

SUSTAINABILITY REPORT

of

JSC

“NAVOIYAZOT”

for

2025

IN ACCORDANCE WITH
IFRS SUSTAINABILITY DISCLOSURE
STANDARDS (IFRS SDS) TAKING
ACCOUNT OF TRANSITIONAL
PROVISIONS



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List of Abbreviations and Acronyms

Abbreviation	Definition
ABHM	Absorption lithium bromide chiller (absorption chiller). Equipment for generating cooling by utilizing excess heat energy.
IFRS	International Financial Reporting Standards (IFRS). A set of international rules for the preparation and disclosure of companies' financial statements
NDC	Nationally Determined Contribution. Countries' national commitments to reduce emissions and adapt under the Paris Agreement
PVC	Polyvinyl chloride
BAU NDC (Business as Usual Nationally Determined Contributions)	Reduction in emissions relative to the baseline scenario
CBAM (Carbon Border Adjustment Mechanism)	The EU mechanism for imposing a carbon levy on imported products with a high carbon footprint
CCUS (Carbon Capture, Utilization and Storage)	Technologies for capturing, utilizing and long-term storing carbon dioxide
ERM (Enterprise Risk Management)	Risk management system at the company-wide level
ESG (Environmental, Social, Governance)	An approach for evaluating companies against environmental, social and governance criteria
GHG Protocol	An internationally recognized standard for accounting, calculating and reporting greenhouse gas emissions
IFRS S1/S2 (International Financial Reporting Standards Sustainability Disclosure Standards)	International sustainability disclosure standards: S1 - general requirements, S2 - climate-related disclosures
IPCC (Intergovernmental Panel on Climate Change)	An international panel of UN experts assessing scientific data on climate change
KRI (Key Risk Indicator)	Indicators used to monitor and assess the level of risks and their dynamics.
PPA (Power Purchase Agreement)	A long-term agreement between an electricity producer and purchaser
REACH (Registration, Evaluation, Authorization and Restriction of Chemicals)	An EU regulation governing the production and use of chemical substances
SBTi (Science Based Targets initiative)	An international initiative helping companies set science-based emission reduction targets

About the Report

IFRS S1.72, IFRS S1.E5, IFRS S1.77–78, IFRS S1 20

Joint-Stock Company “Navoiyazot” (hereinafter – JSC “Navoiyazot”, the Company) presents the Sustainability Report for 2025 (hereinafter – the Report).

This Report is the first report of JSC “Navoiyazot” prepared taking into account the requirements of IFRS (International Financial Reporting Standards) S1 “General Requirements for Disclosure of Sustainability-related Financial Information” and IFRS S2 “Climate-related Disclosures”.

In accordance with Decree of the President of the Republic of Uzbekistan No. UP-16 dated 30 January 2025 and Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 221 dated 4 May 2026, JSC “Navoiyazot” is carrying out a phased implementation of the International Sustainability Disclosure Standards (IFRS Sustainability Disclosure Standards, IFRS SDS).

This disclosure has been prepared with the aim of providing investors and other stakeholders with comparable, consistent and decision-useful information about climate-related risks and opportunities that could affect the Company's cash flows, its access to financing, cost of capital and creation of long-term value.

Since 2025 is the first year in which the Company applies the IFRS SDS standards, JSC “Navoiyazot” has made use of the transitional relief provided, under which only information on climate-related risks and opportunities is disclosed in the first reporting period.

The Report has been prepared in respect of the same group of entities and for the same reporting period as the consolidated financial statements of JSC “Navoiyazot” for the year ended 31 December 2025.

The financial indicators disclosed in the Report are based on the IFRS financial statements for 2025, which were audited by KPMG Audit LLC in accordance with International Standards on Auditing.

About the Company

JSC “Navoiyazot” is one of the largest enterprises of the chemical industry in the Republic of Uzbekistan and Central Asia. The Company produces a wide range of chemical products, including mineral fertilizers and inorganic and organic chemical products used in agriculture, industry, construction, medicine and other sectors of the economy.

As at 31 December 2025, the Company's headcount amounted to 8,525 employees. The Company's production and management activities are carried out through a network of 102 structural units, including 60 workshops directly involved in the production process and 42 administrative units providing corporate governance, planning, control and support for the enterprise's activities. The range of core products manufactured includes 55 items.

Main product types: mineral fertilizers, ammonia, PVC, caustic soda and other chemical products.

For more than 60 years, JSC “Navoiyazot” has been supplying the domestic market with sought-after chemical products and developing export supplies, making a significant contribution to the development of the chemical industry and the industrial potential of the Republic of Uzbekistan.

