed assessments of markets and regularly updates supply and demand forecasts to quickly respond to change. We seek to maintain competitive cost positions in our chosen markets, whilst maintaining quality product and service offerings. This focus on cost and quality positions our business units to compete over the medium to longer term; in changing and competitive environments we prefer to engage in long-term customer and supply contractual relationships.	Considered an ongoing business risk. The business has been able to remain resilient through shifting supply to other sectors (quarrying and construction and metals) and maintaining a competitive advantage over peers across both manufacturing and supply chain.
Transition Climate Risk 2: Policy and Legal Risk **Regulatory GHG limits or carbon pricing create a competition risk** Emerging regulations, such as the Safeguard Mechanism, which impose restrictions or costs on Dyno Nobel's GHG intensive manufacturing operations may increase operating costs. If these costs cannot be passed on to customers, these facilities may become less competitive than those in countries with less strict regulations. **Scenarios:** 1.5° 1.8° **Time frame:** Current, 2030 and 2050 **Unmitigated Impact (2030):** L **M** H **Unmitigated Impact (2050):** L M **H**	• Dyno Nobel's GHG Transition Pathway has been developed and a range of projects which seek to progressively reduce Dyno Nobel's exposure to carbon pricing are being implemented. For example, the installation of the Moranbah Tertiary N_2O Abatement Project during 2024 has reduced the facility's GHG emissions below its Safeguard Emissions Intensity Baseline by approximately 200,000 tCO_2e. • Dyno Nobel customer agreements may provide for the pass-through of carbon pricing where products are not commodities whose price is set by the global market.	Considered a material risk requiring ongoing management.

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RISK NAME	RISK STRATEGY AND MITIGATING ACTIONS	RESIDUAL RISK ASSESSMENT
Transition Climate Risk 3: Policy and Legal Risk **Carbon pricing impact on upstream supply chain increases costs** The introduction of regional carbon pricing may impact the cost of purchased goods and services and increase Dyno Nobel's costs. If these costs cannot be passed on to customers, they may make Dyno Nobel less competitive than companies sourcing from regions with less strict regulations. **Scenarios:** 1.5° 1.8° **Time frame:** Current, 2030 and 2050 **Unmitigated Impact (2030, 2050):** L M H	• Dyno Nobel has a large, diverse supplier group, which may allow for the purchase of some products from regions where carbon pricing is lower, to avoid competition risks until such time as an equal, global carbon price removes this risk. • Domestic co-location of critical products will reduce carbon costs associated with transport. Diversification away from single source suppliers, already being managed, will also assist in managing the potentially volatile/variable costs associated with increased regional regulation, including carbon pricing.	Considered a material risk requiring ongoing management.
Transition Climate Risk 4: Market Risk **Reduced demand for metallurgical (MET) coal** An increase in the use of recycled scrap iron and a potential move towards electric arc or hydrogen based steel manufacturing may reduce demand for metallurgical coal mining, impacting the demand for the products and services, and therefore revenues, from Dyno Nobel Moranbah. **Scenarios:** 1.5° 1.8° **Time frame:** 2030 and 2050 **Unmitigated Impact (2030, 2050):** L M H	• Dyno Nobel's Moranbah manufacturing plant supplies explosives for mines in Queensland's Bowen Basin. This region produces some of the world's highest quality MET coal, with low ash content and low/medium volatile matter. These hard-coking coals are recognised by steelworks as prime coking coals used in steel manufacture, and Australian hard-coking coals are regarded as the industry benchmark. Queensland has 3.75bn tonnes MET coal with volatile matter less than 25%, which is enough to sustain production for many years. As Dyno Nobel's competitors are likely to see demand drop in line with thermal coal decline, the Moranbah facility will retain the unique competitive advantage of being located close to these MET coal mines.	Considered a potential future material risk which requires ongoing monitoring and may require management strategies to be deployed in the future.
Transition Climate Risk 5: Market Risk **Stranded asset or long-term contract risk due to late, sudden transition** A late and sudden transition to a low carbon economy may result in some high carbon-emitting operations becoming stranded assets, with our Cheyenne site being the only site assessed to be vulnerable to this risk. This may also impact long-term contracts or offtake agreements. **Scenarios:** 1.8° 2.7° **Time frame:** 2030 and 2050 **Unmitigated Impact (2030, 2050):** L M H	• The Executive Leadership Team's DET Committee has developed Dyno Nobel's GHG Transition Pathway, which will progressively reduce Dyno Nobel's exposure to the risk of stranded assets, should a late, sudden transition eventuate. • Dyno Nobel uses an internal carbon price to test capital investments in assets against a range of scenarios. • Dyno Nobel is developing a management strategy for long-term contracts, including a review of contracts which extend towards 2030, in order to assess exposure to transition risks. • Dyno Nobel is developing a process to consider climate risks within any new long-term contracts.	Due to Dyno Nobel's management strategies, the residual risk in the long term is considered to be greatly reduced.

Table 3 – Material transitional climate opportunities for Dyno Nobel

OPPORTUNITY NAME	STRATEGY TO MAXIMISE OPPORTUNITY	ONGOING OPPORTUNITY ASSESSMENT
Transition Climate Opportunity 1: Markets Opportunity **Access to funding and grants to implement decarbonisation measures** The transition to a low carbon economy may create opportunities for Dyno Nobel related to increased funding for new or renewable technologies that reduce GHG emissions. **Scenarios:** 1.5° 1.8° **Time frame:** Current, 2030 and 2050 **Potential opportunity (2030, 2050):** L M H	Dyno Nobel has allocated resources, and assigned responsibility to specific roles and steering committees, to track and manage applications for funding and grants associated with the transition. This has resulted in the following: • Successful registration of two projects to earn Australian Carbon Credit Units (ACCUs) under the current Australian Federal Government Emissions Reduction Fund. • An ARENA grant of $0.9m to investigate renewable hydrogen and green ammonia. • A grant under the Powering the Regions Fund of $9m for decarbonisation projects.	Considered an ongoing opportunity. Dyno Nobel continues to monitor opportunities and partnerships which may financially assist us and our customers to decarbonise.
Transition Climate Opportunity 2: Markets Opportunity **Increased demand for new world minerals and potential decreased demand for base metals** The 1.5°C, 1.8°C and 2.7°C scenarios describe a significant increase in demand for mining of 'new world minerals' required for new low-carbon technologies. This provides an opportunity for Dyno Nobel to expand into new markets and offset lowered demand for thermal coal. **Scenarios:** 1.5° 1.8° 2.7° **Time frame:** Current, 2030 and 2050 **Potential opportunity (2030, 2050):** L M H	• Strategic action continues to be taken by Dyno Nobel Americas to shift explosives operations and supply into emerging new world mineral markets in both South America and western US, and to increase revenues from the quarry and construction sector. • With the purchase of Titanobel in 2022, Dyno Nobel entered the French quarry and construction market and gained access to New Caledonian and West African markets with future facing mineral opportunities.	Considered an ongoing opportunity. When combined with the existing Nitromak business in Türkiye, strategic actions taken to date provide a compelling foundation to grow the business across Europe, the Middle East and Africa to take advantage of the expected growth in new world minerals mining.
Transition Climate Opportunity 3: Markets Opportunity **Increased demand for copper** The 1.5°C, 1.8°C and 2.7°C scenarios describe a significant increase in demand for copper as it is required for new low-carbon technologies. This provides an opportunity for Dyno Nobel to expand into a growing global copper market. **Scenarios:** 1.5° 1.8° 2.7° **Time frame:** Current, 2030 and 2050 **Potential opportunity (2030, 2050):** L M H	• Strategic action continues to be taken by Dyno Nobel Americas to shift explosives operations and supply into growing copper markets, including in South America.	Considered an ongoing opportunity. We continue to strategically evaluate growing copper mining markets globally.

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Table 4 – Material physical climate risks for Dyno Nobel

RISK NAME	RISK STRATEGY AND MITIGATING ACTIONS	RESIDUAL RISK ASSESSMENT
Physical Climate Risk 1: Acute **Extreme weather events impact employee access to site at Simsbury, Connecticut** The ability for employees to attend work at our Simsbury operations may be impacted more frequently due to increasing periods of extreme weather. In addition, accommodation relief for employees on- or near-site may be required more often. **Scenarios:** 1.5° 1.8° 2.7° 4+° **Time frame:** Current, 2030 and 2050 **Unmitigated Impact (2030, 2050):** L M H	• Our Simsbury operations have been managing the impacts of employee access to site due to localised flooding for some years, with temporary accommodation for employees necessary in some instances in the past. • We monitor the annual financial impact of these events. Should their frequency and impact increase, existing strategies will be reviewed for their effectiveness.	Considered a potentially material risk requiring ongoing management.
Physical Climate Risk 2: Chronic **Increased maximum temperatures result in fatigue – Moranbah, Queensland** Higher maximum temperatures can result in lower personnel productivity, heat exhaustion and, if incorrectly identified and managed, serious injury or death. Fatigue management issues may also result in poor task turnaround during daytime workable hours outdoors; thus, may result in operational delays. Fatigue and mental stress can also indirectly lead to other serious accidents, injury, and fatality. **Scenarios:** 2.7° 4+° **Time frame:** 2060 **Unmitigated Impact: Rated as a material risk due to its potential to result in a fatality.**	• Dyno Nobel currently manages worker health and safety in a range of extreme environments, from polar mining in the DNA business to very hot environments in Australia and Indonesia. • A new fatigue management procedure was implemented across the Americas in 2022; and in 2023, regional fatigue management procedures were implemented across the global business. This will assist in monitoring and managing the impacts of chronic changes in temperature on employee health and safety.	Because this risk has the potential to result in a fatality, it is rated as a material risk on the Dyno Nobel risk matrix and requires ongoing monitoring and management. Dyno Nobel is committed to the ongoing management of worker health and safety through our Zero Harm strategic driver. We continue to monitor our processes to manage heat stress and fatigue.
Physical Climate Risk 3: Acute **Heavy rain and snow event leads to structural failure – Simsbury, Connecticut** Additional weight due to snow accumulation on B200 (Shock Tube) roof could cause roof collapse resulting in multiple fatalities and loss of six months' production. **Scenarios:** 2.7° 4+° **Time frame:** 2030, 2060 **Unmitigated Impact (2030, 2060):** L M H	• Dyno Nobel has a comprehensive inspection, structural maintenance and risk management program in place across our global sites.	Considered a material risk requiring ongoing management.

2.3 Implications of identified risks and opportunities

For Dyno Nobel, the material strategic risks identified, as shown in Tables 2-4 are associated with shifts in demand across customer markets from coal mining towards metals, carbon pricing risks and the risk of stranded manufacturing assets if a late or sudden transition were to occur. Strategic material opportunities were also associated with shifts in demand across customer markets, with growth opportunities associated with new world metals and copper markets, as well as potential grants and funding available under emerging carbon regulation. While not found to be financially material in our most recent assessment, the higher warming scenarios indicate potential demand increases from quarry and construction (Q&C) markets in response to physical impacts and the lower temperature scenarios indicate increased demand for low carbon explosives.

While there are uncertainties associated with projected demand from various markets over time, the rate and magnitude of impacts from various carbon pricing policies, and the rate at which demand for low carbon products increases, these risks and opportunities have implications for our business growth strategy and product technology strategies, as discussed in section '2.4.1 Our Climate Resilience Strategy'.

Opportunities for Dyno Nobel associated with green ammonia production fell just below financial materiality when assessed for 2030 and 2050 and there are uncertainties associated with both its adoption as an energy source and the timing in which it will become commercially viable. However, the opportunities associated with green ammonia have implications for our Decarbonisation Strategy and GHG Transition Pathway as well as for our portfolio valuation, and we continue to monitor, and in some cases actively pursue, these opportunities.

As seen in Table 4, the physical risks identified for Dyno Nobel in our 2024 assessment are not completely new, but relate to an increase in the severity, frequency or likelihood of operational risks already being managed at the site level. This has implications for the review of our existing risk management processes for these risks.

Our management strategies for these risks and opportunities are listed in column 2 of Tables 2-4 and further discussed in section '2.4.1 Our Climate Resilience Strategy'.

As previously stated, the future climate change related risks and opportunities identified for our fertiliser distribution business have not been included in this report due to the sale, closure or intended sale of our fertiliser assets.

2.4 Our Climate Change Action Strategy

We recognise that the strategic management of risks and opportunities associated with climate change, and their integration into business strategy, is essential to the long-term success of our business. We are committed to ensuring the resilience of our businesses to continue to create sustainable economic returns and value creation for our shareholders, customers and employees, while driving measures to reduce our contribution to climate change and other impacts on the environment.

As a manufacturer and distributor of explosives and fertilisers for the mining, Q&C and agriculture industries, we supply products and services which will continue to be in demand throughout the transition and into the future. Our Climate Change Action Strategy has two key components: our Climate Resilience Strategy, which is focused on the integration of material transition risks and opportunities into our business strategies and the management of physical risks; and our Decarbonisation Strategy, which is focused on decarbonising our manufacturing and distribution assets to ensure we can continue to provide products and services to our customers in a lower-carbon economy.

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Working to ensure a just transition

First used in the 1970s, the term 'just transition' refers to the need to ensure workers' rights and livelihoods are given the same priority as environmental and economic imperatives when companies and broader economies are changing production practices to become more sustainable.

The challenge of climate change has raised the importance of a just transition for workforces and communities, as it is increasingly recognised that the global transition towards a low-carbon economy will have both positive and negative impacts on employment. For this reason, Dyno Nobel recognises that ensuring a just transition is integral to reaching the goals of the Paris Agreement and is working to align our decarbonisation strategy with the principles of a just transition.

For Dyno Nobel, a 'just transition' means decarbonising our operations and supply chains in a way that is orderly and timely, fair and equitable, and meets the goals of the Paris Agreement. Our approach seeks to protect and sustain the employment opportunities we provide, and therefore the communities which depend on these, for a just transition; and we commit to retain, retrain, redeploy and/or compensate workers affected by our decarbonisation projects.

As a manufacturer of explosives and fertilisers for the mining, quarry and construction, and fertiliser industries, we manufacture and supply products and services which will continue to be in demand throughout the transition and into the future. All but the most extreme of our future climate-related scenarios describe increasing demand for fertilisers to maximise food production and, in the 1.5°C and 1.8°C scenarios, for biofuels, the mining of metals and new world minerals for new technologies will be required, and demand for explosives from the quarry and construction sector is expected to increase where physical impacts occur. For these reasons, unlike some other industries, our ambition is not orderly closure, but successful decarbonisation of our manufacturing assets to continue to provide our products and services in a decarbonised economy; and to maintain the employment opportunities we provide.

