

10 August 2022

ASX ANNOUNCEMENT (ASX:NRZ)

Release of TCFD Report



NeuRizer Ltd (ASX:NRZ) (“NeuRizer” or the “Company”) is pleased to release its Task Force on Climate-Related Financial Disclosure (TCFD) report for FY2021/22.

In recognition of the critical impact climate change will have on the global food supply chain, NeuRizer has made a commitment to joining the TCFD and the appended report covers our first reporting year.

This internationally recognised climate related report provides additional evidence to the market that NeuRizer has a fully integrated CO₂ business plan. This reporting commitment will be released to the market annually.

The report outlines the steps NeuRizer has undertaken to ensure its operations contribute to creating a lasting positive impact on the global issue of climate change. The report also outlines further commitments into FY2022/23.

Managing Director Phil Staveley said, “We are pleased with how the company has performed under the metrics but recognise that this is an evolving process and management will need to constantly and diligently monitor the impact of the company’s activities to ensure we continue to fulfill our commitments as we move into construction and towards operation.”

NRZ’s commitment to the TCFD process is in addition to our continued commitment as a Climate Active certified carbon neutral organisation, and participation in the United Nations Global Compact.

The NRUP is carbon neutral by design as the decarbonisation pathway for the NRUP is embedded in the Front-End Engineering and Design (FEED) process to ensure that it achieves a zero-carbon status from first operations in 2025.

We encourage you to read the full report attached to this announcement and available at: www.NeuRizer.com.au

The NRZ Board has authorised this announcement for release to the ASX.

About NeuRizer Ltd

NeuRizer (NRZ) is the company responsible for progressing the NeuRizer Urea Project (NRUP). NRUP is a nationally significant project that will deliver low-cost, high-quality nitrogen-based fertiliser ensuring a secure supply for local and export agriculture markets. Located in South Australia, 550 kilometres north of Adelaide, the NRUP will initially produce 1Mtpa of urea fertiliser with potential to increase to 2Mtpa.

NRZ is a certified carbon neutral organisation having been awarded Climate Active certification in March 2022 and is a signatory to the United Nations Global Compact. The NRUP is carbon neutral by design, and the decarbonisation pathway for the NRUP is embedded in the Front-End Engineering and Design (FEED) process to ensure that the NRUP achieves zero carbon operations from first operations in 2025.

The NRUP will significantly increase Australia's sovereign manufacturing capability for fertiliser supporting Australian agricultural food production. The NRUP will strengthen supply chain resilience that will benefit Australian farmers and, to a lesser extent, the industrial sector where urea is used as a supply input (eg. diesel additive (AdBlue), industrial resins, etc.) by reducing the nation's reliance on imports.

The NRUP will be one of the biggest infrastructure projects of its type in Australia, providing long term economic development and employment opportunities (2,250+ construction jobs plus 1,200+ ongoing positions) for the communities of the Upper Spencer Gulf region, northern Flinders Ranges and South Australia.

The NRUP will be the only fully integrated urea production facility in Australia, with all inputs (gas, power and CO₂) for low carbon urea production on-site, meaning NRZ will control both supply and price of these major cost inputs, regardless of prevailing market conditions and supply chain dynamics.



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NeuRizer

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NeuRizer

Ahead of the curve

Climate-Related Financial Disclosure Report

Financial Year 2021/22

Prepared by **energylink**
SERVICES

NeuRizer Climate Change Commitments

This report is prepared in accordance with the guidelines set down by the Task Force for Climate Related Disclosures (TCFD). The TCFD was established by the Financial Stability Board (FSB) to provide stakeholders with a better understanding of the exposure to climate related risks within an organisation.

Climate change will impact the global food supply chain. So that we may remain resilient against climate change, we have signed up as supporters of TCFD as we believe it provides us with the best practice framework to voluntarily report on our climate-related risks and opportunities. We continuously incorporate climate-related issues into our decision-making processes, and reporting under TCFD provides us with a framework to formalise our efforts and communicate the outcomes we have achieved.