The Company's production facilities are located in the Navoiy region of the Republic of Uzbekistan. The region is characterized by a sharply continental climate with high summer temperatures, low precipitation, limited water resources and significant seasonal temperature fluctuations. These natural and climatic conditions are taken into account in the operation of production facilities, capital investment planning and ensuring the reliability of engineering infrastructure.

In the context of climate change, the Company pays special attention to the sustainability of production processes, the rational use of natural resources, improving energy efficiency and reducing environmental impact. Extreme weather events, including prolonged periods of heat and drought, may affect water supply, energy supply, the condition of production infrastructure and the resilience of supply chains.

In addition to physical climate factors, the Company takes into account transition risks associated with the development of environmental regulation, tightening requirements for climate information disclosure, and changing expectations of investors, financial institutions and other stakeholders.

In order to enhance business resilience, JSC “Navoiyazot” implements measures to modernize production facilities, improve energy efficiency, enhance environmental monitoring and introduce modern technological solutions. The Company views these areas not only as a risk management tool, but also as an opportunity to improve operational efficiency, strengthen competitiveness and create long-term value for stakeholders.

Key Company Results

No	Indicators	2023	2024	2025
Production Indicators				
1	Ammonia, thousand tons	681,955	750,93	783,333
2	Nitric acid, thousand tons	609,683	655,003	629,145
3	Ammonium nitrate, thousand tons	744,884	766,254	717,051
4	Urea, thousand tons	491,511	579,919	585,905
5	Other products, thousand tons	273,322	288,887	356,285
	Total, thousand tons	2 801,355	3 040,993	3 071,72
Economic Responsibility				
1	Revenue, UZS billion	4 779,07	5 816,97	7 640,85
2	Net profit, UZS billion	28,39	81,10	642,64
3	Taxes paid, UZS billion	616,91	530,93	704,19
4	Wages and other employee payments and benefits, UZS billion	468,07	602,96	742,135
Environmental Responsibility				
No	Indicators	2023	2024	2025
1	Environmental protection expenses, UZS million	3 933,75	7 699,75	7 634,43
2	Volume of pollutant emissions into the atmosphere, tons	4 837,04	4 812,03	5 218,67

3	Volume of greenhouse gas emissions, thousand tCO ₂ -eq.	2 030,857	2 067,35	1 981,539*
4	Volume of water withdrawn, thousand m ³	31 364,315	21 707,814	23 359,054
Social Responsibility				
1	Headcount of employees, persons	8 611	8 494	8 585
2	Staff turnover, %	3,4	4	3,7
3	Number of new hires, persons	192	226	341
4	Number of persons covered by the occupational health and industrial safety management system	8 611	8 494	8 585

Key Events of 2025

Month	Key Events
February	A project for the production of technical gases worth USD 17.5 million was commissioned, aimed at expanding production capacity and launching new products. The “Most Active Woman Innovator” competition was held, contributing to the development of an innovation culture and support for women's leadership.
March	Specialists from the European Bank for Reconstruction and Development visited the enterprise. During the meetings, prospects for cooperation with Linde on the construction of an air separation unit were discussed.
April	Work began on developing a water supply project jointly with TAQA Water Solutions (UAE) with a total value of USD 20 million. A memorandum of cooperation was signed with Navoiy State University, providing for the development of integration between science and production, as well as the improvement of the training system for young specialists based on the principles of dual education. Together with the German Society for International Cooperation (GIZ) and the Nitric Acid Climate Action Group (NACAG), issues relating to the implementation and financing of a project to reduce nitrous oxide emissions in nitric acid production were discussed. Abbos Akhtamov, a specialist from workshop No. 920, took first place in the regional stage of the Uzbekistan Trade Union Federation's Chess Cup.
May	In honor of Chemist's Day, Company employees were awarded certificates of merit and commemorative gifts for their contribution to the development of the chemical industry.
June	A meeting between the Company's management and young employees was held, at which the achievements of employees actively participating in cultural, sports and professional events were recognized. For his significant contribution to the development of science and industry, Abror Aslonov was awarded the state medal “Kelajak bunyodkori” (“Builder of the Future”).
July	JSC “Navoiyazot” was recognized as one of the leaders in corporate governance and received the international “Leader in Governance Practices” award as part of the Chapter Zero Uzbekistan initiative. The research laboratory for water treatment and corrosion protection was modernized, improving the quality of analytical research and the effectiveness of production control.
August	The first stage of a project to organize the production of cyanide salts at JSC “Navoiyazot” was launched. The commissioning of the first phase of a modern, high-tech production complex achieved a capacity of 24 thousand tons of liquid sodium cyanide per year.
September	Representatives of the Italian company Aquaflex visited JSC “Navoiyazot” to discuss prospects for cooperation in modernizing production processes and introducing international standards and innovative solutions aimed at enhancing the Company's competitiveness. Issues relating to the development of international communications, ESG strategy and investor