"A just transition works to ensure that the transition to net-zero emissions and climate resilience is orderly, inclusive and just, creates decent work opportunities and leaves no-one behind. This depends on a fair process built on social dialogue, stakeholder engagement and a universal respect for fundamental labour rights and other human rights. Just Transition is not an independent practice; it is a principles-based approach for climate change mitigation and adaptation activities, relevant for all countries and sectors."

United Nations Global Compact, Introduction to Just Transition: a business brief.

Further, the energy transition is providing new opportunities for our business to grow as the demand for low carbon hydrogen in the form of green ammonia increases. While our Green Ammonia projects at Gibson Island and Gladstone did not proceed at this time, we continue to investigate opportunities to bring this technology forward. We are also investigating other decarbonisation technologies to assist us in creating and supporting access to 'green and decent' jobs and upskilling for workers, and implementing our GHG Transition Pathway to transition our assets and retain our workers.

Assessment of risks regarding a just transition

Due to our 'retain and decarbonise' strategy described above, a high-level assessment indicates that our portfolio is resilient in terms of just transition risks, with just one facility, employing 174 personnel, identified during the assessment. While our exposure to thermal coal markets made up less than 5.5% of our revenues in 2025, this exposure is almost entirely associated with this single identified Dyno Nobel manufacturing asset in Cheyenne, Wyoming which currently supplies ammonium nitrate explosives to the nearby Powder River Basin. As described in Table 2, demand from this market has already declined and this is being managed through further expansion into the quarry and construction and metals markets. As a second strategy, the Cheyenne facility is expanding into the manufacture of Diesel Exhaust Fluid (DEF), a urea-based additive which reduces NOx emissions from diesel vehicles. This has further reduced the facility's reliance on thermal coal markets through the creation of another income stream in the short term.

For the medium to long term, we are investigating future options to manufacture this product at Cheyenne by converting the facility from natural gas to green hydrogen for ammonia, and reacting this with CO_2 purchased by pipeline, which would become available as the carbon capture facilities currently being investigated for power plants in this region become more common.

Finally, the nature of the manufacturing facility means that it could potentially be repurposed to produce ammonia-based fertilisers should the region transition away from thermal coal to farming, as is being progressed by the Reclaiming Appalachia Coalition, supported by the US Just Transition Fund.

Should any of our sites become uncompetitive for any reason, our approach is to actively engage with those affected, ensure their feedback is incorporated and offer redeployment where possible, retraining, assistance through locally-based outplacement services, and retirement and retrenchment packages where employees choose these options.

Assisting employees impacted by our organisational restructure

During 2025, 48 employees were affected by the move of our head office from Melbourne to Brisbane, as we consolidate our offices into a single office closer to our Australian explosives customers. Affected employees were referred to outplacement services, with 33.3% engaging the services.

Services were provided to these employees depending on their stage of life, with Dyno Nobel providing financial planning with outside resources, career planning, review of resumes with professional assistance to update them, workshops for assistance on job seeking, retraining packages and redeployment to other sites where roles were available and this option was preferred by the employee.

While these impacts on our employees do not relate to climate change, our response reflects our commitment to just transition principles and practical actions to assist impacted employees in moving towards their chosen future.

2.4.1 Our Climate Resilience Strategy

We consider Dyno Nobel's current business model and portfolio to be resilient in the context of the identified material climate-related risks and opportunities. Since our products and services will continue to be in demand throughout the transition, and we have a plan to retain and decarbonise those assets which align with our core business strategy, we do not anticipate that major changes to our business model will be required.

Most of the shifts in customer markets described in our scenarios are already reflected in market forecasts. As summarised in the second column of Tables 2-4 in section 2.2, Dyno Nobel's core business strategy has incorporated, and is managing, the shift away from supplying thermal coal markets in the US towards metals and Q&C, as well as an overall strategic shift towards these markets for our global business. Our product technology strategy continues to develop our capability to supply technology-based solutions with higher margins for these markets, with the aim of reducing our reliance on bulk AN sales, which are required for the mining of bulk ores such as coal. Our R&D function is resourced to meet this aim and continues to test and incorporate biodiesel and renewable diesel into our products and services. In 2023-2024 we designed, developed and built our first electric MPU for the on-customer-mine-site delivery of our explosives products direct to boreholes, complete with its own changing station which is designed for connection to solar, wind or hydro generated power.

The business recognises the implications of emerging carbon pricing and carbon markets for Dyno Nobel and has also allocated internal resources with the responsibility to monitor and strategically manage the associated risks and opportunities.

Opportunities associated with green ammonia production continue to be considered and, in some cases, are actively being pursued. Specific resources have also been allocated to manage these opportunities, which are discussed in more detail in section '2.4.2 Our Decarbonisation Strategy'.

Our portfolio values are also considered to be resilient to climate change. While we have not yet quantified our portfolio at different time horizons under different future scenarios, a discussion of the potential impacts on asset values under a range of climate scenarios was presented in our 2023 Climate Change Report. Dyno Nobel's GHG Transition Pathway includes decarbonisation plans for each of its assets in order to transition them and maintain their viability. A late and sudden transition, as described in the 1.8°C and 2.7°C scenarios, presents the greatest risk to several of our manufacturing assets, as this is associated with a late and rapid transition away from thermal, and potentially MET, coal mining, in the Cheyenne and Moranbah local regions respectively.

However, the expansion of the Cheyenne site into the manufacture of DEF for the short term, and potential conversion to green ammonia in the medium to long term, provides opportunities to maintain this asset's value as thermal coal markets decline. The location of the Moranbah site close to very high-quality MET coal means that this site would also likely maintain its viability in the medium to long term, or for the life of the asset, should this late and sudden transition occur.

Investment in adaptation to manage identified physical risks may be required for both of our businesses in the medium to long term. However, as described in Tables 2-4 in section 2.2, there are no risks which require immediate significant investment. Rather, existing risk management, mitigation and contingency procedures are in place, and the increasing likelihood of the identified physical risks being realised is being monitored until such time as capex investment may be required to manage these – for example, replacement of structures with those designed and built to withstand increasing extreme weather events, or larger or additional water retention structures.

2.4.2 Our Decarbonisation Strategy

As described in the previous section, Dyno Nobel does not anticipate that major changes to our current business model will be required to decarbonise, as our operations manufacture and supply products and services that will continue to be in demand throughout the transition.

We diligently measure our global GHG emissions across scope 1, scope 2 and scope 3 categories. Our Australian scope 1 and 2 emissions are calculated and reported as per the National Greenhouse and Energy Reporting (NGER) submission guidelines, while our scope 1 and 2 GHG outside of Australia, and our global scope 3 GHG calculations, adhere to Greenhouse Gas Protocol Standards upon which NGER is based (see Appendix 4 for scope 3 calculation methodologies).

To ensure credibility and to meet the requirements of the upcoming ASRS, we implemented a new global GHG management platform in 2024 and our global scope 1 and 2 GHG were audited to **Limited assurance** in 2025. We plan to implement further third-party validation of our global GHG emissions as below.

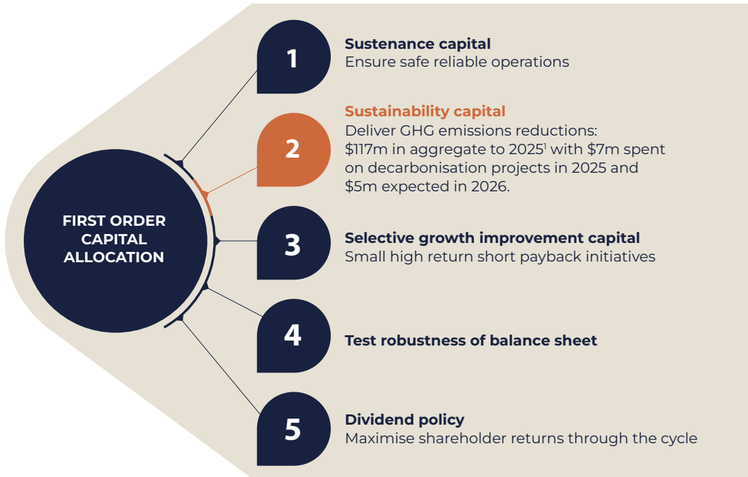
Our GHG profile and transition plan, as well as our progress against baseline, are described in the following sections.

Table 5: GHG assurance plan

FINANCIAL YEAR ENDING 30 SEPT	2025	2026	2027
Scope 1 and 2 auditing	**Limited Assurance**	Reasonable Assurance	Reasonable Assurance
Scope 3 auditing	–	Limited Assurance	Reasonable Assurance

Investment in decarbonisation projects to manage carbon pricing risks

In 2022, the DET Steering Committee established 'Sustainability Capital' within the Capital Allocation Frameworks for its explosives and fertilisers businesses, in order to progress a range of major projects required to decarbonise our operations.



1. Includes spend on the Waggaman Louisiana Carbon Capture and Storage project prior to sale of the facility and spend on the Gibson Island Green Ammonia Project.

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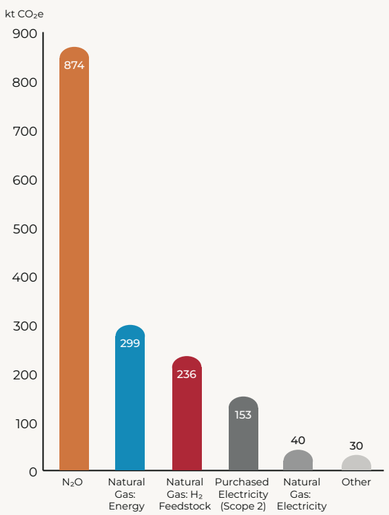
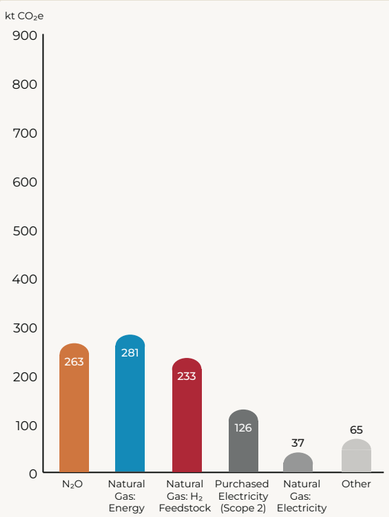
2.4.2.1 Our explosives business' operational GHG emissions profile

Baseline Year (2020)[1] pureplay explosives business scope 1 and 2 by source (kt CO_2e)



GHG EMISSION SOURCE	TECHNOLOGY AND KEY ENABLERS TO REDUCE	% OF GHG
Nitric acid N_2O process emissions	N_2O abatement technologies; offsets for the small amount that cannot be abated to N2 and O2	54
Natural gas for energy to drive the feedstock reaction	CCS to permanently sequester; conversion to green hydrogen feedstock; other alternative feedstocks	18
Natural gas for H2 ammonia feedstock	CCS to permanently sequester; conversion to green hydrogen feedstock; other alternative feedstocks	15
Scope 2 (purchased electricity)	Rooftop solar installations, PPAs, grid decarbonisation	9
Natural gas for on-site electricity generation	Industrial scale solar installation with batteries; grid connection to access PPAs	3
Other	Electric on-road vehicles and excavators	1

2025[1] pureplay explosives business scope 1 and 2 (kt CO_2e)



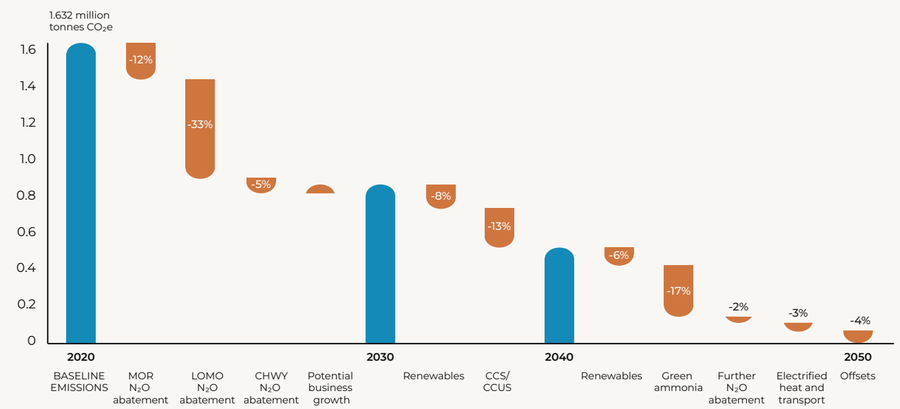
GHG EMISSION SOURCE	CHANGE AGAINST 2020 BASELINE	% OF GHG
Nitric acid N_2O process emissions	70% decrease, mostly due to N_2O abatement installations at Moranbah, Queensland and Louisiana, Missouri	26
Natural gas for energy to drive the feedstock reaction	6% decrease, mostly due to increased energy efficiency and reliability in 2025 compared to 2020	28
Natural gas for H2 ammonia feedstock	1% decrease due to similar global production of ammonia	23
Scope 2 (purchased electricity)	24% decrease due to on-site solar and fuel cell installations, increased energy efficiency and changes in grid emission factors (see page 45)	13
Natural gas for on-site electricity generation	6% (1kt) decrease due to slightly reduced generation of electricity at our on-site gas fired power plant	4
Other	117% increase due to increased transport fuel use compared to 2020 (impacted by the global pandemic)	6

2.4.2.2 Our operational GHG transition plan

In 2025, we met our short-term reduction target of 5% by 2025 against our 2020 baseline[1]. Having met this target, and in light of our strategy to divest our fertiliser operations to become a pureplay global explosives business, we set new GHG targets as shown on page 11 and reviewed our Operational GHG Transition Pathway as shown below.

The timing of the potential projects under investigation and those which may be required in our Transition Pathway after 2030 has been estimated using our climate-related scenarios. While the uptake of renewable electricity and electric vehicles is expected to occur progressively, for simplicity we have inserted the reductions associated with these as a single block at the time horizons our scenarios predict their uptake to be mostly complete. The baseline emissions figure shown is the previous 2020 baseline figure, with our fertiliser operations removed.

Potential Dyno Nobel operational GHG transition pathway[1]



Key Enablers for the technologies required to decarbonise our operations are summarised below:

N_2O Abatement

- Policy incentives.
- Implementation of N_2O abatement requires plant shutdowns at specific sites, which are only available in certain years due to 3-4 year plant maintenance schedules.

Green Ammonia (renewable hydrogen)

- Reductions in electrolyser capital costs through increased R&D spend and value manufacturing at scale.
- Large amounts of low-cost solar and wind supplied from the grid, or from behind-the-meter renewable energy installations where grid connectivity is limited.
- Well designed policy incentives.