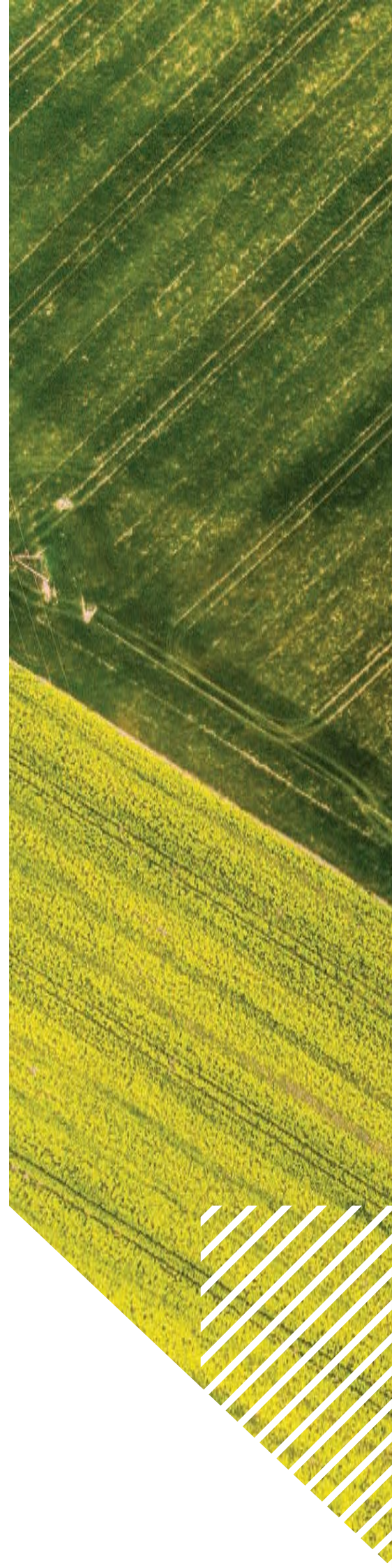
This internationally recognised climate related report provides additional evidence that NeuRizer has a fully integrated CO₂ business plan. This reporting commitment will be released periodically to the market to provide continuous disclosure.

We are driven as an organisation to create lasting value for the communities within which we operate. Our cornerstone project, the NeuRizer Urea Project (NRUP), is a nationally significant project that will deliver low-cost, high-quality fertiliser, ensuring a secure supply for local and international agricultural markets. Our project will provide an economic uplift to the township of Leigh Creek, South Australia.

We are supporters of the Intergovernmental Panel on Climate Change's (IPCC) assessment of climate change science demonstrating that anthropogenic GHG emissions are resulting from human induced climate change. Action needs to be taken to ensure that the impact of humanity on climate change does not result in irreversible impacts to our climate. We recognise our responsibility in securing the health of our planet and have committed to playing our part in ensuring global temperatures do not rise above 1.5°C.

We recently became the only fertiliser project to be certified carbon neutral under the Australian Government's Climate Active certification. Our investment in being certified by Climate Active underpins the ESG commitments we are making to the communities around us.

The financial year 2021/2022 is our first TCFD reporting year. We believe we have made significant efforts to ensure we are resilient to the identified climate-related issues and have detailed the identified risks and management procedures to mitigate those risks within this report. In saying this, we understand that this is an iterative process, and we will be diligent in ensuring we use the governance and risk management frameworks developed to actively manage the identified climate-related risks and any emerging risks that our procedures identify.



Governance

Board oversight

Our Board is acutely aware of the climate-related risks faced by NeuRizer. The Board has appointed a Risk Committee to support them in their oversight of climate-related issues. The committee meets three times per year to discuss all topics of risk as they relate to NeuRizer, including climate-related risks.

The Board is updated on climate-related issues via a monthly Board Paper, which contains updates pertaining to the climate-related matters identified by the Risk Committee and the Executive Management Team.

The Board considers climate-related risks when developing strategy, business plans, budgets, and risk management as advised by its Managing Director, executive team and the Risk Committee.

Executive team management

Our executive team are passionate about ensuring NeuRizer's resilience against climate-related risks while reducing our impact on climate change. These values drive the daily operations of our organisation and keep climate related issues at the forefront of our employees' behaviour.

We will continuously ensure that climate-related issues are considered in our risk management, business strategy, planning and budgeting processes. Our Managing Director works directly with the Risk Committee to ensure the Board has

oversight on identified climate-related issues. On an operational basis, our Chief Sustainability Officer manages and assesses climate-related issues.

“The Board considers climate-related risks when developing strategy, business plans, budgets and risk management.”