	engagement were discussed with representatives of the international agency Montfort.
October	An agreement on cooperation was reached between JSC “NAVOIYAZOT”, the companies Vema S.A. and LanzaTech (EtOH), and the technology licensor LanzaJet for the joint development of a project to produce ethanol and Sustainable Aviation Fuel (SAF) in the Republic of Uzbekistan. Prospects for implementing a project to recover and reprocess spent mercury catalysts were discussed with representatives of the Chinese company Beijing Jinshengyuan New Energy Technology. The Company allocated more than UZS 6 billion for the major overhaul of preschool educational institution No. 23 in the city of Navoiy. Implementation of the air separation unit construction project continued jointly with the German company Linde. In honor of World Standards Day, as part of the “Exhibition of Innovative Ideas and Developments in Standardization, Metrology and Conformity Assessment”, JSC “Navoiyazot” was awarded a certificate as winner of the “Quality Award” competition. With the participation of public representatives, the installation of 28 automatic air quality monitoring stations in Navoiy and Karmana district was completed.
November	17 employees of the enterprise received certificates for the international standard ISO 37001:2025. JSC “Navoiyazot” was recognized as the winner in the “Best Innovative Project” category at the IV International Congress and Exhibition “Nitrogen+Syngas. Uzbekistan and CIS”. More than 25 thousand elm saplings were planted on an area of 55 hectares in the “Uzumzor” tract.
December	A meeting was held between the management of JSC “Navoiyazot” and representatives of the Chinese company “Sinoma Energy Conservation”. Issues relating to the design of production processes, modernization, environmental safety, and the optimization of time, resources, labor costs and expenses were discussed.

Operating Model and Value Chain

IFRS S2 9(b)

JSC “Navoiyazot” produces mineral fertilizers, polymer products and chemical reagents for the domestic market of the Republic of Uzbekistan and for export.

The Company's operating model covers the full production cycle – from the procurement of raw materials, energy resources and other production resources to the production, storage, transportation and sale of finished products to consumers.