CCS/CCUS

- Policy incentives.
- Well mapped and suitable geological formations located close to our manufacturing sites
- Securing CCS offtake contracts.

1. Forward looking pathway shows estimated reductions in GHG emissions to air associated with actual and potential projects. Baseline and forward looking pathway excludes the IPF Distribution business and St Helen's fertiliser manufacturing facilities, which were divested during 2025, and Dyno Nobel's remaining fertiliser assets which we announced will be closed or sold. See the Company's ASX releases dated 12 May 2025 and 1 October 2025.

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2.4.2.3 2025 progress on our transition pathway

Moranbah Tertiary N_2O Abatement installation achieves existing short-term 5% by 2025 absolute reduction target

12%

Reduction against Dyno Nobel 2020 baseline[1]

The Dyno Nobel Moranbah nitric acid plant was built in Queensland in 2012 as part of the Moranbah ammonium nitrate manufacturing facility. The plant was built with secondary abatement installed, which reduces potential N_2O emissions by 50-60%, and has abated an estimated ~400,000 tCO_2e each year for the past 12 years. Since these reductions were being achieved well before our 2020 baseline was set, further reductions require technology less commonly applied to nitric acid plants.

After investigation in 2021, Dyno Nobel approved the installation of tertiary N_2O abatement at Moranbah. Installation was completed in March 2024 with an investment of $20m. This demonstrates the long lead times required for our major decarbonisation projects.

Since its installation, the unit has been performing well and is abating up to 99% of N_2O process emissions, which are created during nitric acid manufacture, by removing them from the tail gas stream through catalytic conversion to naturally occurring nitrogen and oxygen.

We estimate that more than 200,000 tCO_2e will be abated annually at Moranbah. This will equate to a 7% reduction against the Dyno Nobel Group's 2020 baseline and a 12% reduction for the Dyno Nobel explosives business against its 2020 baseline[1].

This project has underpinned the achievement of the Company's short-term absolute scope 1 and 2 reduction target of 5% by 2025 against our 2020 baseline.

LOMO Tertiary N_2O Abatement installation to underpin new short-term 25% by 2030 absolute reduction target

33%

Reduction against Dyno Nobel 2020 baseline[1]

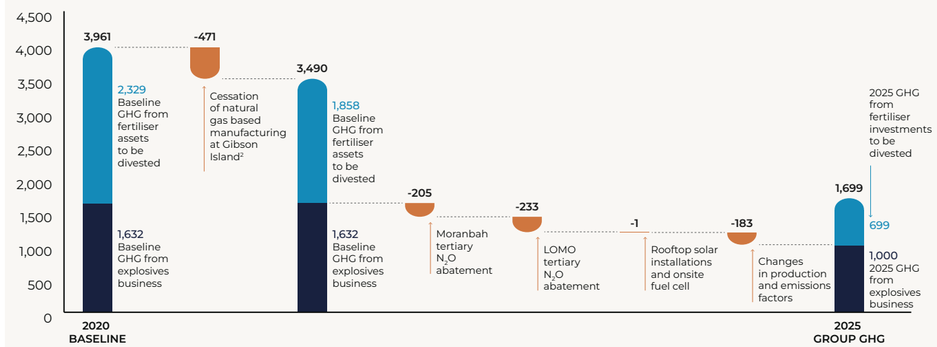
Dyno Nobel's Louisiana, Missouri (LOMO) AN manufacturing facility had the Company's only nitric acid plant without some form of N_2O abatement already installed. For this reason, abatement of N_2O at LOMO has been under investigation for some time. In 2023, the LOMO Tertiary N_2O Abatement Project passed through Front End Loading (FEL) stage, with $2.8m invested. During 2024, the project was approved for installation in 2025.

We are pleased to report that the installation has been completed with the official opening held in January 2025 following an investment of US$8m. Like Moranbah, the abatement unit requires ongoing investment in periodic replacement of a catalyst which converts N_2O to naturally occurring nitrogen and oxygen, and is expected to reduce scope 1 GHG by approximately 550,000 tCO_2e annually. This is a significant ongoing reduction in GHG, equivalent to permanently taking over 125,000 vehicles off the road or planting more than 9 million trees.

This will equate to a 19% reduction against the Dyno Nobel Group's 2020 baseline and a 33% reduction for the Dyno Nobel explosives business against its 2020 baseline[1]. It is also expected to reduce scope 3 GHG emissions by more than 1.7 metric tonnes of CO_2e per metric tonne of ammonium nitrate for Dyno Nobel customers who are supplied product from this plant.

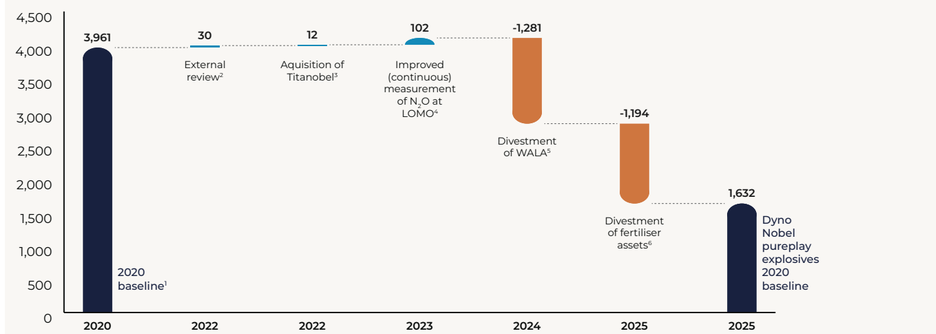
1. The Dyno Nobel explosives business 2020 baseline has been adjusted for the sale of the Waggaman Louisiana ammonia plant and the IPF Distribution business, and assumes divestment of the St Helens and Phosphate Hill fertiliser manufacturing facilities in line with our strategic intent to consolidate to a pureplay global explosives company.

2025 group wide scope 1 and 2 against baseline[1] (kt CO_2e)



1. 2020 baseline adjusted for the sale of the Waggaman, Louisiana ammonia plant in 2023 and the purchase of Titanobel in 2022.
2. While not contributing to our reduction targets, closure of assets is considered to be a reduction against baseline under GHG Protocol accounting methodologies since emissions permanently cease, rather than being transferred to another company, as is the case in a divestment or acquisition.

History of 2020 baseline adjustments (kt CO_2e)



1. 2020 baseline as announced in 2021 with short and medium term targets.
2. External review of our global GHG data calculations by an expert third party against the GHG protocol, including application of the AR5 N2O GWP to process emissions of N_2O.
3. Aquisition of Titanobel and associated small global sites.
4. Restatement of scope 1 emissions using 12 months data from improved N_2O measurement technologies installed at Louisiana, Missouri.
5. Divestment of WALA in December 2023 (during the Dyno Nobel FY24).
6. Divestment of IPF fertiliser business and St Helens, Oregon, and closure or intended divestment of remaining fertiliser manufacturing assets. See the Company's ASX releases dated 12 May 2025 and 1 October 2025.

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Exploring opportunities to decarbonise ammonia production

The global market for ammonia is poised to triple in the coming decades. Nearly all the growth is expected to come from low-carbon ammonia supply and global green ammonia has been predicted to reach US$6.2bn by 2030[1]. Dyno Nobel has a core competency in the manufacture, storage and transportation of ammonia and is well placed to play a role in developing green ammonia for a low carbon economy.

Green ammonia is produced using hydrogen from water electrolysed using renewable energy, rather than hydrogen made from natural gas. This eliminates the need for natural gas as both a feedstock and an energy source, greatly reducing GHG.

Because the ammonia molecule is a carrier of hydrogen, green ammonia can potentially be used as a feedstock or fuel for green energy generation, or to provide green hydrogen solutions for other industries, and it is much safer to handle and transport than hydrogen gas.

In 2020 we completed our first green ammonia feasibility study, the $2.7m Solar Hydrogen Feasibility Study supported by ARENA. Our study found that the production of ammonia using solar energy was technically viable at an industrial scale and a facility was designed that could reliably provide a continuous supply of green hydrogen suitable for ammonia manufacturing. The design used an off-grid (behind-the-meter) solar energy supply, with 160MW of electrolysis capable of producing approximately 25% of Moranbah's ammonia production. However, the study found that the project was not commercially viable at that time.

More recently, we have partnered on several green ammonia projects, including with an international consortium to develop a world-scale green ammonia production and export facility. While we expected to secure the funding required to make this project a reality, it was unfortunately not supported.

While our future climate-related scenarios indicate that, without funding and policy support, this technology will not be competitive with natural gas for hydrogen production until around 2040, we are committed to continuing to explore partnerships focused on green hydrogen and green ammonia to bring this technology forward.

In the meantime, we continue to explore other ways to lower GHG emissions associated with ammonia manufacture, such as other alternative feedstocks for hydrogen and carbon capture and storage options.

1. Markets and Markets (2024). Green ammonia market by technology (alkaline water electrolysis (AWE), proton exchange membrane (PEM), SOE), end-use application (transportation, power generation, industrial feedstock (industrial, fertilisers)), region – Global forecast and trends to 2030. https://www.marketsandmarkets.com/pdfdownloadNew.asp?id=118396942

2.4.2.4 Next steps in our scope 1 and 2 transition pathway

As shown in our potential operational GHG Transition Pathway in section 2.4.2.2, we have a range of projects we are working on to continue to move towards net zero.

Enhanced N_2O abatement at CHWY

At our Cheyenne, Wyoming (CHWY) ammonium nitrate manufacturing plant we worked on a project to upgrade the catalyst in the site's existing N_2O abatement unit. An absolute reduction of 30,000 tCO_2e per year is expected, with construction due to commence early in 2026 with completion expected in the same year.

Replacing natural gas used for on-site generation of electricity

Also during 2025, we began a feasibility review of the displacement of natural gas fired power generation, with several options being investigated. The emissions reduction potential for the project is approximately 30,000 tCO_2e annually.

Investigating CCUS opportunities

While we continue to investigate alternatives to natural gas for hydrogen feedstock, including green hydrogen, we are also looking to alternative technologies which may be required to reduce emissions in the period before green hydrogen becomes competitive with natural gas for ammonia manufacturing. These technologies will be critically important if we are to maintain domestically located manufacturing facilities, and the employment opportunities they provide, for an orderly and just transition.

For this reason, we are investigating carbon capture and use or storage (CCUS) of the carbon emissions from our ammonia production process in a similar way to our Waggaman, Louisiana (WALA) CCS project. This technology requires appropriate geology located close to our facilities. See the WALA CCS case study in our **2024 Climate Change Report**.

2.4.2.5 Our scope 3 GHG and reduction strategy

Scope 3 emissions are indirect emissions which arise from facilities owned and operated by third parties associated with our value chain activities both upstream and downstream of our business. These GHG emissions are beyond a company's operating perimeter and operational control, making them more difficult to calculate and to influence.

For example, our upstream scope 3 GHGs include not only the emissions which arise from the manufacture of the products we buy, but also the emissions released by our suppliers, right back up the value chain to the GHG emissions arising from the extraction of the raw materials purchased by their suppliers to make the products that we buy, including the GHG arising from the transport used to deliver them to our gate. These are called 'cradle-to-gate' GHG emissions.

Our downstream scope 3 GHG emissions include the GHG arising from transport to deliver our products to customers, as well as the GHG emissions released when our customers use our products.

The divestment of the IPF Distribution business this year, and our plans to also divest fertiliser manufacturing assets as we enact our strategy to become a pureplay global explosives business, changes our scope 3 emissions profile. This is due to the high downstream scope 3 emissions factors associated with the use of fertiliser products by agricultural customers. As a result, more than 60% of our scope 3 GHG as a pureplay explosives company relates to the upstream purchase of bulk explosives and ammonia to make ammonium nitrate, as shown on the lower right.

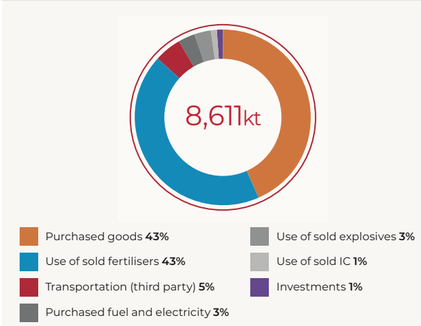
In 2025 we set our first scope 3 GHG reduction targets, following the mapping of scope 3 across our value chain and the identification of reduction strategies for each scope 3 source, as shown on the following page. The targets were set at the business unit level, where our scope 3 reduction strategies are managed.

DNAP's target of a 25% reduction in upstream scope 3 per tonne of ammonium nitrate (AN) purchased by 2030 against its 2020 baseline covers 77% of its total scope 3 GHG and is expected to equate to a 25% absolute reduction in upstream scope 3 for the BU. DNA's target of a 40% reduction in scope 3 per tonne of bulk product sold by 2035 against its 2020 baseline covers 25% of its upstream scope 3 and is expected to equate to an absolute reduction of 40% of its downstream scope 3 and 17% of its total scope 3. While these initial targets mark the first step in quantifiable commitments to reduce our scope 3, we continue to seek opportunities to implement the strategies we have identified to reduce each scope 3 source, as outlined on the following page.

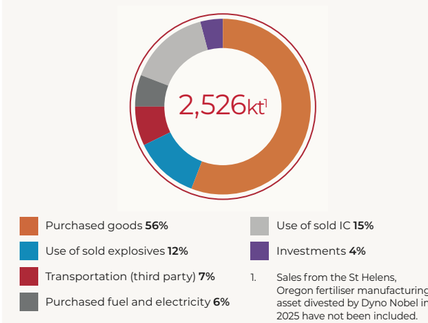
During 2025, our business units continued to integrate scope 3 GHG emissions management into their business strategies, making significant progress. Key highlights include the following:

- Progress in the mapping of business unit procurement and value chain processes which require integration of scope 3 information for purchasing decisions, in order to update these.
- Continuing to send and receive supplier scope 3 GHG questionnaires from major global suppliers, which were redesigned last year to include a GHG calculation template for suppliers calculating their GHG for the first time.
- Preparation of our global GHG data management platform, which has a specific scope 3 module, for a Limited Assurance audit of our global scope 3 GHG in 2026.
- Delivery of the very first electric vehicle Mobile Processing Unit (eMPU) complete with its own charging station. See page 50 for more details.
- Continued testing and development of the use of biodiesel and renewable diesel in our explosives products across the Americas and Asia Pacific. See page 51 for more details.