While our Board and Executive Team take ownership of the identified climate-related risks and monitor any emerging risks on an ongoing basis, we empower all our employees to assist with the management and identification of climate-related issues. Our Climate Change Policy governs all employees by describing their responsibility to ensure that NeuRizer continues to remain resilient against climate-related issues.

External expert support

We believe our future resilience against climate-related issues will be successful because our staff are empowered to manage and identify climate-related issues. This success will be driven by training our staff on how to identify and manage climate related issues.

Strategy

Climates around the globe are undergoing rapid change due to global warming. It is our responsibility to the shareholders and the global population to reduce our impact on climate change and ensure our resilience against physical and transitional risks posed by climate change. While climate change poses risks to our organisation, we see that the opportunities greatly outweigh the risks.

Strategic Business Decisions

As an organisation, we are well versed in making pivotal strategic decisions based on identified climate-related risks and opportunities. The most notable of these is how we pivoted our business from a local energy generator to a global urea manufacturer based on an analysis of the market and climate-related risks and opportunities. We identified that by using our resources at Leigh Creek for energy generation, we would be the cause of significant emissions being released into the atmosphere, which did not fit with our values and approach to climate change. Subsequent analysis of the chemical makeup of our syngas identified the opportunity to manufacture urea using the captured hydrogen and CO₂. Any excess CO₂ can be captured and either injected back underground or sold to the food and beverage industries.

We made the financial investment to become a carbon neutral organisation three years ahead of schedule. Our Board believed that we should not wait until our first facility was operational to become carbon neutral as this will mean there are three years that we are not tracking and taking ownership of our GHG emissions. So, as of the 2021/2022 Financial Year we are a Climate Active Certified Carbon Neutral Organisation. Climate Active is the Australian Government's Carbon Neutral certification scheme. We chose Climate Active as we see it as the most rigorous framework for claiming carbon neutrality, due to its

transparency and need for third party verification. Aligning with the level of governance detailed by the Australian Government should ensure we are aligned with the expectations and requirements of our Australian Government.

In 2021 we engaged EnergyLink Services to track our GHG emissions on a monthly basis and complete future modelling of our GHG emissions to ensure the organisation is resilient against any transitional risks related to policy instruments such as a carbon pricing mechanism.

“We pivoted our business from a local energy generator to a global urea manufacturer based on an analysis of the market and climate related risks and opportunities.”

Risk and opportunity identification

Our approach to identifying climate-related issues is governed by our Risk Management Policy which governs all risk registers.

We use our existing Risk Management Policy as the framework to determine which climate-related risks and opportunities could have a material impact on the organisation.

The register describes NeuRizer's materiality metrics, as well as the relevant time horizons for the organisation.

The materiality of the identified risks and opportunities is shown in Table 1 and reflects the same metrics used for our Corporate Risk Matrix.

Table 1: Materiality Metrics

Materiality Metrics	
Level	Management/Impact Cost Range
Low	\$100k - \$500k
Medium	\$500k - \$1million
High	>\$1million

We have defined the time horizons to align with business strategy milestones, while also with a view of aligning with South Australia’s first interim target of reducing state GHG emissions by 50% below 2005 levels by 2030. Table 2 details the time horizons used when categorising the identified climate-related risks and opportunities.

Table 2: Time horizons

Time Horizons		
Time Horizon	Years	Business Alignment
Short	0 to 1	Stage 1 - Construction
Medium	1 to 3	Stage 2 – urea plant operation by 2025
Long	3 to 8	Stage 3 – Ramp up to 100% capacity

The climate-related risks and opportunities we’ve identified are detailed over the next page in Table 3 and Table 4, respectively. For each item identified we have detailed the expected time horizon, categorised materiality based on either management costs or cost impact to NeuRizer, the control measures we have put in place, and the residual materiality.

Next Steps

Our next steps will be to complete a detailed climate scenario model to assess the climate change risks to our organisation. We plan to use the Representative Concentration Pathways (RCP) developed by the IPCC. We will engage a third-party to model the following three RCPs for us:

- RCP2.6: Stringent Mitigation Scenario
 - o Likely maximum global temperature increases 2°C by the end of the century. This is the

lowest carbon emission RCP pathway published by the IPCC.