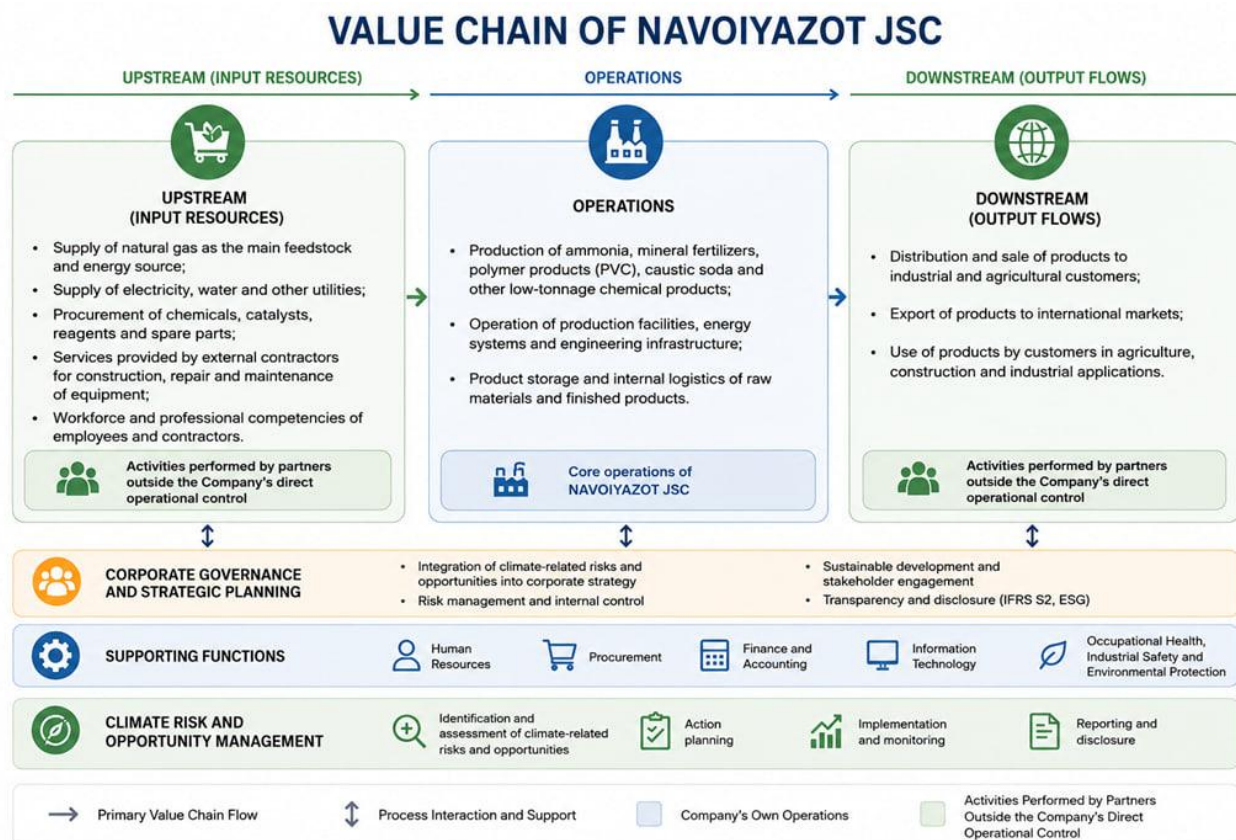


Figure 1. Value Chain of JSC “Navoiyazot”

Current and Expected Effects of Climate Risks and Opportunities

The Company views climate factors as one of the significant elements of the external environment capable of affecting individual links in the value chain. As part of the climate risk and opportunity management system, an assessment is carried out of their potential impact on suppliers, production processes, infrastructure, logistics and sales markets.

IFRS S1 32(a), IFRS S2 13(a)

For JSC “Navoiyazot”, the following factors are the most material:

Transition Climate Risks

- tightening of national regulation in the area of greenhouse gas emissions, including the introduction of quota and carbon taxation systems;

- the introduction and expansion of cross-border carbon regulation mechanisms in key export markets (including CBAM);
- an increase in the cost of electricity and natural gas as a result of changes in energy and carbon policy;

Physical Climate Risks

- an increase in average annual temperatures;
- an increase in the duration and intensity of periods of extreme heat;
- a shortage of water resources;
- an increase in maximum air temperatures

Climate Opportunities

- Deployment of energy-efficient and low-carbon technologies and solutions, including renewable energy
- Attracting investment for the deployment of low-carbon technologies and GHG emission reduction projects
- Use of green financing mechanisms
- Utilization of the excess volume of CO₂ generated during ammonia production

In the medium and long term, climate factors may affect the structure of operating costs, the volume of capital investments, technological development requirements and the competitiveness of the Company's products. For more details on the expected current and potential impacts of each material risk, see Section 2. Strategy.

Concentration of Climate Risks and Opportunities in the Value Chain

IFRS S1 32(b), IFRS S2 13(b)

The greatest concentration of climate risks and opportunities is observed at the stages of energy resource and raw material supply, production activities, and the implementation of investment projects to modernize production facilities.

Table 1. Distribution of Climate Risks and Opportunities in the Value Chain

Value Chain Link	Concentration of Climate Risks	Climate Opportunities
Procurement and Supply of Raw Materials and Resources	Shortage of water resources, rising cost of electricity and natural gas, supply disruptions due to extreme weather events	Improving energy efficiency, using low-carbon energy sources and developing a sustainable supply chain
Production Activities	High energy and carbon intensity of production, introduction of carbon regulation, impact of extreme temperatures on production processes	Modernization of production facilities, deployment of energy-efficient and low-carbon technologies, reduction of greenhouse gas emissions
Logistics and Transportation	Disruption of transport infrastructure due to climate impacts, tightening requirements for reducing emissions in the supply chain	Improving logistics efficiency and reducing the carbon footprint of transportation
Sales Markets and Export Operations	Tightening of climate regulation and requirements for the carbon footprint	Strengthening product competitiveness by reducing

	of products, including cross-border carbon regulation mechanisms (CBAM)	carbon intensity and improving the transparency of climate reporting
Investment Activities and Financing	Growing need for investment in decarbonization and climate change adaptation	Attracting green financing and implementing climate projects
Corporate Governance and Strategic Planning	Increasing requirements from investors and regulators for climate risk management and disclosure	Integration of climate factors into the management system, strategic and investment planning

The main concentration of climate risks falls on the stages of energy and water resource supply, as well as on production activities characterized by high energy intensity and significant greenhouse gas emissions. At the same time, the greatest climate opportunities are associated with implementing projects to improve energy efficiency, modernize production facilities, reduce greenhouse gas emissions and attract sustainable financing.