Our scope 3 GHG in 2025 (kt CO_2e)



Our scope 3 GHG as a pureplay explosives business in 2025 (kt CO_2e)



1. Sales from the St Helens, Oregon fertiliser manufacturing asset divested by Dyno Nobel in 2025 have not been included.

Our scope 3 Targets

25% reduction in upstream scope 3/t AN purchased by DNAP by 2030 against its 2020 baseline[2]

40% reduction in downstream scope 3/t sold by DNA by 2030 against its 2020 baseline[3]

2. Covers 77% of DNAP's total scope 3 and is expected to be equal to a 25% absolute reduction in upstream scope 3 against DNAP's 2020 baseline for it's current portfolio.
3. This covers 25% of DNA's total scope 3 and is expected to be equal to a 40% absolute reduction in downstream scope 3 against DNA's 2020 baseline for it's current portfolio.

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Dyno Nobel 2025 value chain scope 3 and reduction strategies

CATEGORY 1

PURCHASED GOODS: 1,396kt CO_2e

Strategy: Source explosives from low GHG manufacturers: WALA sale and offtake agreement will lower scope 3.

Next steps: Engage with suppliers to replace average cradle-to-gate Life Cycle Assessment (LCA) emission factors (EFs) with supplier-specific EFs and determine supplier decarbonisation plans.

Key enablers: The adoption of low GHG technologies, including green hydrogen, CCS and alternative feedstocks, by our suppliers will be required to reduce this source of scope 3.

CATEGORY 3

FUEL AND ENERGY: 153kt CO_2e

Strategy: Transition away from natural gas, petrol and diesel fuels, which have upstream scope 3 associated with their extraction, processing and transport to us. Switch to renewable electricity to eliminate upstream scope 3 from the extraction and processing of fossil fuels for power plants.

Next steps: Progress our green ammonia projects to reduce natural gas purchases. Switch to renewable electricity and EVs as they become available.

Key enablers: Grid decarbonisation, renewable power purchase agreements, EVs (including heavy vehicle fleet for Dyno Nobel Transport International).

CATEGORY 15

INVESTMENTS: 102kt CO_2e

Strategy: Share our knowledge in developing green ammonia and N_2O abatement projects with our GHG intensive JV partners.

CATEGORY 4

TRANSPORTATION: 182kt CO_2e

Strategy: Continuing to reduce our shipping GHG by selecting more efficient ships and decarbonised vessels through Rightship, working with road transport suppliers to reduce distances travelled and switching to EV powered contractor fleets as they become available.

Next steps: Engaging with transport contractors to obtain their specific emission factors and decarbonisation plans.

Key enablers: Electrification of contractor road and rail transport. Liquid natural gas (LNG) and green ammonia fuels for shipping.

CATEGORY 5, 6, 7

WASTE, BUSINESS TRAVEL AND EMPLOYEE COMMUTING: 16kt CO_2e

Strategy: Continue to reduce, reuse, recycle waste, and to promote EV novated leases to employees.

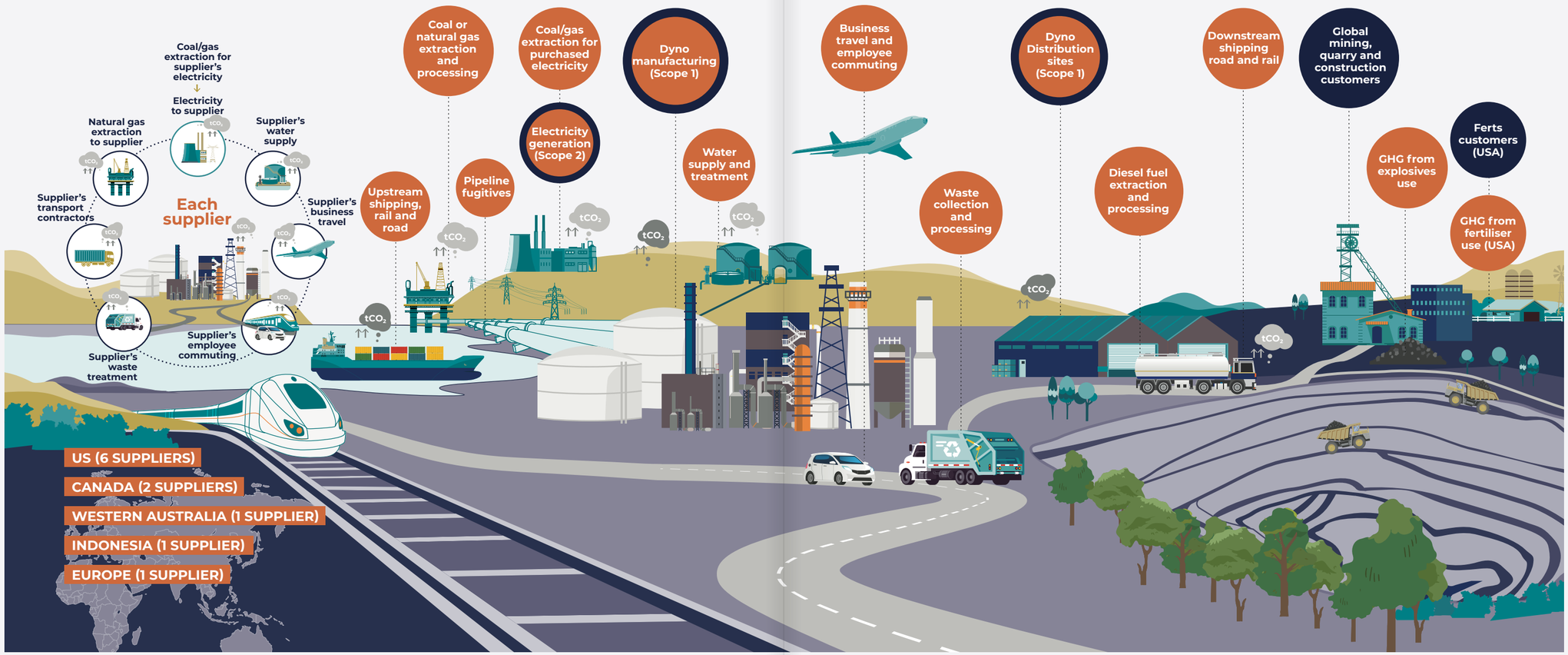
Key enablers: Incentives for EV adoption.

CATEGORY 11

USE OF SOLD PRODUCTS: 676kt CO_2e

Strategy: Our DeltaE explosives technology can be used in hard rock applications and is estimated to reduce CO_2e emissions in a typical blast by between 5% and 30%. A recent trial conducted in partnership with a mining customer achieved a 7% reduction, with a 25% reduction calculated against standard ANFO explosives, had they been used in the pre-trial period.

Next steps: Expanding our customer use of DeltaE. Completing build of our prototype electric MPU and solar charging station – see the case studies on pages 52-53.



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Products that reduce customer GHG emissions

Dyno Nobel included in Mining Magazine Awards 2025 shortlist for world's first electric MPU

Mobile Processing Units (MPUs) are used in mining operations across Australia to blend bulk explosives at customer blast holes. Given Dyno Nobel's technology strategy is focused on safety, sustainability and productivity, this is not only applied to our products, but also to optimise their delivery.

Our prototype eMPU was assembled last year and is designed to carry DeltaE.

It has a 350kWh battery on-board, and is recharged using a 650kWh battery charging station which can draw power from solar and/or wind generation at the customer mine site. Power is optimised by regenerative braking, which uses the onboard motor as a generator as the fully loaded truck descends to the mine and uses the brakes, with just a 45 minute recharge time. Once the explosive product is loaded from truck to boreholes, the truck is lighter and uses less power to return uphill for reloading.

After road testing, in 2024 the eMPU had the chemical processing unit fitted to the back and was delivered to a customer mine site in 2025. The achievement has been recognised with a shortlisting in the 2025 Mining Magazine Awards. Five judges closely examined 172 entrants across 12 fields during an intensive judging process, with the five highest-scoring entrants making the shortlist, including Dyno Nobel in the 'Drill and Blast' field.

We are proud to have designed and built our first electric MPU as part of helping our customers to decarbonise their mining operations.

Reducing customer GHG with DeltaE

Our technology strategy is focused on working in partnership with our customers and innovating in ways that help them achieve their goals. To do this, we focus on delivering explosives products and services that:

- Improve the safety of mining and quarry operations;
- Increase our customers' sustainability through reducing environmental and social impacts; and
- Increase customer productivity and efficiency.

Differential Energy (DeltaE) is a proprietary explosives method which allows blasters to accurately vary the density of chemically gassed emulsion as it is being loaded into the blast hole, enabling the operator to load multiple densities of gassed emulsion throughout the same hole in order to match the unique geological characteristics present in the ground. Because the explosives energy is precisely targeted to match the rock properties, the energy loaded into the blast hole will match only what is required for an optimal blast, reducing total energy and therefore vertical movement at the surface, air overpressure and noise from the blast event. The formulation also contains a biofuel, further reducing GHG.

During the 2022 calendar year, data was collected at a customer mine site following a switch from a standard bulk product (T5060) to using DeltaE. Data collected from 1 January to 31 December 2022, along with data from the 12-month period before the switch was initiated, allowed us to quantify and independently assure the GHG reduction associated with the use of DeltaE at this site, in comparison with the T5060 product that had previously been used.

The data showing the use of T5060 during the 12 months before the switch was initiated was used to inform the calculation of GHG emissions had the switch to DeltaE not been made, thereby establishing a baseline.

The emissions for DeltaE were 810 tCO_2e and would have been 873 tCO_2e had T5060 continued to be used. This is a reduction of 63 tCO_2e which has been subject to **Limited Assurance**. This is a reduction of 7%. See our calculations explained **here**.

Note: The GHG reduction was expected to be 25% as calculated by Dyno Nobel using the standard formulation of ANFO for the 12 months prior to the switch to DeltaE. However, it was discovered that 50% less diesel than the standard ANFO blend had been used for the 12 months prior to the use of DeltaE at this site, which reduced the baseline GHG. Had the standard ANFO blend been used in the period before the switch to DeltaE, the reduction in GHG would have been 25%. See our calculations explained **here**.

Developing emulsions using renewable diesel

Renewable diesel is an advanced biofuel that is produced using a hydrogenation process, rather than the esterification process used to produce biodiesel. Because this process results in a higher purity chemical product than biodiesel, renewable diesel meets ASTM D975 specification for petroleum diesel and can be seamlessly blended, transported, and even co-processed with petroleum diesel. Testing at our explosives laboratory technical centres has shown renewable diesel is also compatible with our products.

During 2025, one of our product development chemists presented the work we have done on substituting diesel with renewable diesel in our emulsion products at the 2nd Australian Conference on Green and Sustainable Chemistry. Following test blasting, full-scale testing was conducted at a customer site near our Port Hedland emulsion manufacturing plant. The plant manufactured 40 tonnes of TITAN®1500 ammonium nitrate emulsion (ANE) with the diesel in the fuel phase replaced with renewable diesel, which was transported to a customer site and loaded into three rows of a blast. The average velocity of detonation of the product with renewable diesel was 5,400 m/s, which is consistent with the same product with traditional diesel in the fuel phase.

In addition to the upstream GHG reductions associated with avoiding the extraction and refining of traditional diesel, there are potential savings of up to 0.15 tCO_2e per tonne of scope 2 GHG explosives detonated for customers. Commercialisation through our PMR process has begun to make the product available as customer interest evolves. Next steps could include validating the replacement of fossil fuel diesel with renewable diesel in our other ANE products, sourcing and testing different sources of renewable diesel once commercially available and investigating sustainable alternatives to other components of our emulsions.

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3. Assessing and managing risks

Assessing and managing risks

Climate change presents significant risks and opportunities for Dyno Nobel, both from a transitional and physical risk perspective.

Transitional risks include those associated with carbon pricing, market shifts and other aspects associated with the decarbonisation and energy transition, and are described in section 2 of this Report, along with physical risks, which are risks associated with extreme weather events or changes in temperature and rainfall patterns.

Effective management of climate-related risks involves not only identifying and quantifying the risks, but also integrating them into our overall corporate strategy and decision-making processes.

The Dyno Nobel Group Risk Policy and Risk Management Framework ensures that all risks are addressed using a comprehensive risk management process consistent with the Australian/New Zealand Standard for Risk Management (AS/NZS ISO 31000:2018).

The Company's processes for assessing, identifying and managing material risks from climate change are in alignment with our overall Risk Management Framework.

3.1 Scenario analysis to inform identification of climate risks

Our climate scenarios align with five key TCFD scenario principles: plausible, distinctive, consistent, relevant and challenging.

The four bespoke scenarios developed and used in our most recent climate-related risk assessment in 2024 were as follows:

- **Scenario A: Fast Action (+1.5°C)**
- **Scenario B: Forecast Policy (+1.8°C)**
- **Scenario C: Current Trajectory (+2.7°C)**
- **Scenario D: Disrupted State (+>4°C)**

These climate scenarios were developed using the most recent information from the Intergovernmental Panel on Climate Change (IPCC), regulations, and global climate-related trends in the explosives and fertiliser industry, with a focus on Australia and the US, where most of our business operations are located. For each scenario a set of quantified metrics were developed including energy mix, key commodity and energy prices, developments in technology and renewable energy uptake – to provide a stronger basis for climate risk assessment.

It should be noted that there are inherent limitations associated with scenario-based risk analysis, that each scenario relies on a range of assumptions, and that scenarios are not forecasts or predictions – all four scenarios cannot come to pass. Rather, a range of scenarios have been used in our assessment to understand a range of possible futures and associated risks.

For more details on the developed scenarios, refer to Strategy section '2.1. Our Climate Scenarios', Table 1 (Regional trends described in our scenarios) and Appendix 1 (Scenario references).

3.2 Assessment of climate-related risks

Climate risks and opportunities for Dyno Nobel, and for our IPF business, which we continued to operate until the sale of the IPF distribution business on 30 September 2025, were assessed against our developed scenarios using a comprehensive assessment process including interviews, workshops and validation sessions across our global business.

During the assessment, the scenarios were used as follows: the likelihood of an identified risk occurring depends on the future described in each scenario. The consequences of each risk, if it were to occur as described in a particular scenario, were then assessed using the Company's Risk Matrix. Each risk was assigned a consequence category – Health and Safety, Environment and Regulatory Compliance, Customer Service and Business Interruption, Reputation and/or Financial.

Material risks were identified using the Risk Matrix's materiality criteria: any risk with a consequence category of 5 (an impact on EBIT of more than $20m or a fatality).