- RCP4.5: Intermediate Scenario
 - o Likely maximum global temperature increases between 2°C and 3°C by the end of the century.
- RCP8.5: Very high GHG emissions
 - o Likely maximum global temperature increases 5°C by the end of the century

Climate-related Risks

Table 3: Climate-related risks

Climate-related risks	Description	Time Horizon	Materiality	Risk Controls	Residual Materiality
Policy and Legal					
National Greenhouse and Energy Reporting (NGER)	The operation of the Stage 1 Power Plant is expected to trigger the 100TJ energy production facility threshold for NGER. If we do not meet our reporting requirements there can be reputational, financial and criminal impacts.	Short	Medium	We are actively engaged with EnergyLink Services who are experienced in assisting corporations meet their NGER obligations, and who will work with the Clean Energy Regulator (CER) to ensure all reporting requirements are met.	Low
Safeguard Mechanism liability	Facilities that emit more than 100,000 tonnes of CO ₂ e per annum must ensure the facility's net emissions do not exceed the baseline set by the Clean Energy Regulator (CER). If a facility exceeds its baseline, it is liable to procure and surrender Australian Carbon Credit Units (ACCU) to compensate for excess emissions. We may face a reporting obligation under the Safeguard Mechanism if the carbon capture and storage (CCS) technology does not achieve the anticipated performance.	Medium	High	We are working closely with DL E&C, our EPCC contractor, to design and engineer the NRUP to capture CO ₂ for use in urea manufacturing, surplus CO ₂ to be injected back into geological cavities left underground from the gasification process or for sale into CO ₂ markets such as the food and beverage industry. DL E&C has a proven CCUS technology solution for which they own the intellectual property. We will also be working closely with EnergyLink Services who, as part of monthly reporting, will monitor our emissions and engage with the CER to ensure we comply with all Safeguard Mechanism requirements in the event our emissions exceed 100,000 tonnes of CO ₂ e.	Low
Mandates on GHG/Climate-Related reporting	With accelerating commitments from the Federal Government to reduce GHG emissions, there could be future legislation mandating climate-related reporting. Failure to meet these mandates may result in fines and reputational damage.	Long	Medium	Our Climate Active certification is a system that ensures our CO ₂ program is embedded into our business planning. Registering our support for TCFD and implementing the TCFD framework ensure we are meeting global best standards when it comes to climate-related reporting.	Low
Carbon tax/price	The introduction of a carbon pricing mechanism or carbon border adjustment mechanisms (CBAM) may result in an increased cost of operation and	Long	High	We are designing a urea plant with the goal of zero emissions from the urea manufacturing process through the capture, storage, use or sale of CO ₂ . We are also already a Climate Active certified carbon neutral organisation with carbon	Low

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Climate-related risks	Description	Time Horizon	Materiality	Risk Controls	Residual Materiality
	subsequently the cost of our product. This could impact our operating costs and our revenue.			offset costs built into our annual budgets, and as such have a real carbon price applied to our business operations.	
Technology					
Stranded assets	As more hybrid and EV Vehicles are becoming readily available and the upfront and operating costs are reducing, there is a risk that vehicles utilise fossil-fuels may be written-off or retired before the end of the planned asset life.	Medium	Medium	We will explore the procurement of hybrid or electric vehicles for the Leigh Creek site as operations begin to increase onsite.	Low
Carbon capture and storage technology not able to deploy due to technology immaturity	If carbon capture and storage technology is not deployed at the NRUP we will risk operating with an emissions profile that will trigger the events outlined in “Policy and Legal” (above).	Medium	High	We are engaged with DL E&C who owns the intellectual property (IP) for proven carbon capture and storage technology. We are completing detailed due diligence on the technology and are aware of technology alternatives if they need to be considered. We have a highly experienced team of chemical engineers working at NeuRizer who have extensive experience completing technology due diligence in the oil and gas industry. They will deploy their fundamental understanding of chemical engineering and real-world experience to determine the feasibility of carbon capture and storage technology.	Medium
Market					
Customer purchasing behaviours	Risk of stranded asset at NRUP if negative stigma around gasification technology negatively impacts demand.	Medium/ Long	High	<p>We have executed a long-term offtake agreement for 50% of expected urea production to DL E&C.</p> <p>We are a Climate Active Certified Organisation who has embedded climate change and carbon neutrality into all aspects of the business. All staff are working towards achieving a Net-Zero urea production facility. Therefore, our urea will have a lower emissions intensity when compared to traditional urea manufacturing processes and we are targeting zero CO₂ emissions through carbon capture and storage.</p> <p>We will be releasing educational content to demonstrate our low emissions profile and our carbon neutral commitments.</p>	Low

