Approved version

Overall Plan to Adapt to Potential Physical Climate Risks

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1. Purpose and Scope

This Overall Plan to Adapt to Potential Physical Climate Risks (the "Plan") defines the strategic and operational approach of the Company to anticipate, prevent, and minimize adverse impacts of climate change on its assets, operations, and value chain.

The Plan is developed in accordance with:

- EU Taxonomy Regulation (Do No Significant Harm to climate change adaptation),

- CSRD (E1-3, E1-9, SBM-3),

- CDP (2.2.1),

- European Commission Guidelines on reporting climate-related information.

The Plan applies to all existing production facilities, infrastructure assets, logistics operations, and new capital investment projects.

2. Climate Risk Assessment Basis

The Company conducted a physical climate risk assessment covering:

- Acute risks (heatwaves, floods, storms, droughts),

- Chronic risks (temperature increase, water scarcity, changing precipitation patterns).

The assessment is based on historical climate data, forward-looking climate scenarios (RCP 4.5 and RCP 8.5), and asset-level exposure and vulnerability analysis.

Material risks identified include:

- Heat stress affecting production stability,

- Water scarcity impacting process water availability,

- Flood risks to low-lying infrastructure,

- Extreme weather affecting logistics and power supply.

3. Adaptation Strategy and Principles

The Company's adaptation strategy follows these principles:

- Context-specificity: measures are tailored to the geographic and operational characteristics of each asset.

- Best-effort risk reduction: all material physical risks are addressed.

- Integration into business planning: adaptation is embedded in CAPEX planning, maintenance programs, and business continuity.

- Alignment with EU Taxonomy DNSH criteria.

4. Adaptation Measures

Physical Measures:

- Modernization of cooling systems and insulation,
- Flood protection barriers and drainage systems,
- Elevation of critical equipment,
- Water recycling and efficiency technologies,
- Backup power and reinforced structures.

Non-Physical Measures:

- Integration of climate risks into risk management,
- Updated business continuity plans,
- Staff training and emergency procedures,
- Climate screening for new projects,
- Supplier resilience requirements.

5. Implementation Timeline

The Company aims to implement adaptation measures within less than five years.

Phase 1 (Year 1): Detailed asset-level planning and CAPEX integration.

Phase 2 (Years 2–3): Implementation of priority measures.

Phase 3 (Years 4–5): Full operational integration and monitoring.

New activities incorporate adaptation measures at the design and construction stage.

6. Governance and Responsibilities

- Board of Directors: strategic oversight,
- Executive Management: implementation,
- Risk Management: ERM integration,
- Sustainability Function: monitoring and disclosure.

Risks are reviewed annually.

7. Monitoring and KPIs

The Company monitors:

- Coverage of adaptation measures,

- Water reuse volumes,

- Climate-related incidents,

- Weather-related downtime,

- CAPEX allocated to adaptation.

8. Public Disclosure

The Company publicly reports this Plan through:

- Sustainability or Integrated Reports,

- EU Taxonomy disclosures,

- CDP Climate Change questionnaire.

9. Continuous Improvement

The Plan is reviewed:

- After new risk assessments,

- After major climate events,

- At least every three years.

Conclusion

This Plan ensures the Company anticipates physical climate risks, applies context-specific adaptation measures, complies with EU Taxonomy DNSH requirements, and integrates adaptation into strategic decision-making within less than five years.