3.2.1 Assessment of transitional risks

Our 2024 quantitative climate change transitional risk assessment was supported by third-party experts who assessed our transitional risks against the regional trends in Table 1. This review served as the foundation for understanding the current and future risk landscape, identifying any potential changes to the risks identified in our 2021 assessment, and identifying any new risks or opportunities that may have emerged since the 2021 assessment.

Each of the developed scenarios include a set of quantitative and qualitative metrics to assess whether the respective climate risks and opportunities could materialise across two time periods: near future (2030) and mid-future (2050), to determine the consequence, and impact area to Dyno Nobel's business.

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3.2.2 Assessment of physical risks

Our 2024 quantitative climate change physical risk assessment was supported by the same specialist third-party experts as our transitional risk assessment, who considered a detailed analysis of climate hazards on Dyno Nobel's operations. These used both daily and hourly climate projection data specific to each geolocation of 15 assets. The climate projection scope included two Australian assets located at Moranbah and Helidon, Port Alma, which is a significant logistical facility for the business, and six assets located in the US at Graham, Wolf Lake, LOMO, Cheyenne, Simsbury and Carthage[1]. Impacts from a range of future climate-related hazards[2] on our business operations and logistics were considered, including bushfire, rainfall and flooding, sea level rise and storm surges, temperature and humidity and wind.

The development of our 2024 climate risk scenarios and our assessment methodology relied on data drawn from both Global Climate Models (GCMs) and Regional Climate Models (RCMs) and focused on assessment of the physical climate hazards that may impact our assets, operations and logistics. For Australia the climate projection data were sourced from NARCliM1.5 (a set of IPCC-aligned global climate models downscaled using Australian regional models). For the US we utilised climate projection data sourced from two global data sources: the IPCC Climate Atlas and Climate Change Knowledge Portal.

Our physical risk assessment utilised two of the four Dyno Nobel specific scenarios developed: Scenario C: Current Trajectory (+2.7°C) (RCP 4.5) and Scenario D: Disrupted State (+>4°C) (RCP 8.5). These were chosen for physical risk assessment due to greater physical risks being associated with greater degrees of warming. We assessed climate hazards over two different time horizons: 2030 (near future) and 2060 (mid-future) in alignment with the asset lifetime for the selected locations. To create each bespoke Dyno Nobel scenario, we prioritised selecting the model that yields the highest projected value for near-future and mid-future projections. Consequently, different models from NARCliM1.5 may be chosen for RCP4.5 and RCP8.5 scenarios, projecting varying degrees of dryness, wetness or temperature. Because two different scenarios may have slightly different baseline values, we used an average between two scenarios to develop one baseline value. For the US the baseline period covered 1995-2014 according to the available data and the baseline for Australia covered 1960-1981.

Our responses to manage the identified risks and opportunities are included in Tables 4 in section 2.2.

1. The 2024 climate projection scope also included fertiliser assets located at Phosphate Hill, Mt Isa, Portland, Geelong, Gibson Island and Townsville Port in Australia and St Helens in the US. For details on the assessment of these sites see our **2024 Climate Change Report**.
2. A climate hazard refers to any physical event or phenomenon that is caused or exacerbated by climate conditions and that has the potential to cause harm or damage to human communities, ecosystems, infrastructure, or other elements of the natural or built environment.

3.3 Climate risk management and monitoring

For the identified risks and opportunities, action steps were developed which included:

- The assigning of each strategic/transitional climate-related risk to an Executive Leadership Team level risk owner for management, and to ensure effective monitoring and prioritisation within that leader's team.
- The assigning of each physical/operational risk to a risk owner at the operations level, usually the Operations Manager, to ensure effective monitoring and prioritisation of each risk at the applicable site. This includes ensuring that new risks are included in the site's risk register to ensure each risk is being managed and reviewed annually along with other risks.
- Cross-referencing the identified climate-related risks with existing risks on the Dyno Nobel risk register to identify if climate is a cause in changing the likelihood of an existing risk occurring.
- An action to create a climate-change-specific risk category in 2025 to enable more effective reporting on the management of climate-related risks.
- An action to establish a Risk Appetite Statement for the new Climate Change risk category, with a qualitative statement and quantitative thresholds.
- An action to more formally document the integration of strategic transitional risks into the strategy process. While these have been implicitly integrated into the strategy development and review process previously as described in Tables 2 and 3 in section 2.2, formal documentation will ensure their annual review and continued inclusion in future years.

Climate-related risks are currently prioritised in the same way as any other risk in our risk register: according to likely timeframe, magnitude of impact and risk rating, and with the time required to implement the mitigation strategy also taken into account.

For key mitigation strategies and actions for each risk, see Tables 2-4 in section 2.2 and the case studies in the following section.

3.4 Building our resilience to physical climate risk

As warming of the Earth's atmosphere and oceans is causing changes to regional climates, or permanent shifts in local weather conditions that are not uniform across the globe, the physical impacts will be different at different locations. For this reason, our scenario-based risk assessments considered the physical impacts on Dyno Nobel's customer markets, and on 15 of our major operations on an individual and detailed basis.

The case studies below detail some of our responses to manage some of the identified physical risks. Other management strategies are summarised in Table 2.

Ensuring preparedness for potential snow and rainfall changes at Simsbury, Connecticut

Our most recent scenario-related climate risk assessment in 2024 included a review of existing risks and opportunities to assess whether the likelihood or severity of any existing risks might change due to potential changes in the prevailing weather conditions as described by our scenarios. While scenarios are not predictions, they describe the expected changes in local climates associated with each degree of warming for our major assets. Risks associated with higher snowfall and rainfall events at our Simsbury site were identified using the 2.7°C and 4+°C scenarios.

Our Simsbury operations have been managing the impacts of employee access to site due to localised flooding for some years, with temporary accommodation for employees necessary in some instances in the past. Should their frequency and impact increase, existing strategies will be reviewed for their effectiveness.

Additional weight on the Simsbury Building 200 Shock Tube roof due to heavier snowfall events could present a risk to the structural integrity of the building if this were to occur. This risk has been assigned to the site Operations Manager to ensure the building is assessed for this potential risk. In this way, physical risks are integrated into our risk management processes and managed in the same way other risks are managed.

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Mitigating the risk of flooding at LOMO and Wolf Lake

Our Louisiana, Missouri (LOMO) ammonium nitrate manufacturing facility supplies explosives to the iron range in the US northern mid-west, up into Canada (Ontario and Quebec) and periodically into eastern US Pennsylvania and the Appalachian area. This site was identified by our scenario risk assessment as being at risk of supply chain interruptions due to an increased incidence of flooding, beginning in the short term.

This risk is closely monitored by site personnel from February to April each year with site monitoring processes ensuring seven to 10 days' notice of heavy rainfall in the north that will come down the river, or blockages downstream which will cause local flooding. Once triggered, significant cross-functional collaboration between our supply chain, finance, manufacturing, nitrogen sales, logistics and environmental teams is set in motion, with twice-weekly meetings to implement the site's risk mitigation plan.

In 2019, when this site experienced a Mississippi high-water event, damage to the rail line interrupted rail services, which are used to transport product out of the site, from mid-March to the end of June. The risk mitigation plan was triggered in early March and product from the site was transferred to trucks. Arrangements with third-party transloading facilities along the rail line were put in place to transfer the product from truck to rail beyond the flood-damaged section.

Although a brief plant outage did occur, the mitigation response was extremely successful, with a total EBIT impact of less than $US10m and no customers left short of product. Learnings from this event have further prepared the site for any future events.

During 2023 a flood specialist was engaged to re-evaluate the flood exposure at our Wolf Lake site in Illinois. Due to the previous assessment being based on an older survey map, the flood specialist used a GPS survey tool to more accurately measure levels, which highlighted that many were significantly lower than previously thought. This resulted in a number of recommendations in the final report to help mitigate the potential risk associated with future floods.

Mitigating supply chain risks associated with flooding events at Phosphate Hill

While we have announced that if an agreed sale of Phosphate Hill cannot be reached by 31 March 2026, we will progress an orderly closure of the operations by 30 September 2026, at the time of publishing this report we continued to own and operate the Phosphate Hill ammonium phosphate fertiliser manufacturing site. Located in remote northern Australia, near a natural phosphate deposit, the site manufactures ammonium phosphate fertilisers for use along the eastern Australian coast and internationally. All of our future climate-related scenarios describe hotter, wetter weather conditions in the short term, with an increase in the incidence and magnitude of flooding events due to climate change. While the site itself is not located in the flood zone, a single third-party operated rail line is used for supply into, and product transport out of, the site.

Disruptions to this rail line have increased in the past decade due to flooding associated with the summer monsoon. In 2016, flood waters caused a derailment of sulphuric acid supply to the site, resulting in a $10m impact on EBIT; and in 2019, a 1-in-100-year flooding event damaged third-party rail infrastructure, interrupting rail services to the site for three months. This rail outage required a change from rail to road transport of product for the three months. Production was also halted once product storage was at capacity, with a total EBIT impact of $115m.

Following this event, a detailed review of contingency plans for rail interruptions at the site was completed. As a result, $3.6m was invested in building additional on-site and contingency storage so that future events will not lead to production interruptions. A dry truck unloading chute-conveyor and telehandler are hired for wet seasons, and a number of other process changes have been implemented which will allow the business to better prepare for, manage and mitigate the risks associated with future rail interruptions, both minor and major. Had these contingencies been in place before the 2019 flooding event, it is estimated that the impact would have been reduced from $115m to approximately $30m (at 2019 pricing).

During the 2024 wet season, flooding associated with Cyclone Kirrily interrupted rail line services for the entire month of February. Due to the mitigation plans in place, the site responded quickly to transfer product load-out from rail to road and production at the site was reduced in line with contingency planning. The total impact of $18.7m was mostly due to lost margin and costs associated with the switch from rail to road. The rail line also experienced flooding in 2025, with mitigation actions resulting in a non-material impact.

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Metrics and targets

4.1 GHG reduction targets and progress

Our ambition is to achieve net zero by 2050. To ensure our strategy aligns with this long-term objective, we established short- and medium-term scope 1 and 2 targets in 2021 and updated them in 2025[1]. These are set out below in Table 6.

Table 6: Dyno Nobel's operational GHG targets

	PREVIOUS SHORT-TERM TARGET	SHORT-TERM TARGET	MEDIUM-TERM TARGET	NET ZERO AMBITION
Target name	**-5% by 2025**	**-25% by 2030**	**-50% by 2036**	**Net Zero by 2050 Ambition**
Metric used	Scope 1 and 2 (tCO_2e)	Scope 1 and 2 (tCO_2e)	Scope 1 and 2 (tCO_2e)	Scope 1 and 2 (tCO_2e)
Objective	5% absolute reduction by 2025 against 2020 baseline	25% absolute reduction by 2030 against 2020 baseline	50% absolute reduction by 2030 against 2020 baseline	Net Zero Ambition by 2050
Coverage	Group global scope 1 and 2	Group global scope 1 and 2	Dyno Nobel global explosives business scope 1 and 2	Dyno Nobel global explosives business scope 1 and 2
2020 Baseline (tCO_2e)	2,813,273[2]	1,631,851[3]	1,631,851[3]	1,631,851[3]
Targeted GHG	2,667,356	1,223,888	815,926	0
2025 GHG (tCO_2e)	1,703,990	1,703,990	1,703,990	1,703,990
Milestones toward target	Installation of Moranbah Tertiary N_2O abatement in 2024 (7%)	Installation of tertiary N_2O abatement at Moranbah in 2024 (7%) and LOMO in 2025 (19%)	See our GHG Transition Pathway in section '2.4.2.2 Our operational GHG transition plan'	See our GHG Transition Pathway in section '2.4.2.2 Our operational GHG transition plan'
Absolute or intensity base target	Absolute reduction target	Absolute reduction target	Absolute reduction target	Ambition
Alignment	Not Paris aligned	Not Paris aligned	Not Paris aligned	Paris aligned (1.5°C)

Table 7: Dyno Nobel's scope 3 GHG targets

	DYNO NOBEL ASIA PACIFIC	DYNO NOBEL AMERICAS
Target name	**-25%/t by 2025**	**25% by 2030**
Metric used	Scope 1 and 2 (tCO_2e)	Scope 1 and 2 (tCO_2e)
Objective	-25% by 2030 upstream scope 3/t AN purchased by DNAP	-40% by 2030 downstream scope 3/t sold by DNA
Coverage	77% of DNAP's total scope 3 GHG	25% of DNA's total scope 3 GHG
2020 Baseline (kt CO_2e)	1,419,760	1,659,564[4]
Absolute or intensity based target	Intensity – estimated to be equal to a 25% absolute reduction in upstream scope 3 for DNAP against DNAP's 2020 baseline	Intensity – estimated to be equal to a 40% absolute reduction in downstream scope 3 for DNA against DNA's 2020 baseline[3]

1. See the Company's ASX release dated 13 October 2025.
2. Our 2020 baseline adjusted for the sale of the Waggaman Louisiana ammonia manufacturing facility.
3. Our 2020 baseline adjusted for the sale of the IPF Distribution Business and assuming divestment of fertiliser manufacturing assets St Helens, Gibson Island and Phosphate Hill in line with our business strategy.
4. DNA's 2020 scope 3 baseline has been adjusted for the sale of the Waggaman, Louisiana ammonia plant and the St Helens, Oregon fertiliser manufacturing plant.

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4.1.1 Carbon credits

As shown in our GHG Transition Pathway, Dyno Nobel is focused on implementing the major capital projects required to reduce our operational GHG, rather than using credits to offset emissions. We estimate that credits will be required for ~4% of residual GHG to reach net zero as we approach 2050.

In the June year-end 2025, Dyno Nobel's Moranbah facility earned 78,196 Safeguard Mechanism Credits (SMCs) for emissions below its Emissions Intensity Baseline. The Phosphate Hill facility, which was retained by Dyno Nobel at the time of the release of this report, exceeded its Baseline by 26,089 tCO_2e.

It is planned that SMCs earned at Moranbah will be surrendered to settle the Phosphate Hill liability when it becomes due in the 2026 Company financial year, if the facility has not been divested.

4.2 Metrics

4.2.1 Climate risk exposure metrics

METRIC	DESCRIPTION	2024	2025
Climate-related transition risks	Number of assets identified as vulnerable to identified material climate-related transition risks	3[1]	3[1]
	Percentage of assets identified as vulnerable to identified material climate-related transition risks	20%[2]	20%[2]
Climate-related physical risks	Number of assets identified as vulnerable to identified material climate-related physical risks	6	6
	Percentage of assets identified as vulnerable to identified material climate-related physical risks	40%[2]	40%[2]
Climate-related opportunities	Number of business units aligned with identified material climate-related opportunities	3	4
	Percentage of business units aligned with identified material climate-related opportunities	100%	100%
Capital deployment	Amount of capital expenditure, financing or investment deployed towards managing identified material climate-related risks and opportunities	$27m	$6m

1. Includes assets vulnerable to potentially significant market shifts and assets currently impacted by carbon pricing. Does not include assets which could potentially be impacted by carbon pricing in the future, since different scenarios indicate that this may include either no assets or, potentially, all assets.
2. The number of assets identified divided by the number of assets assessed (expressed as a percentage) in our 2024 updated scenario-based risk and opportunity assessment, as described in section '2.2 Our climate risks and opportunities'.