Climate-related risks	Description	Time Horizon	Materiality	Risk Controls	Residual Materiality
Financial institution exclusion	Inability to generate capital due to perceived risk in carbon capture and storage technology as well as the negative perception of gasification.	Short/ Medium	High	Our Board has chosen to manufacture urea due to its use of CO ₂ and the ability to utilise onsite geological structures created from gasification for carbon capture and storage. We have partnered with DL E&C as they own the IP for a proven carbon capture and storage technology. We are disclosing our climate-related risks in line with TCFD recommendations, which is a trusted framework of financial institutions around the globe, and we will continue to evolve our disclosures and reporting in line with industry best practice and stakeholder expectations.	Medium
Insurers escalating risk based on Climate-Change exposure	Insurers are looking to reduce their exposure to climate related risks. If we are unable to provide them with the certainty of our resilience to climate change, we may experience restricted pool of insurers or increased insurance premiums.	Short/ Medium	High	Climate Active certification and being carbon neutral through internationally recognised offset projects will continue to decrease this risk. We are disclosing our climate-related risks in line with TCFD recommendations and committing to manufacturing a carbon neutral urea and we will continue to evolve our disclosures and reporting in line with industry best practice and stakeholder expectations.	Medium
Reputation					
Public perception of gasification	Loss of customers due to negative stigma around gas. There is a risk that our customers may not perceive our urea as a “green” product.	Long	High	We are a Climate Active Certified Organisation, and we plan to sell a Climate Active Certified Carbon Neutral products once the NRUP is operational. We are designing the NRUP to manufacture urea at a lower emissions intensity when compared to traditional Urea manufacturing processes, with a target of net zero emissions through carbon capture and storage technology. Our unique proposition is that our technology enables us to utilise both the hydrogen and carbon dioxide from our onsite resource at Leigh Creek, while producing urea at a competitive price point.	Low
Increase activism from shareholders	Shareholders will continue to demand action on climate change and demonstrate GHG emissions reductions. If we cannot meet expectations, we may	Short/ Medium/ Long	High	We are already a Climate Active Certified Organisation, and we expect to renew that certification yearly, and we are designing a carbon neutral urea product.	Low

Climate-related risks	Description	Time Horizon	Materiality	Risk Controls	Residual Materiality
	experience a decline in shareholder loyalty and subsequent share price.			We are undergoing market research and analysis to identify additional opportunities to reduce our emissions profile.	
Physical Risks					
Increased frequency and severity of extreme weather events	The increased change in climates around Australia is expected to result in an increased frequency of acute weather events such as floods, droughts, and bushfires. While we believe that the Leigh Creek Facility should not be negatively impacted by this, it is our supply chain and customers who will be impacted. Subsequently, this could result in the decreased demand or ability to supply a region of Australia or international regions	Short /Medium	Medium/ High	<p>We are able to distribute our product from Leigh Creek using either our rail line, road freight or the Leigh Creek airport. Our ability to utilise these three modes of transport will mitigate against extreme weather events that will impact one of these supply routes. Additionally, the Leigh Creek airport can land commercial flights and is used as Adelaide's reserve airport. This provides security to move products as well as the ability to evacuate site staff in the case of an extreme weather event.</p> <p>We have mapped historical impacts to supply chains on rail and ports to determine what mitigation strategies will be necessary. As a result of these models, we are now committing to building storage capacity at the South Australian ports in addition to 2 months storage on site we can store up to 2-months' worth of supply that can be dispatched by either port, rail, or road.</p> <p>We will be exporting urea nationally and internationally, through our partners, Daelim. This will diversify the climates that NeuRizer's end customers operate within. So where one climate may be adversely impacted due to physical risk, we will still be able to sell product into another climate zone.</p> <p>We will be completing climate modelling over the 2022/2023 Financial Year to further analyse what physical risks we could be impacted by due to climate change. Based on the findings of this work we will develop any necessary additional risk mitigation strategies.</p>	Medium