The Company takes these risks and opportunities into account in strategic planning, risk management and investment decision-making, which contributes to improving the resilience of the operating model and value chain amid climate change and the transition to a low-carbon economy.

1. Corporate Governance

IFRS S1.27(a(i)), IFRS S2.6(a) S2.6(b)

Approach to Corporate Governance

JSC “Navoiyazot” adheres to the principles of transparency, accountability, responsibility and the long-term creation of value for shareholders and other stakeholders. The Company's corporate governance system is aimed at ensuring sustainable business development, effective risk management, compliance with legal requirements, protection of shareholders' interests, and the integration of environmental, social and governance (ESG) aspects into decision-making processes.

The Company's corporate governance is built on the basis of the legislation of the Republic of Uzbekistan, the Company's Charter, the Corporate Governance Code and internal regulatory documents.

The supreme governing body is the General Meeting of Shareholders, which exercises strategic oversight over the Company's activities through an elected Supervisory Board. Executive management of current operations is carried out by the Company's Management Board.

Corporate Governance Structure

The corporate governance system of JSC “Navoiyazot” includes the following governance and control bodies.



Figure 2. Corporate Governance Structure of JSC “Navoiyazot”

General Meeting of Shareholders

IFRS S1 27 (a(ii)-(v)), IFRS S2 6 (a(ii)-(v))

The supreme governing body of JSC “Navoiyazot” is the General Meeting of Shareholders, whose activities are governed by the “Regulation on the General Meeting of Shareholders”, developed on the basis of the Law of the Republic of Uzbekistan “On Joint-Stock Companies and Protection of Shareholders' Rights” and other applicable legal acts. The sole shareholder of JSC “Navoiyazot” is the Ministry of Economy and Finance of the Republic of Uzbekistan, which owns 100% of the Company's shares.

The General Meeting of Shareholders considers matters of sustainable development and climate change within its competence, including when approving strategic, reporting and corporate documents. Relevant materials, including sustainability reporting and other strategic documents, are prepared by the executive body and preliminarily reviewed by the Supervisory Board in accordance with the established procedure.

The competence of the General Meeting of Shareholders includes reviewing and approving the Company's annual report, making decisions on profit distribution, electing members of the Supervisory Board, and considering other matters provided for by legislation and the Company's internal documents. Within the framework of reviewing the annual report, the shareholder may be provided with information on material results of the Company's activities, including implemented measures and sustainability indicators. This corporate governance structure is aimed at ensuring transparency, active shareholder engagement and support for strategic sustainability goals.

The Annual General Meeting of Shareholders is held at least once a year, no later than six months after the end of the financial year. Extraordinary General Meetings of Shareholders are convened as necessary, in the cases and in accordance with the procedure provided for by legislation and the Company's internal documents.

During 2025, the Company's sole shareholder adopted five resolutions on strategic and corporate matters. The resolutions adopted concerned, in particular, the approval of the Company's new organizational structure, approval of the annual financial statements and distribution of net profit for 2024, and liability insurance for members of the Supervisory Board and governing bodies of JSC “Navoiyazot”.

In 2025, no separate procedure was formally established for presenting information on climate risks and opportunities to the General Meeting of Shareholders, nor was the frequency of considering related matters formally set. Such information could be considered as part of the annual reporting and other materials submitted to the shareholder within its competence.

The General Meeting of Shareholders does not carry out ongoing monitoring of the Company's climate risks, opportunities and target indicators. Oversight functions for these matters, monitoring the implementation of decisions taken, and reviewing information submitted by the executive body fall within the competence of the Supervisory Board and are disclosed in the following section of the Report.

In accordance with Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 276 dated 29 April 2025, as well as instructions of the Cabinet of Ministers and the Agency for Management of State Assets of the Republic of Uzbekistan, JSC “Navoiyazot” ensures disclosure of information on the composition and changes in governing and supervisory bodies on the official platform kpi.davaktiv.uz.

1.1 Functions and Responsibilities of the Supervisory Board

IFRS S1 27 (a(ii)-(v)), IFRS S2 6 (a(ii)-(v))

The Supervisory Board of JSC “Navoiyazot” exercises general oversight of the Company's activities within the powers established by the legislation of the Republic of Uzbekistan, the Charter and the Company's internal documents. Its competence includes determining the Company's strategic development priorities, reviewing long-term development programs, investment projects and business plans, overseeing the risk management and internal control system, and monitoring the activities of the executive body.