4.2.2 Internal carbon price

An internal shadow carbon price has been included in capital expenditure assessments for projects at our major manufacturing sites in Australia since Australian Carbon Credit Units (ACCUs) were introduced in 2012, with the price reflecting the market price of ACCUs. In 2021, the Board formally approved the application of this carbon price to all future growth capital and investment decisions. We are continuing to embed this into our processes. The price is currently $34, and is projected to increase to $41 by 2026, $91 by 2030, $224 by 2040 and $347 by 2050. A range of carbon prices are also included in our scenario analyses.

4.2.3 Executive accountability and performance metrics

The People and Remuneration Committee of the Board provides oversight and advice 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. The Board has linked delivery of certain aspects of Dyno Nobel's climate change strategy, and other environmental, social and governance (ESG) objectives relating to safety, energy efficiency and GHG emissions reduction, to Executive Key Management Personnel (KMP) remuneration outcomes for several years.

Short-term incentive (STI) plan

For 2025, key performance indicators (KPIs) relating to the management of carbon pricing risks, and other transitional risks and opportunities, were incorporated under a separate Sustainability and Climate Change component of 'at risk' STI objectives for all Executive KMP (10% in total, with 5% specifically for climate change-related metrics). These objectives were designed to align with Dyno Nobel's climate change action, resilience, risk management and decarbonisation strategies, and to focus each executive on the key short-term objectives within their area of influence that contribute towards these.

To address the risks and opportunities associated with climate change, and specifically, carbon pricing risks; risks and opportunities associated with emerging customer demand for products manufactured with a lower carbon impact; risks and opportunities associated with scope 3 GHG; and opportunities related to green ammonia, the 2024 STI for executives included performance conditions relating to the progression of operational GHG reduction projects, further development of pathways to net zero, scope 3 GHG management strategies and opportunities associated with green ammonia. These included:

- KPIs related to the Moranbah, Queensland tertiary N_2O GHG abatement project: This project was completed in 2024, reducing GHG by ~200,000 tCO_2e per year, eliminating the current risk of carbon pricing liabilities under the Safeguard Mechanism and reducing future risk. As a result of this project, the facility is currently under its GHG baseline and is eligible to earn Safeguard Mechanism Credits. The project also reduces upstream scope 3 for customers who purchase AN from this facility.
- KPIs related to the Louisiana, Missouri (LOMO) tertiary N_2O abatement project: Completed in 2025, this initiative reduces GHG by ~550,000 tCO_2e annually. It also reduces upstream customer scope 3 GHG by 1.7 tCO_2e per tonne of AN for customers purchasing AN from this facility.
- KPIs related to the progression of the Gladstone Green Ammonia Project: This project was progressed during 2025 to transition it into the CQ-H2 project front end engineering design program and create a top-tier international consortium comprising Stanwell Corporation, Iwatani Corporation, Marubeni Corporation, Keppel and Dyno Nobel. The project was on track to reach final investment decision in late 2025 but unfortunately did not secure the funding required for it to proceed.
- KPIs related to progress on technology solutions to reduce GHG emissions: During 2025, these included completing the build of an electric MPU and solar charging station for mining customers, and the use of renewable fuels in bulk explosives products.
- KPIs related to progressing scope 3 GHG management strategies: these related to the integration of key suppliers and customers in the scope 3 strategies of our business units.

For 2026, the STI includes KPIs related to milestones for projects to achieve Dyno Nobel's updated scope 1 and 2 and new scope 3 GHG reduction targets, as well as KPIs related to the management of identified climate-related risks and opportunities.

Long-term incentive (LTI) plan

The climate change performance condition within the LTI 2022/25 was focused on demonstrating material progress towards Dyno Nobel's GHG reduction targets (and identified pathway) and scope 3 emission reduction strategy. Progress was focused on the following areas:

- Moranbah N_2O Tertiary Abatement Project which was installed in 2024 and underpinned achievement of our short term '5% by 2025' absolute scope 1 and 2 GHG reduction target.
- Waggaman CCS permanent geological CO_2 sequestration project, up until divestment of the asset
- Louisiana, Missouri Tertiary N_2O Abatement Project which was installed in 2025
- Gibson Island Green Ammonia Project in partnership with Fortescue Future Industries (FFI) which was advanced by Dyno Nobel but discontinued by FFI following absence of a final investment decision.

The Board determined that, in light of the success of the N_2O abatement projects, the material progress achieved on the WALA CCS project ahead of divestment of the facility and the Group's wider progress on climate related initiatives, this component should vest in full.

Further information on the executive remuneration incentives and outcomes for 2025 can be found in the Remuneration Report contained in **Dyno Nobel's 2025 Annual Report**.

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2. Risk management KPIs

METRICS USED TO ASSESS AND MANAGE CLIMATE-RELATED RISKS AND OPPORTUNITIES				
PHYSICAL RISKS	**2020**	**2023**	**2024**	**2025**
Financial impact due to weather-related events	$0	$0	$18.7m (Cyclone Flood Impact – Australia)	$17.6m (Cyclone Flood Impact – Australia
Percentage of fresh water withdrawn in regions with high or extremely high baseline water stress	4.8%	1.0%[1]	0.2%[1]	0.2%
Percentage of withdrawals where water management is considered to be a material issue	23%	21.6%	23.7%	22.0%
Water withdrawal intensity (kL/t product manufactured for sale)	11.5	14.9	22.1[2]	24.9
Net water use intensity (kL/t product manufactured for sale)	3.8	5.9	9.1[2]	15.2
TRANSITION RISKS	**2020**	**2023**	**2024**	**2025**
GHG intensity per tonne ammonia produced (tCO_2e per t ammonia)[1]	1.99	1.91	2.09[2]	2.66
Proportion of operational (scope 1 and 2) emissions covered by carbon pricing schemes	41%	36%	38%	35.9%
Number of major manufacturing facilities included in regional or national carbon pricing schemes	3	4	3	3
Number of major manufacturing facilities financially impacted by regional or national carbon pricing schemes	1	1	1	1
% Revenues – supply of explosives to thermal coal mining: Americas	21%	12%	14%	14%
% Revenues – supply of explosives to thermal coal mining: Asia Pacific	5%	2%	3%	4%
TRANSITION OPPORTUNITIES	**2020**	**2023**	**2024**	**2025**
Number of climate-related research projects funded	3	4	4	4
Number of patents held for reduced carbon products/technologies	10	10	10	15

1. Reductions are mostly due to the Gibson Island Recycled Water project, with the cessation of natural gas based manufacturing at this site during 2023 also a contributing factor.
2. Increase in intensity is due to the sale of the very efficient Waggaman, Louisiana ammonia manufacturing facility.

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3. Energy and GHG data

ENERGY USE (GJ)				
	2020	2023	2024	2025
Energy Use (GJ)	70,071,149	61,580,676	34,811,846	26,066,582
OPERATIONAL GHG EMISSIONS (tCO_2e)	**2020**		**2024**	**2025**
Scope 1 emissions (tCO_2e)	3,646,215	3,595,407	2,247,427	1,524,926
Scope 2 emissions (tCO_2e)	345,181	242,798	220,033	174,600
Operational GHG Emissions	3,991,396	3,838,204	2,467,461	1,699,526
VALUE CHAIN GHG EMISSIONS (CO_2e)	**2020**	**2023**	**2024**	**2025**
Total scope 3 emissions (CO_2e)	9,994,326	8,154,467	8,460,484	8,610,713
Category 1. Purchased goods and services	3,150,864	2,916,159	3,447,582	3,674,092
Category 2. Capital goods	Not material. Not calculated.			
Category 3. Fuel and energy related activities	656,942	732,457	320,132	246,779
Category 4. Upstream transportation and distribution	413,144	349,296	340,301	458,299
Category 5. Waste generated in operations	6,000	4,643	7,323	15,145
Category 6. Business travel	6,953	6,595	7,847	5,968
Category 7. Employee commuting	658	658	658	1,658[1]
Category 8. Upstream leased assets	Not applicable.			
Category 9. Downstream transportation and distribution	Included in Category 4.			
Category 10. Processing of sold products	Not material. Not calculated.			
Category 11. Use of sold products				
Fertilisers	5,204,192	3,636,019	3,801,629	3,691,007
Explosives	303,478	316,103	305,387	294,721
Industrial Chemicals	142,430	95,672	130,522	121,144
Category 12. End of life treatment of sold products	Not applicable.			
Category 13. Downstream leased assets	Not applicable.			
Category 14. Franchises	Not applicable.			
Category 15. Investments	109,665	96,865	99,762	101,901

1. Increase in 2025 is due to updated methodology using our new GHG calculation module.

4. Scope 3 GHG calculation methodology

'Scope 3' is the term used to describe the indirect GHG emissions resulting from activities in our value chain but outside of our operational control. They include 'upstream' emissions related, for example, to the extraction of the natural gas we use and the production of the materials we purchase for use at our operations, and 'downstream' emissions which arise from customer use of the products we supply.

They also include the emissions arising from operations in which Dyno Nobel owns an interest but does not have operational control (see category 15 in the table below). The GHG Protocol Corporate Value Chain (scope 3) Accounting and Reporting Standard further categorises scope 3 emissions into 15 distinct categories. We have calculated scope 3 emissions for our business according to these categories.

The table below describes the calculation boundaries (including any exclusions of particular emissions sources within a category), methodologies, assumptions and references used to calculate the emissions estimate for each relevant scope 3 category for the years 2020, 2021, 2022 and 2023. In categories where scope 3 emissions have not been calculated, the basis for excluding the category is provided under 'Explanation'.

SCOPE 3 STANDARD EMISSIONS CALCULATION ASPECT	DYNO NOBEL METHODOLOGY
CATEGORY 1: PURCHASED GOODS AND SERVICES (EXCLUDING CAPITAL GOODS)	
Category description	Upstream (i.e. cradle-to-gate) GHG emissions from goods and services purchased or acquired by the reporting company in the reporting year, where not otherwise included in categories 2-8.
Calculation status	Material. Calculated.
Calculation boundary	This category covers emissions generated upstream of Dyno Nobel's operations associated with the manufacture of purchased fertilisers, explosives and chemical products, from the moment resources are mined, extracted, or grown to make these products, through all processing, manufacturing and transport to the exit at our suppliers' gates. The manufacture of many of these products, such as ammonia-based fertilisers and explosives, are classified as Emissions Intensive Trade Exposed (EITE) activities under the Australian National Greenhouse and Energy Reporting (NGER) system and are the most material contributors to this category.
Exclusions	Only the emissions associated with purchased chemical products (and the proportion of expenditure and volume they represent) are included. Due to the high emissions intensity of these products, these sources are estimated to include the majority of Dyno Nobel's scope 3 emissions in this category.
Calculation methodology	Total tonnes purchased of each material is extracted from Dyno Nobel's internal purchasing system for each financial year period. A scope 3 emissions factor specific to each material was then applied per tonne (see 'References' below).
Data sources	'Annual tonnes purchased' data is extracted from Dyno Nobel's internal system that tracks all external spend.
Emissions factor references	• GHG Protocol Technical Guidance for Calculating scope 3 Emissions (v1): Supplement to the Corporate Value Chain scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance** • National Greenhouse Accounts Factors: Australian National Greenhouse Accounts, February 2025; Australian Government Department of Industry, Science, Energy and Resources; 2025; **https://www.dcceew.gov.au/sites/default/files/documents/national-greenhouse-account-factors-2025.pdf** • EcoInvent (licensed database) **ecoinvent.org** • Wood, S. & Cowie, Annette. (2004). A Review of Greenhouse Gas Emission Factors for Fertiliser Production; **https://www.researchgate.net/figure/Greenhouse-Gas-Emission-Factors-for-Phosphate-Fertilisers_tbl4_235704822**

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SCOPE 3 STANDARD EMISSIONS CALCULATION ASPECT	DYNO NOBEL METHODOLOGY
CATEGORY 2: CAPITAL GOODS	
Category description	Upstream (i.e. cradle-to-gate) emissions from the extraction, production and transportation of capital goods purchased or acquired by the reporting company in the reporting year.
Calculation status	Not material. Not calculated.
Explanation	Based on industry intensity factors applied to Dyno Nobel's annual capital goods expenditure, emissions from this category.
CATEGORY 3: FUEL AND ENERGY RELATED ACTIVITIES	
Category description	Emissions related to the extraction, production and transportation of fuels and energy purchased or acquired by the reporting company in the reporting year, not already accounted for in scope 1 or scope 2.
Calculation status	Material. Calculated.
Calculation boundary	This category covers emissions arising from the extraction, production and delivery of fuels, including diesel, gasoline, LPG, greases, oils and lubricants, and electricity purchased by the operations over which Dyno Nobel has operational control. Due to Dyno Nobel's use of natural gas as both an energy source and a feedstock for hydrogen to make ammonia, the emissions associated with the upstream extraction, processing and pipeline delivery of natural and coal seam gas, including fugitive emissions, are material contributors to this category.
Exclusions	None.
Calculation methodology	Total energy and fuels purchased (volumes) have been multiplied by a scope 3 emission factor specific to each fuel.
Data sources	For natural gas (GJ) and electricity (kWh) purchased, data is collected from invoices. For all other fuels, 'annual volumes purchased' data is extracted from the Dyno Nobel internal system that tracks all external spend.
Emissions factor references	• GHG Protocol Technical Guidance for Calculating scope 3 Emissions (v1): Supplement to the Corporate Value Chain (scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance** • National Greenhouse Accounts Factors: Australian National Greenhouse Accounts, February 2025; Australian Government Department of Industry, Science, Energy and Resources; 2025; **https://www.dcceew.gov.au/sites/default/files/documents/national-greenhouse-account-factors-2025.pdf** • National Inventory Report 2018, Volume 1; Australian Government Department of Industry, Science, Energy and Resources; 2020; **https://www.dcceew.gov.au/sites/default/files/documents/nga-national-inventory-report-2018-volume-1.pdf** • eGRID Summary Tables, Table 1 'Non-baseload output emission rates'. USEPA; **https://www.epa.gov/sites/default/files/2021-02/documents/egrid2019_summary_tables.pdf** • The Emissions and generation Resource Integrated Data Base eGRID Technical Guide, USEPA; **https://www.epa.gov/system/files/documents/2022-01/egrid2020_technical_guide.pdf** • BEIS Greenhouse gas reporting: Conversion factors 2024: full set (for advanced users) –Tab WTT-Fuels; Department for Business, Energy & Industrial Strategy, UK Government. **https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024**
CATEGORY 4: UPSTREAM TRANSPORTATION AND DISTRIBUTION	
Category description	Emissions from the transportation and distribution of products purchased by the reporting company in the reporting year between a company's Tier 1 suppliers and its own operations (in vehicles and facilities not owned or controlled by the reporting company); transportation and distribution services purchased by the reporting company in the reporting year, including inbound logistics, outbound logistics (e.g. of sold products); and transportation and distribution between a company's own facilities (in vehicles and facilities not owned or controlled by the reporting company).
Calculation status	Material. Calculated.