Climate-related Opportunities

Table 4: Climate-related opportunities

Climate-related Opportunities	Potential Financial Impacts	Time Horizon	Materiality
NRUP will be a resource self-reliant facility	The NRUP is a resource self-reliant facility with all inputs required for the manufacture of urea coming from the site itself. Therefore, our urea production facility, from an input perspective, is not exposed to supply chain risks, which include climate-related impacts.	Short	Medium
Sale of urea into global markets	We will produce urea that will be distributed globally. International off-takers will de-risk the urea contracts if the Australian market is affected by a climate-related event, as they will operate in different climate locations and under different governmental controls and may be influenced by CBAM.	Long	High
Ability to sell a premium carbon neutral urea	By manufacturing a certified carbon neutral urea, we will be able to sell our urea as a premium product allowing us to sell our urea at a premium price.	Medium	High
Competitors slow to make ESG commitments	With any future carbon taxes and with customer purchasing trends changing there is an opportunity for us to have an early adopter's advantage and corner the fertiliser market with our carbon neutral urea offering	Medium	High
Access to insurers providing lower premiums to organisation with proven ESG commitments	With our commitment to the ESG program, carbon neutral certification and TCFD reporting we will have access to a greater pool of potential insurers.	Short	High
Diversified product offering	We will be selling electricity and have the ability to sell our hydrogen as a standalone commodity rather than manufacturing urea.	Long	High
Federal Government support of CCS Technology	Australia's Federal Government are public advocates and supporters of Carbon Capture and Storage Technology. Support for our technology from our Federal Government provides long-term certainty and support for NeuRizer in Australia.	Medium	High
Availability of modern technologies	With a transitioning economy, we expect to see reduced operating costs and decarbonisation of our supply chain with the uptake of EVs, and the electrification/decarbonisation of locomotives and shipping. The decarbonising economy is also providing us with access to economically feasible CCS technology.	Medium	High
Primary producers looking to reduce scope 3 emissions	We are expecting to experience a market preference for our low carbon/carbon neutral urea as the global agricultural industries look to decarbonise. This has been foreshadowed in public announcements by major agricultural producers, retailers and processors.	Medium	High
Australian market shift to local manufacturers	As supply chains are being affected by climate change, we expect organisations to shift their purchasing habits by seeking to de-risk their supply chain and shield themselves from the effects of international markets and climate events.	Medium	High
Low-emission electricity	We are exploring the sale of low-emission electricity to generate revenue during Stage 1 while the urea facility is under construction.	Short	Medium/High

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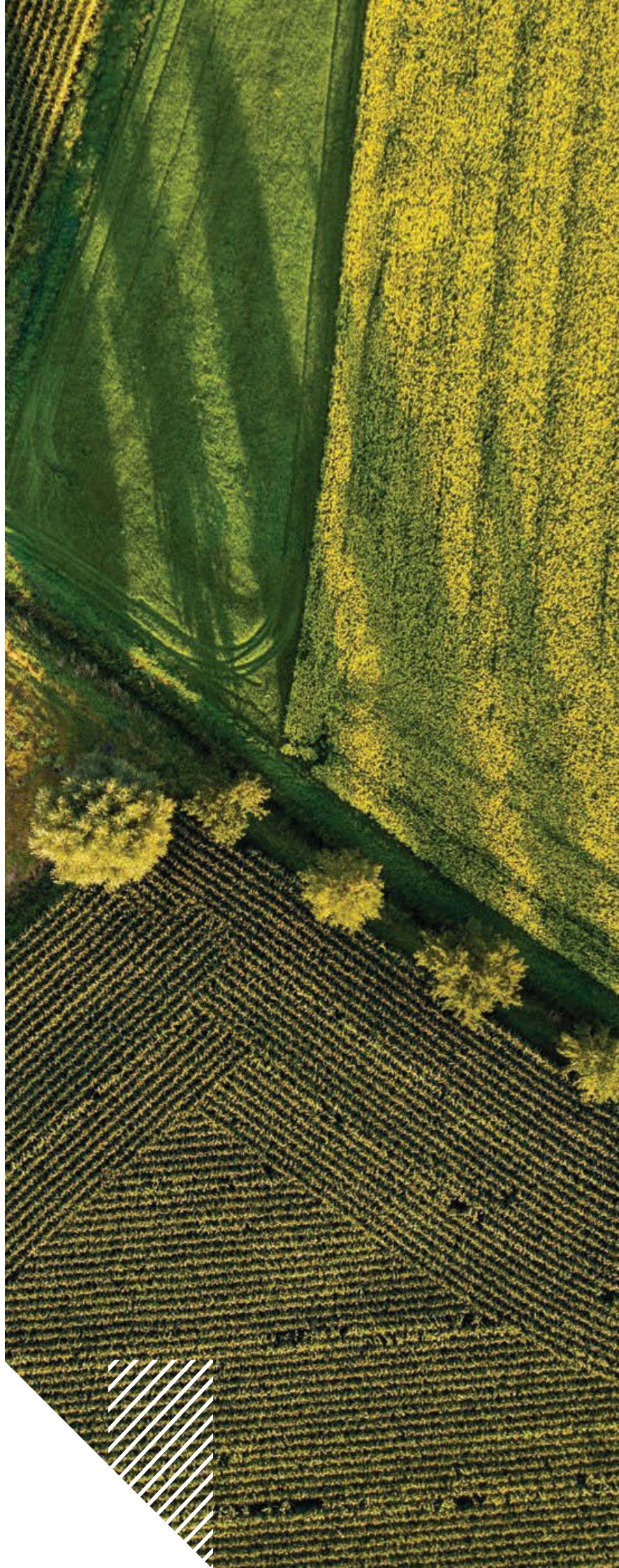
Climate-related Opportunities	Potential Financial Impacts	Time Horizon	Materiality
Carbon Pricing	The impact of government regulations is uncertain at the moment. The likelihood of a carbon pricing mechanism is high. We will have the carbon neutral product which will benefit from this. The overall impact can only be quantified once the regulations are in place.	Medium/Long	Low
Participate in renewable energy markets	We are exploring opportunities to create additional revenue by using the vacant land around the NRUP to generate and sell renewable energy.	Medium	Medium
Access to new and emerging markets	The international demand for urea is likely to increase with the increasing demand on food supply, these increases will provide a strong price signal moving forward.	Long	High
Stranded assets that can be repurposed	International coal demand is decreasing which provides us with an opportunity to deploy our technology at abandoned or decommissioned coal mines.	Long	High