In 2025, the Supervisory Board's powers to oversee sustainability matters, including climate risks and opportunities, were not separately established in the Charter and the Company's internal documents. At the same time, matters relating to sustainable development, energy efficiency, environmental protection, occupational health, industrial safety and production modernization were considered by the Supervisory Board within the framework of its existing strategic, investment and control powers.¹

When reviewing investment projects, modernization programs and energy efficiency measures, the Supervisory Board took into account information provided by the executive body on the production, environmental and economic aspects of the relevant decisions. At the same time, no separate formalized procedure for assessing the climate implications of strategic and investment decisions, including analysis of the interrelationship and possible trade-offs between climate, financial and production factors, was applied in 2025.

During 2025, 9 meetings of the Supervisory Board were held, at which key corporate, financial, investment and organizational matters were considered.

On 10 December 2025, at a meeting of the Supervisory Board of JSC “Navoiyazot”, matters directly relating to the sustainability agenda were considered for the first time. Matters in the area of ESG, as well as draft Occupational Health and Industrial Safety Policy and Environmental Protection Policy, were presented to the members of the Supervisory Board. Consideration of these matters was documented in the minutes of the Supervisory Board meeting dated 10 December 2025, No. 226.

During the reporting period, the Company's Climate Strategy was in the process of development. Accordingly, individual climate targets, a procedure for regularly monitoring their achievement, and corresponding reporting to the Supervisory Board had not been approved.

In 2026, the Company plans to formally establish the powers of the Supervisory Board and its committees in the area of sustainable development and climate change, including the procedure for reviewing climate risks and opportunities, informing governing bodies, and monitoring the achievement of established targets.

¹ After the reporting date, on 4 May 2026, Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 221 was adopted, establishing requirements for the distribution of functions in the area of sustainable development and ESG between the Supervisory Board, the Audit and Risk Management Committee, and the executive body. Updating of internal documents and the mandates of governing bodies to reflect the requirements of Cabinet of Ministers Resolution No. 221 is planned for implementation in 2026.

Composition of the Supervisory Board in 2025

No	Full Name	Position (field of education)
1	Temirov Odil Shukurovich	<i>Chairman of JSC “Uzkimyo sanoat”</i> (Tashkent Chemical-Technological Institute, Chemical Technology and Biotechnology; Oil and Gas Processing and its Chemical Technology)
2	Safarov Shokhruxh Abdugaffarovich	<i>Head of the Tax and Customs Policy and Revenue Forecasting Department of the Ministry of Economy and Finance of the Republic of Uzbekistan</i> (Westminster International University in Tashkent, Specialist in International Business Management; University in the USA, Master's degree)
3	Yusupov Ural Sadullaevich	<i>Deputy Minister of Mining Industry and Geology of the Republic of Uzbekistan</i> (Navoiy State Mining Institute, Mining Electromechanics; S. Ordzhonikidze Russian State Geological Prospecting University, Mining Equipment and Technology)
4	Radjabov Bakhtiyorjon Muhammadjanovich	<i>Head of the Division for Strategic State-Owned Enterprises of the Department for Privatization and Transformation of State Assets of the Ministry of Economy and Finance of the Republic of Uzbekistan</i> (Tashkent Financial Institute, Economist; Academy of Public Administration under the President of the Republic of Uzbekistan, International Economic Relations)
5	Wahid Tawtik	<i>Independent Member</i> (Doctor of Engineering Sciences in Chemistry, PhD on the topic “Design of optimal fuel grade ethanol recovery system using solvent extraction” Master of Chemical Engineering on the topic “Efficiency of ethanol extraction from aqueous mixtures”, Georgia Institute of Technology, USA Bachelor's degree in Chemical Engineering, Cairo University, Egypt)
6	Alditas Saulius	<i>Independent Member</i> (International Business School of Vilnius University jointly with St. John's University, New York, USA, in International Business Radiophysics, Vilnius University, Vilnius, Lithuania)

1.1.1 Committees of the Supervisory Board

IFRS S1.27(a)(i), (iv); IFRS S2.6(a)(i), (iv)

To improve the effectiveness of the Supervisory Board's activities, ensure high-quality preparation of decisions, and preliminary review of matters within its competence, the Company operates specialized committees.

The Strategy and Investment Committee reviews the Company's key development directions, investment projects, modernization programs and long-term business development matters.

The Audit Committee oversees the reliability of financial reporting and the effectiveness of the internal control, risk management, and internal and external audit systems.

The Nomination and Remuneration Committee reviews matters relating to the formation of the talent pool, the appointment of executives, performance evaluation and the improvement of the remuneration system.