SCOPE 3 STANDARD EMISSIONS CALCULATION ASPECT	DYNO NOBEL METHODOLOGY
Calculation boundary	This category includes the scope 3 emissions associated with the shipping, rail and trucking of our purchased goods from Tier 1 suppliers by third parties. It should be noted that natural gas used as feedstock for the chemical manufacture of ammonia is delivered via pipeline – scope 3 emissions associated with the delivery of this raw material are reported under Category 3.
Exclusions	None.
Calculation methodology	For marine cargoes to and around Australia, RightShip – a leading maritime risk management and environmental assessment organisation – provided an accurate scope 3 emissions estimate based on its EN16258:2012 certified methodology. For marine cargoes associated with our subsidiary Quantum Fertilisers, and for road and rail freight, the 'distance-based' method as described in the scope 3 Guidance was used: emissions were calculated by applying the appropriate emissions factor to the 'mass x distance' multiplier for each mode of transport.
Data sources	Tonnes shipped and transported by road and rail were collected from a range of sources including the Dyno Nobel internal system that tracks all external spend, internal logistics support software and third-party reports from logistics suppliers such as RightShip and several road transport contractors. Activity data from external service providers are converted to net tonne kilometres for rail, road and shipping, and the appropriate emissions factor was applied (see references below).
Emissions factor references	• RightShip Carbon Accounting; **https://www.rightship.com/solutions/shipowner/ghg-rating/** • GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (v1): Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance** • BEIS Greenhouse gas reporting: Conversion factors 2024: full set (for advanced users) – Tab Freighting goods + WTT delivery vehs & freight; Department for Business, Energy & Industrial Strategy, UK Government. **https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024**
CATEGORY 5: WASTE GENERATED IN OPERATIONS	
Category description	Emissions from third-party disposal and treatment (in facilities not owned or controlled by the reporting company) of waste generated in the reporting company's operations in the reporting year.
Calculation status	Not material. Calculated.
Calculation boundary	This category includes scope 3 emissions associated with all of the waste generated by the operations over which Dyno Nobel has operational control.
Exclusions	None.
Calculation methodology	For wastes generated by our Australian sites, the supplier-specific method was used, whereby a national waste contractor supplied waste-specific emissions factors. For wastes in Australia disposed of by other waste contractors, and for sites outside of Australia, the average-data method was used. This involves estimating emissions based on total tonnes waste going to each disposal method (e.g. landfill) multiplied by an average emission factor for each disposal method.
Data sources	Annual reports from Australian waste management provider; the internal SAI Global data base used by Dyno Nobel to collect and manage data associated with monthly site reports on energy use, water use and waste; relevant emissions factors (see references below).
Emissions factor references	• GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (v1): Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance** • National Accounts Factors: Australian National Greenhouse Accounts, February 2025; Australian Government Department of Industry, Science, Energy and Resources; 2025; **https://www.dcceew.gov.au/sites/default/files/documents/national-greenhouse-account-factors-2025.pdf** • BEIS Greenhouse gas reporting: Conversion factors 2024: full set (for advanced users) – Tab Waste Disposal; Department for Business, Energy & Industrial Strategy, UK Government. **https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2024** • EcoInvent (licensed database) **ecoinvent.org**

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SCOPE 3 STANDARD EMISSIONS CALCULATION ASPECT	DYNO NOBEL METHODOLOGY
CATEGORY 6: BUSINESS TRAVEL	
Category description	Emissions from the transportation of employees for business-related activities during the reporting year (in vehicles not owned or operated by the reporting company).
Calculation status	Not material. Calculated.
Calculation boundary	This category includes flights and accommodation taken by employees for business-related activities, and travel outside of Australia in vehicles not owned or operated by Dyno Nobel. Emissions associated with employee travel by hire car within Australia are defined as being under Dyno Nobel employee operational control under Australian National Greenhouse and Energy Reporting legislation, and are therefore calculated and reported as scope 1 emissions.
Calculation methodology	Estimate based on peer extrapolation. The methodology for Business Travel was developed by assessing these scope 3 categories from three of Dyno Nobel's peers. Emissions figures were extracted from sustainability reports and/or CDP reporting. The average was determined for tCO_2e/employee for each category across these peers. This was then multiplied by Dyno Nobel's employee numbers for the relevant years.
Data sources	Peer Sustainability reports/CDP responses.
Emissions factor references	No emissions factors were used to derive the GHG in this category. Rather, the total GHG were estimated based on peer extrapolation.
CATEGORY 7: EMPLOYEE COMMUTING	
Category description	Emissions from the transportation of employees between their homes and their worksites during the reporting year (in vehicles not owned or operated by the reporting company).
Calculation status	Not material. Calculated.
Calculation methodology	Estimate based on peer extrapolation. The methodology for Employee Commuting was developed by assessing these scope 3 categories from three of Dyno Nobel's peers. Emissions figures were extracted from sustainability reports and/or CDP reporting. The average was determined for tCO_2e/employee for each category across these peers. This was then multiplied by Dyno Nobel's employee numbers for the relevant years.
Data sources	Peer Sustainability reports/CDP responses.
Emissions factor references	No emissions factors were used to drive the GHG in this category. Rather, the total GHG were estimated based on peer extrapolation.
CATEGORY 8: UPSTREAM LEASED ASSETS	
Category description	Emissions from the operation of assets leased by the reporting company (lessee) in the reporting year and not included in scope 1 and scope 2 reported by lessee.
Calculation status	Not relevant. Not calculated.
Explanation	Dyno Nobel has very few upstream leased assets. In Australia, where properties are leased and electricity use is included in the lease (rather than invoiced directly to Dyno Nobel), an estimate of electricity use is made in accordance with the National Greenhouse and Energy Reporting legislation, ensuring that this energy use is included in Dyno Nobel's scope 2 emissions.
CATEGORY 9: DOWNSTREAM TRANSPORTATION AND DISTRIBUTION	
Category description	Emissions from transportation and distribution of products sold by the reporting company in the reporting year between the reporting company's operations and the end consumer (if not paid for by the reporting company), including retail and storage (in vehicles and facilities not owned or controlled by the reporting company).
Calculation status	Not material. Calculated – included in Category 4.
Calculation boundary	This category includes emissions associated with the transport of products sold by Dyno Nobel in vehicles not owned or controlled by Dyno Nobel. Due to the nature of shipping, in which a single voyage may include delivery of a supplier's product to a port for unloading to a Dyno Nobel facility, then also loading product manufactured by Dyno Nobel for distribution to ports further along the voyage in addition to purchased product, Category 9 emissions are included in Category 4 calculations.
Exclusions	• Emissions associated with third-party road delivery of fertilisers (from ports and Dyno Nobel distribution facilities to third-party distributors and farming customers) have not been included due to unavailability of data. • Emissions associated with storage at third-party distributors have not been included due unavailability of data.
CATEGORY 10: PROCESSING OF SOLD PRODUCTS	
Category description	Emissions from the processing of intermediate products sold in the reporting year by downstream companies (e.g. manufacturers) subsequent to sale by the reporting company.
Calculation status	Not material. Not calculated.
Explanation	Dyno Nobel primarily manufactures and supplies fertilisers and explosives which are typically consumed during their use by the customer.
Exclusions	• Dyno Nobel sells some industrial chemicals which may be used in the manufacture of other products, however data has not been obtained to calculate any emissions which may arise if, and where, this occurs. • Dyno Nobel sells approximately 27% of its manufactured ammonia for 'industrial use'. This may be used in the manufacture of other products; however data has not been obtained to calculate any emissions which may arise if, and where, this occurs.
CATEGORY 11: USE OF SOLD PRODUCTS	
Category description	Emissions from the end use of goods and services sold by the reporting company in the reporting year.
Calculation status	Material. Calculated.
Calculation boundary	This category includes the calculation of scope 3 emissions associated with the end use of fertilisers, explosives and industrial chemicals sold by Dyno Nobel, whether the end user is a direct customer or, in the case of some fertilisers, the customer of a third party distributor. This category is a material source of emissions in Dyno Nobel's value chain.
Calculation methodology	The scope 3 emissions associated with customer use of Dyno Nobel's products are Direct Use-Phase Emissions: products that contain or form greenhouse gases that are emitted during use, as defined in the scope 3 Guidance. Tonnes sold of each product were obtained and a product-specific scope 3 emissions factor was applied (see 'References' below).
Data sources	Tonnes sold are sourced from the Dyno Nobel internal system that tracks Dyno Nobel's sales. Fertiliser application volumes are estimated by end market and geography, based on Dyno Nobel sales data.
Emissions factor references	• GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (v1): Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance** • National Inventory Report 2018, Volume 1; Australian Government Department of Industry, Science, Energy & Resources; 2020; **https://www.dcceew.gov.au/sites/default/files/documents/nga-national-inventory-report-2018-volume-1.pdf** • 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories, Volume 4: Agriculture, Forestry and Other Land Use, Chapter 11: N_2O Emissions From Managed Soils, and CO_2 Emissions From Lime And Urea Application; **https://www.ipcc-nggip.iges.or.jp/public/2019rf/pdf/4_Volume4/19R_V4_Ch11_Soils_N2O_CO2.pdf** • Gokul Prasad Mathivanan, et al. 'New N_2O Emission Factors for Crop Residues and Fertiliser Inputs to Agricultural Soils In Germany'. Agriculture, ecosystems & environment, v. 322,. pp. 107640. doi: 10.1016/j.agee.2021.107640107640; **https://pubag.nal.usda.gov/catalog/7499559**

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CATEGORY 12: END-OF-LIFE TREATMENT OF SOLD PRODUCTS	
Category description	Emissions from the waste disposal and treatment of products sold by the reporting company in the reporting year at the end of their life.
Calculation status	Not relevant.
Explanation	During 2025, Dyno Nobel manufactured and sold fertilisers and explosives which are typically consumed during their use by the customer.
CATEGORY 13: DOWNSTREAM LEASED ASSETS	
Category description	Emissions from the operation of assets owned by the reporting company (lessor) and leased to other entities in the reporting year, not included in scope 1 and scope 2 reported by lessor.
Calculation status	Not relevant.
Explanation	Leasing of downstream assets is not a material part of Dyno Nobel's business.
CATEGORY 14: FRANCHISES	
Category description	Emissions from the operation of franchises in the reporting year, not included in scope 1 and 2 reported by franchisor.
Calculation status	Not relevant.
Explanation	Dyno Nobel does not have franchised operations.
CATEGORY 15: INVESTMENT	
Category description	Emissions associated with the operation of the reporting company's investments (including equity and debt investments and project finance) in the reporting year, not already included in scope 1 or scope 2.
Calculation status	Not material. Calculated.
Calculation boundary	This category includes the scope 1 and 2 emissions (on an equity basis) from our assets that are owned as a joint venture but not operated by Dyno Nobel. The scope 3 Standard categorises this as a downstream category as the provision of capital or financing is framed as a service provided by Dyno Nobel.
Exclusions	Only joint ventures engaged in emissions-intensive manufacturing activities have been included in the calculation of emissions from this category.
Calculation methodology	The accounting approach for 'equity investments' as described in the scope 3 Guidance is used to calculate these emissions.
Data sources	Estimates of scope 1 and 2 emissions for each investment (which form the basis of scope 3 emissions in Dyno Nobel's value chain) are sourced from publicly available information, including the most recently available government-published data from mandatory or voluntary reporting programs in place in the country, State or region; the most recent reports published by the operating entity e.g. sustainability and annual reports; and other sources if identified through desktop research.
Emissions factor references	• GHG Protocol Technical Guidance for Calculating Scope 3 Emissions (v1): Supplement to the Corporate Value Chain (Scope 3) Accounting and Reporting Standard; WRI/WBCSD; 2013; **https://ghgprotocol.org/scope-3-technical-calculation-guidance**

5. Membership and climate review of industry associations

Dyno Nobel is a member of a range of industry associations, both at the Group level and through our industry-leading businesses. Industry associations provide the opportunity to collaborate with other companies and organisations to share best practice across the sectors in which our businesses operate. Sharing knowledge on issues such as technical standards, industry-wide regulations and our number-one priority – safety, helps us to become better informed on a wide range of issues that directly impact our businesses, our employees and our customers.

Since industry associations represent a collective group, an industry association's position on a given topic will incorporate a range of members' views. In some cases, this may result in associations holding no position on that topic, or holding a position which may differ to the position held by Dyno Nobel. For this reason, we communicate our own views through our policies and public statements, including those made in published submissions and executive speeches.

Each year Dyno Nobel commissions an independent review of the alignment between our climate change policies and those of the industry associations of which we are a member. These annual reviews form part of our ongoing industry association monitoring activities.

As part of the 2024 review, Dyno Nobel updated the method of review and formalised a framework for governance of our memberships of associations, including guidance where a difference in publicly stated climate change policy has been identified. This enables further engagement with industry associations as appropriate.

In 2025, the review assessed the alignment between Dyno Nobel and the energy and climate change positions of 15 Member Associations, four less than the 19 assessed in 2024. This is due to Dyno Nobel's industry association memberships changing since the 2024 review, with membership of Future Coal ceasing during 2024, membership of the Business Council of Australia and Chemistry Australia ceasing in 2025, and the divestment of the IPF distribution business, which is a member of Fertilizers Australia and the International Fertilizers Association. In addition, the Chamber of Minerals and Energy of Western Australia was included in the review for the first time.