Risk Management

We believe that climate-related risks should be treated as all other organisational risks, as climate change poses as much risk to our organisation as any other operational risk. Our Climate Change Risk Register is governed by our Risk Management Policy and so all climate-related risks are subject to equal scrutiny and materiality rankings as used for our Corporate Risk Register. This policy governs how we identify, rank, manage, control and monitor all our risks, including climate-related risks.

In a transitioning globe, we are experiencing rapid changes in regulatory risks to our business. While actively managing any existing regulations, we work closely with our carbon specialists, EnergyLink Services, and are members of the Carbon Market Institute (CMI). EnergyLink Services has a working knowledge of the Australian Government's NGER scheme and Safeguard Mechanism and supports us in ensuring all commitments under these reporting mechanisms will be adhered to as we expand. The CMI is an Australian based industry association that informs its members on national and international carbon policy developments while advocating on behalf of their members. These two organisations will ensure we are aware of any changes in legislation or regulations and meet any relevant legislative requirements.

Staying ahead of the curve



Metrics and Targets

We are committed to actively monitoring our scope 1, 2 and 3 emissions from NRUP FEED phase through to the operation of the NRUP. We believe that disclosure and transparency around our impacts on climate change are critical to holding ourselves accountable and bringing reduction activities to the front of mind.

We are a carbon neutral organisation certified under the Australian Government's Climate Active program. As the certification is governed by the Australian Government, the carbon neutral claim comes with all the corresponding levels of rigour, robustness, and validity. On an annual basis our Scope 1, 2 and 3 emissions inventory is completed and submitted to the Australian Government, with a detailed breakdown of our GHG emissions detailed in our Public Disclosure Statement (PDS) which can be found via this [link](#). In the financial year 2021/2022 our carbon inventory was 4,972 tCO₂e of which 98% was Scope 3 emissions.

NeuRizer reports on its Scope 3 emissions resulting from the design and engineering of the NRUP. These emissions include professional services related to the engineering design of the plant, environmental services related to site testing, project management services and the process of obtaining the necessary licensing and approvals, to name a few.