The Ethics and Anti-Corruption Committee oversees compliance with the principles of corporate ethics, the prevention of corruption risks, and the development of a culture of good-faith conduct.

In 2025, individual powers of the committees for the preliminary review of sustainability matters, including climate risks and opportunities, were not formally established. Matters relating to investments in production modernization, improving energy efficiency, risk management and environmental aspects of operations could be considered by the relevant committees within the framework of their existing powers.

After the reporting date, on 4 May 2026, Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 221 was adopted, establishing requirements for the distribution of functions in the area of sustainable development and ESG between the Supervisory Board, the Audit and Risk Management Committee, and the executive body. These requirements cover matters relating to the integration of ESG principles into the Company's activities, risk and opportunity management, ensuring the quality of disclosed data, internal control, and reporting preparation.

As at 31 December 2025, the corresponding changes in the distribution of powers among the Company's governing bodies and committees had not yet been implemented. The updating of internal documents, committee regulations and the mandates of governing bodies to reflect the requirements of Cabinet of Ministers Resolution No. 221 is planned for implementation in 2026. The specific distribution of functions between the Supervisory Board, its committees and the executive body will be determined once the necessary work to bring the corporate governance system into line with the new regulatory requirements has been completed.

1.1.2 Competencies and Experience in Climate Matters

IFRS S1.27(a)(ii); IFRS S2.6(a)(ii)

When forming the composition of the Supervisory Board, the professional knowledge and experience of candidates in strategic management, finance, investment, industrial production, risk management and corporate governance are taken into account.

The professional experience of the members of the Supervisory Board allows them to consider matters relating to the development of production facilities, equipment modernization, improving energy efficiency, and managing investment and production risks. At the same time, a separate assessment of the competencies of Supervisory Board members specifically in the area of climate change and climate risk and opportunity management was not conducted in 2025.

In preparing specialized materials on sustainability and climate change matters, the Company draws on the knowledge and experience of relevant structural units, heads of relevant functional areas, and external experts and consultants.

In 2025, expert support for the governing bodies on climate matters was provided as part of the development of the Climate Strategy, with the involvement of external consultants and relevant Company units. Once the Climate Strategy has been approved, the results of the analysis carried out are planned to be used for regularly informing the Supervisory Board and the Management Board about climate risks, opportunities, target indicators, and

progress in implementing the planned measures.

As part of the further development of the corporate governance system, the Company also plans to determine the necessary set of competencies of governing bodies on sustainable development and climate change matters and to organize corresponding professional development.

1.1.3 Remuneration of the Supervisory Board

IFRS S2.6(a)(v), S2.29(g)(i-ii)

The remuneration system for members of the Supervisory Board is governed by the legislation of the Republic of Uzbekistan and the Company's internal documents. In accordance with it, remuneration for performing the duties of a Supervisory Board member is paid to independent members of the Supervisory Board. Other members of the Supervisory Board exercise their powers without receiving corresponding remuneration.

The Company also reimburses expenses associated with the participation of Supervisory Board members in meetings and the performance of their duties, within the limits established by legislation and internal documents.

As at 31 December 2025, indicators related to reducing greenhouse gas emissions, achieving climate targets and implementing the Climate Strategy were not included in the remuneration system for Supervisory Board members. Accordingly, climate indicators did not affect the amount of remuneration paid to Supervisory Board members during the reporting period.

1.2 Functions and Responsibilities of the Management Board

IFRS S1.27(b); S2.6(b)(i)

The Management Board is the collegial executive body of JSC “Navoiyazot” and is responsible for the day-to-day management of the Company's activities, implementation of the approved development strategy, achievement of production and financial indicators, and execution of decisions of the General Meeting of Shareholders and the Supervisory Board.

As at 31 December 2025, the Management Board comprised seven members, including the Chairman of the Management Board, first deputy chairmen and deputy chairmen for key areas of activity.

The Chairman of the Management Board bears overall responsibility for the day-to-day management of the Company's activities, including matters relating to the Company's impact on the economy, environment and society. Responsibility for managing the economic and financial aspects of operations rests with the First Deputy Chairman of the Management Board for Finance, Transformation and Privatization. Matters of occupational health, industrial safety and environmental protection are coordinated by the relevant Company unit within its established competence.

In 2025, a separate position or committee at the Management Board level specifically authorized to manage climate risks and opportunities was not formally established. Climate-relevant matters were considered by the Management Board within the framework of existing operational management, environmental control, occupational health and industrial safety management, investment planning, energy efficiency improvement and production modernization processes.