As in 2024, the 2025 review assessed the alignment between Dyno Nobel and the energy and climate change positions of the 19 Member Associations in the following areas:

- **The Paris Agreement**
- **Climate Change Policy** including:
  1. A net zero target and interim emissions reduction targets;
  2. An understanding that climate change may impact on core business offerings (including product portfolio);
  3. A stated commitment to partner with stakeholders (including regulators) to promote climate action;
  4. Programs to engender 'resilience' or 'adaptation' to climate impacts for its business and stakeholders; and
  5. Consideration of climate risk in policy or position statements.
- **Energy Policy**, including supportive statements for renewable energy deployment and investment into the expansion of renewable and reliable energy sources.

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Associations were rated as follows:

- ● The association's position is in line with Dyno Nobel's, or is more progressive than Dyno Nobel's. The association has publicly disclosed climate-related positions in line with expectations of leading practice organisations.
- ◕ The association has a climate change policy and the disclosures made by the association align with Dyno Nobel's on most key topics. The association's position does not fully align with Dyno Nobel's but is also not contrary to Dyno Nobel's stated position, or Dyno Nobel's position is more progressive than the association's.
- ◑ The association does not have a climate change policy, but its disclosures align with Dyno Nobel's on most key topics. The association's position does not fully align with Dyno Nobel's but is also not contrary to Dyno Nobel's stated position, or Dyno Nobel's position is more progressive than the association's.
- ◔ Disclosures made by the association demonstrate only a high-level climate change risk acknowledgment, however the position does not contradict that of Dyno Nobel's.
- ○ The association does not have a publicly disclosed position or policy in relation to climate change or energy use.
- □ Disclosures made by the association are supportive of the continued use of coal. While sub-disclosures may align to Dyno Nobel's, there is a misalignment to Dyno Nobel's overarching climate change policy.

INDUSTRY ASSOCIATION	DESCRIPTION	ALIGNMENT WITH DYNO NOBEL ON CLIMATE CHANGE	
Ammonium Nitrate Nitric Acid Producers Group (ANNA)	ANNA is an informal international organisation of manufacturers of ammonium nitrate and nitric acid with the goal of promoting networking within the industry through sharing knowledge, technology and experience. Dyno Nobel is a member.	ANNA does not have a publicly disclosed position or policy in relation to climate change. This position has not changed in 2025.	○
Australian Explosives Industry and Safety Group (AEISG)	AEISG aims to continuously improve the level of safety in the manufacture, transport, storage, handling and use of precursors and explosives in commercial blasting throughout Australia. Dyno Nobel is a member.	AEISG does not have a publicly disclosed position or policy in relation to climate change. This position has not changed in 2025.	○
Australian Industry Greenhouse Network (AIGN)	AIGN is a network of industry associations and individual businesses which contribute to the climate change policy debate and see value in joint industry action on climate change in order to promote sustainable industry development. The network is committed to industry collaboration on equitable global action to reduce greenhouse gas emissions.	AIGN is aligned with Dyno Nobel in its commitments to address climate change. AIGN acknowledges climate change and supports policies to help Australia adapt to it. AIGN and its members are actively involved in monitoring and participating in climate change policy discussions, with the goal of promoting the development of Australia's industrial resources. AIGN serves as a focal point for cooperative industry policy responses to key greenhouse issues, and it plays a facilitating and coordinating role in industry contributions to key greenhouse policy and abatement measures. This position has not changed in 2025.	●
B-team Climate Leaders Coalition (CLC)	The CLC is a cross-sectoral group of Australian corporate CEOs supporting the Paris Agreement commitments and setting public decarbonisation targets. The CLC website states that its members are action orientated and commit their organisations to take voluntary action on climate change.	B-team Climate Leaders Coalition has remained closely aligned with Dyno Nobel in its energy and climate change positioning during 2025. The CLC publicly supports the Paris Agreement and Australia's commitment to it, including the objective to keep global warming to well below 2 degrees above pre-industrial levels. The CLC is also advocating for policies that support the transition to a low carbon economy.	●
Business Council of Australia (BCA)	The BCA provides a forum for Australian business leaders to contribute directly to public policy debates. Members determine the work program and policy positions of the Council through their participation in policy committees, special-issue taskforces and the BCA Board.	While Dyno Nobel participated in some BCA held sessions during 2025 while still a member, the Company ceased to be a member in 2025. For this reason, the BCA was not included in the 2025 review of memberships of associations.	
Canadian Explosives Industry Association (CEAEC)	CEAEC is an industry association concerned with the promotion of high standards in the manufacturing, use, transportation and handling of explosives in the interest of worker and public safety. Dyno Nobel is a member.	CEAEC does not have a public position on energy policy and climate change. This position has not changed in 2025.	○
Carbon Market Institute (CMI)	CMI is an independent industry body seeking to: share knowledge, build capacity and catalyse opportunities for businesses leading the transition to a net zero emissions economy; steward Australia's carbon markets and related policies; and champion the UNFCCC Paris Agreement and TCFD framework of climate and net zero emission goals.	CMI's position on climate change and energy is closely aligned with Dyno Nobel's. CMI is publicly supportive of the Paris Agreement and the emerging framework of climate and net zero emissions goals and mechanisms for increasing ambition, internal cooperation and investment. The CMI Policy Positions paper published in November 2023 outlines six policy pillars which illustrate CMI's strong position on climate change. The CMI's 2025 Strategy paper further documents the association's values, mission and objectives.	●
Chamber of Minerals and Energy of Western Australia (CME)	The Chamber of Minerals and Energy of Western Australia (CME) is the leading advocate for the resources sector in Western Australia. We are a member-funded, not-for-profit organisation that represents the views of our members and advocates on their behalf. CME leads policy development on issues impacting the sector, promotes the value of the sector to the community, and provides an avenue for members and stakeholders to collaborate.	CME publicly supports the Paris Agreement and Australia's net zero emissions target by 2050 in a dedicated climate policy. The association actively promotes investment in renewable and low-carbon energy technologies, while advocating for reliable energy systems to support industrial needs. CME integrates climate risk into its policy agenda and supports mechanisms such as emissions reduction targets and carbon pricing to drive decarbonisation. It also partners with stakeholders to shape climate policy and ensure sustainable development. CME's policy positions are aligned with Dyno Nobel's.	●
Chemistry Australia	The national body representing Australia's chemistry industry.	Dyno Nobel ceased to be a member in 2025. For this reason, Chemistry Australia was not included in the 2025 review of memberships of associations.	

INDUSTRY ASSOCIATION	DESCRIPTION	ALIGNMENT WITH DYNO NOBEL ON CLIMATE CHANGE	
Energy Users Association of Australia (EUAA)	The Energy Users Association of Australia plays a critical role in helping companies navigate uncertainty in energy markets and participate in driving changes in market rules and the way the network is managed, to ensure better outcomes and reduced costs for energy users. It seeks a competitive, reliable and sustainable energy supply for all users.	EUAA's climate change policy positions remain in line with those of Dyno Nobel. The EUAA's Net Zero Position supports the Paris Agreement, specifically in limiting global temperature rise this century to below 2°C, and thus action towards a net zero target by 2050. It advocates for policies that support innovation of new technologies and quality offsets where abatement is not possible. The EUAA publicly supports a market-based mechanism that puts a price on carbon and maintains its position on the Australian Federal Renewable Energy Target (RET). It calls for opportunities for low emissions manufacturing, acceleration of clean fuel such as green hydrogen and support for other clean energy innovation and support services for hard-to-abate sectors. However, the 2025 review resulted in downgrading by one rating due to the absence of any reference to climate resilience or risk in its policy.	●
Fertilizer Australia	The industry association representing manufacturers, importers and distributors of fertiliser in Australia, and associated service industries. Fertilizer Australia members supply over 95% of the fertilisers used in Australia.	As a result of the sale of the IPF Distribution Business completed in September 2025, Dyno Nobel ceased to be a member. For this reason, Fertilizer Australia was not included in the 2025 review of memberships of associations.	
Institute of Makers of Explosives (IME)	An association concerned with the safety and security of the commercial explosives industry in the United States and Canada. Dyno Nobel is a member.	IME's views are considered less progressive than those of Dyno Nobel due to the support of coal. The IME supports an 'all-of-the-above' energy policy, which includes traditional sources of energy like coal, oil and natural gas as well as renewable sources such as wind and geothermal energy. This position has not changed in 2025.	◔
International Fertilizer Association (IFA)	A not-for-profit organisation that represents the global fertiliser industry. IFA member companies represent all activities related to the production, trade, transport and distribution of the nutrients required to help farmers worldwide address the growing need for food, feed, fibre and bio energy.	As a result of the sale of the IPF Distribution Business completed in September 2025, Dyno Nobel ceased to be a member. For this reason, IFA was not included in the 2025 review of memberships of associations.	
International Society of Explosives Engineers (ISEE)	A professional society dedicated to promoting the safety, security and controlled use of explosives. Dyno Nobel is a member.	The ISEE does not have a publicly disclosed position or policy in relation to climate change. This position has not changed in 2025.	○
Manufacturing Australia (MA)	A CEO-led coalition of some of Australia's largest manufacturers that work with governments, businesses and communities to promote Australia's manufacturing sector to make a significant and sustainable contribution to the nation's economy. Dyno Nobel holds a Board position.	MA's policy positions do not typically contradict Dyno Nobel's. However, MA does not have a standing climate policy or position. MA does not have an energy policy but one of its listed priorities is to 'Regain Australia's competitive advantage of reliable, affordable and sustainable energy resources, and ensuring Australia meets its international emissions obligations while remaining globally competitive in trade exposed industries'. In 2023, MA welcomed the Federal Government's Safeguard Mechanism reforms to promote electrification using clean energy sources. Therefore, the association's views on climate policy have progressed since the 2024 assessment.	◑

INDUSTRY ASSOCIATION	DESCRIPTION	ALIGNMENT WITH DYNO NOBEL ON CLIMATE CHANGE	
Minerals Council of Australia (MCA)	Represents Australia's exploration, mining and minerals processing industry, nationally and internationally, in its contribution to sustainable development and society. MCA member companies produce more than 85% of Australia's annual mineral output. Dyno Nobel is a member.	MCA publishes an annual progress report to their Climate MCA reporting its continued commitment to the Paris Agreement and its goal of net zero emissions by 2050. However, it continues to advocate for coal and its role in Australia's economy, indicating its views are less progressive than Dyno Nobel's. This has not changed since the 2024 assessment.	◑
National Mining Association (NMA)	The voice of the American mining industry in Washington, D.C., NMA is the only national trade organisation which represents the interests of mining before Congress, the Administration, federal agencies, the judiciary and the media. Dyno Nobel is a member.	The NMA recognises that mining is an energy-intensive industry, and that global action is needed to reduce GHG and help mitigate the adverse effects of human impacts on climate change. The NMA published a position on climate change in 2023 but has no stand-alone climate change policy and continues to support the use of thermal coal. Its stance on climate change continues to be less progressive than Dyno Nobel's.	◔
The National Sand, Stone and Gravel Association (NSSGA)	An association for the aggregates industry in the US, concerned with supporting policies and regulation that promote the safe and environmentally responsible use of aggregates. Dyno Nobel is a member.	The NSSGA's policy positions do not typically contradict Dyno Nobel's; however, it does not have a standing climate policy or position. The NSSGA supports investment into the expansion of renewable and reliable energy sources. It encourages GHG emissions reduction for NSSGA members and provides them with a GHG emissions calculator in order to reduce their footprint. This position has not changed in 2025.	◑
Queensland Resources Council (QRC)	An independent not-for-profit peak industry association representing the commercial developers of Queensland's mineral and energy resources. The QRC works to secure an environment conducive to the long-term sustainability of the minerals and energy sectors in Queensland, Australia. Dyno Nobel is a member.	The QRC publicly supports the Paris Agreement and the goal of net zero emissions by 2050. It acknowledges the varied impacts of climate change across regions and industries, and promotes member efforts to decarbonise through energy efficiency, renewable energy adoption and demand management. QRC advocates for climate adaptation to support community resilience but does not explicitly address climate risk in its policy agenda. While it does not endorse legislated emissions targets, carbon pricing, or renewable energy mandates, it supports investment in low-emission technologies and highlights the role of new-economy minerals in enabling renewable technologies and hydrogen energy development. QRC is an advocate for continued coal use. Its rating in 2025 has therefore been updated to reflect this.	◔
The Australian Mines and Metals Association Resources and Energy Group	The Australian Mines and Metals Association Resources and Energy Group is the representative association for Australia's resources, energy and supply industry employers, assisting with human resources, industrial relations, training, policy and industry networking. Dyno Nobel is a member.	Not included in review.	
American Chamber of Commerce in Australia (AmCham)	AmCham gives members exclusive access to thought leadership, communities of interest, policy advice, business advocacy, information, and relationships with business and government. With roots in America, AmCham serves the business community across Australia and the entire Asia Pacific, providing assistance to companies in the USA and Australia and promoting trade, commerce and investment to and from Australia.	Not included in review.	

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INDUSTRY ASSOCIATION	DESCRIPTION	ALIGNMENT WITH DYNO NOBEL ON CLIMATE CHANGE
American Australian Business Council (AABC)	The AABC aims to strengthen the dynamic economic bond between Australia and the United States, founded on a commitment to commerce through the flow of capital, people and ideas, by highlighting the businesses and their leaders who are key to this relationship.	Not included in review.
Chief Executive Women (CEW)	Representing over 500 of Australia's most senior and distinguished women leaders, CEW strives to educate and influence all levels of Australian business and government on the importance of gender balance through advocacy, targeted programs and scholarships.	Not included in review.
National Association of Women in Operations (NAWO)	NAWO is the peak Australian body championing women in operations. An incorporated not-for-profit association, NAWO aims to inspire and support women to reach their full potential and achieve their chosen career goals, and to inspire and support organisations to create inclusive workplaces.	Not included in review.
Resource Industry Network	A peak industry association representing companies engaged in the resource sector and those allied to the sector. It seeks to facilitate effective member-to-member connections, develop and promote innovation and capability, and promote members to the commercial decision makers, peak bodies and government representatives in the resource sector. Dyno Nobel is a member.	Not included in review.
The Fertilizer Institute	The trade association representing the public policy, communication and statistical needs of producers, manufacturers, retailers and transporters of fertiliser in the US. Issues of interest include security, international trade, energy, transportation, the environment, worker health and safety and farm bill and conservation programs to promote the use of enhanced efficiency fertiliser. Dyno Nobel Americas is a member.	Not included in review.
Global Explosives Safety Group (SAFEX)	A non-profit organisation of manufacturers of explosives and pyrotechnics which aims to protect people and property against dangers and damage by the sharing of experience in the explosives industry. Dyno Nobel is a member.	Not included in review.

For a comprehensive glossary, see the **2025 Dyno Nobel Sustainability Review**.

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