While Scope 1 and 2 emissions only account for 2% of our total emissions profile at this point in time, it is expected that this profile will shift significantly as each stage of the NRUP is commissioned



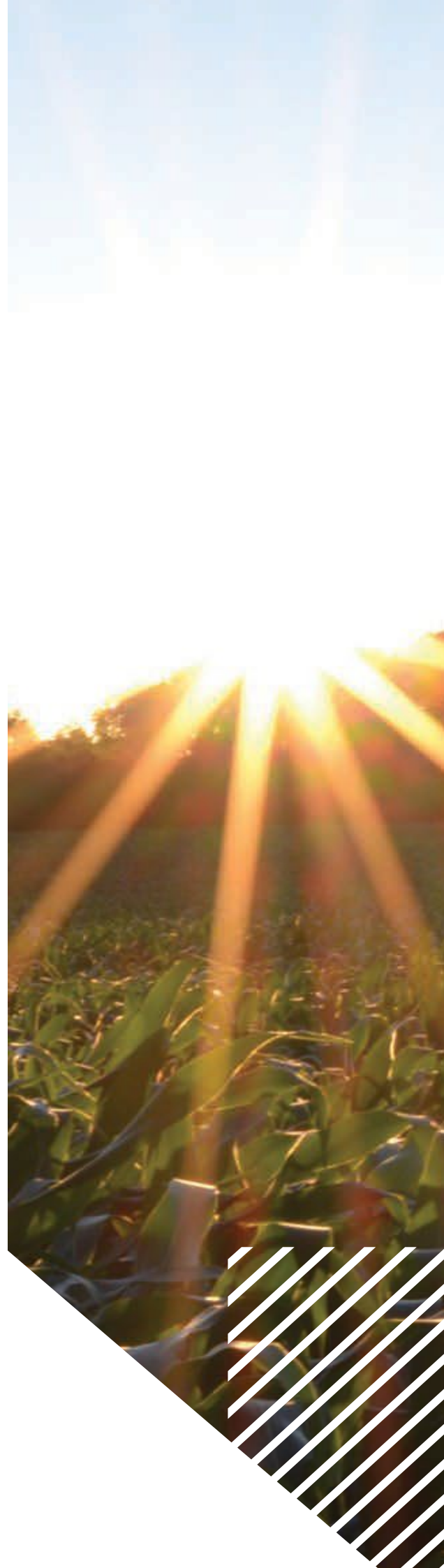
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and relevant design works are completed. We are completing monthly carbon inventories so we can closely track our emissions during these initial stages as our organisation's GHG emissions profile is expected to change significantly as we go from the design and construction phase to the operation of NRUP Stage 1. This information will be used to enable us to identify and reduce emissions where possible throughout the construction phases of NRUP.

Our evolving emissions profile means it not feasible to set time-bound reduction targets and operating metrics at this stage of development. Once the NRUP urea plant is operational there will be tangible resources used/manufactured to enable us to track metrics and set time-bound targets against those metrics. We have assessed our future operations and expect to use the following metrics to track GHG emissions and set time bound emission reduction targets against:

- **Urea emissions intensity:** GHG emissions per tonne of urea produced.
- **Electricity production emissions intensity:** GHG emissions per kWh of electricity produced.
- **Transportation emissions intensity:** GHG emissions per tonne of transported urea.

While our current operational stage does not allow for emission reduction target setting, it is our absolute commitment to manufacturing a carbon neutral urea for domestic and international markets. It is this commitment that will underpin all business decisions and strategies to ensure we achieve this outcome. We believe we are engineering a facility that will operate at the lowest emissions intensity.



Next Steps

While we have made considerable progress with how we identify and manage climate-related issues as they would impact NeuRizer we know that reporting under the TCFD framework is an iterative approach and will require constant, diligent management to ensure we continue to remain resilient to climate change. We have summarised our commitments to each TCFD pillar over the next 12-months in this report. As we move through the Financial Year 2022/2023, we are planning to complete the following next steps under each TCFD pillar:

Governance

- Maintain Board oversight on climate-related issues using the policies set in place.
- Ensure the Executive Team manages identified climate-related risks and actively collaborates with their teams to identify any emerging risks.
- The Executive Team to include climate-related issues when developing strategy, business plans and budgets.

Strategy

- Work with our finance team to model the financial impact of the identified risks and opportunities.
- Complete climate modelling.
- Actively monitor the identified climate-related risks and opportunities.
- Work with our employees and third-party specialists to identify any emerging climate-related risks and opportunities.

Risk Management

- Continue to actively include climate-related risks into all active risk management practices.

Metrics and Targets

- Continue to track and monitor Scope 1, 2 and 3 GHG emissions.
- Identify and implement GHG emissions reduction activities where possible throughout the construction phases.
- Monitoring electricity metrics once the Stage 1 Power Plant is operational.