The Management Board ensures the preparation of materials on sustainability, environmental impact, energy efficiency and climate risk matters for consideration by the Supervisory Board. During the reporting period, the Company began developing its Climate Strategy with the involvement of external consultants and relevant units. As part of this work, the results of the climate risk and opportunity assessment of JSC “Navoiyazot” were presented to the Management Board.

Once the Climate Strategy has been approved, the Management Board will be responsible for organizing the implementation of the planned measures, including managing climate risks, achieving environmental and climate targets, improving energy efficiency, and reducing the negative impact of

production activities on the environment.

Composition of the Management Board as at 31 December 2025

No	Full Name	Position (field of education)
1	Samadov Farrukh Khamzaevich	<i>Acting Chairman of the Management Board</i> (Tashkent Financial Institute, Finance, Bachelor's degree; Public Finance Management, Master's degree)
2	Vafoev Muhammadali Mirzoevich	<i>First Deputy Chairman of the Management Board for Production, Localization, Expansion of Industrial Cooperation and Information</i> (Navoiy State Mining Institute, Chemical Technology and Biotechnology, Bachelor's degree; Russian University of Chemical Technology, Chemical Technology and Biotechnology, Master's degree)
3	Jalilov Dilshodjon Dilmurodovich	<i>First Deputy Chairman of the Management Board for Finance, Transformation and Privatization</i> (Navoiy State Pedagogical Institute, English Language, Bachelor's degree; Tashkent Financial Institute, Banking)
4	Jurayev Nazirjon Khomidovich	<i>Deputy Chairman of the Management Board for Investments</i> (Navoiy State Mining Institute, Management, Bachelor's degree; Anglia Ruskin University, Investment and Economics in the Global Financial Market, Bachelor's degree)
5	Jurakulov Bakhtiyor Shermamatovich	<i>Deputy Chairman of the Management Board for Marketing, Sales and Procurement</i> (Navoiy State Mining Institute, Management, Bachelor's degree)
6	Turdiyev Umar Tilavovich	<i>Deputy Chairman of the Management Board for Capital Construction and Social Affairs</i> (Tashkent Institute of National Economy, Audit and Control in Consumer Cooperation) Academy of Public Administration under the President of the Republic of Uzbekistan, Fundamentals and Principles of Market Economy).
7	Shononov Akhmatillo Rakhmatilloevich	<i>Deputy Chairman of the Management Board for Logistics</i> (Tashkent Institute of Railway Transport Engineers, Order of the Red Banner of Labour, Operation and Repair of Railway Transport, Bachelor's degree)

1.2.1 Internal Controls and Procedures for Managing Climate Matters

IFRS S1.27(b)(ii); IFRS S2.6(b)(ii)

In 2025, a separate formalized system of internal controls and procedures specifically designed to manage climate risks and opportunities was under development. At the same time, certain elements of managing climate-relevant matters were applied within the framework of existing processes for

strategic planning, risk management, investment analysis, environmental control and operational activities.

As part of the development of the Company's Climate Strategy, with the involvement of external consultants possessing specialized expertise in climate risk assessment, decarbonization and reporting preparation in accordance with international disclosure standards, a Climate Risk Assessment Report for JSC "Navoiyazot" was prepared and presented to the Management Board.

As part of this work, a Climate Risk Assessment Report for JSC "Navoiyazot" was prepared and presented to the Management Board, including:

- identification of physical and transition climate risks;
- assessment of the likelihood of occurrence and potential impact of climate risks on the Company's operations;
- quantitative analysis of the financial implications of climate risks and opportunities under various development scenarios;
- assessment of existing climate risk management mechanisms;
- development of a list of measures to reduce greenhouse gas emissions and improve business resilience within the NDC and SBTi scenarios.

The key elements of the internal control system and climate management procedures are:

- regular monitoring of environmental and climate indicators;
- control of pollutant and greenhouse gas emissions;
- assessment of climate risks and opportunities in the implementation of investment projects;
- analysis of the energy efficiency of production processes;
- monitoring the implementation of environmental and climate measures;
- monitoring changes in climate legislation and regulatory requirements;
- conducting internal audits and monitoring compliance with environmental requirements;
- considering the results of climate risk assessments and management measures when making strategic and investment decisions.

The results of the climate risk assessment and proposed management measures are used as an analytical basis for developing the Climate Strategy and updating strategic plans, modernization programs and sustainability initiatives.

In 2025, regular reporting by the Management Board to the Supervisory Board on climate risks, opportunities, target indicators and the progress of climate measures was not formally established. Starting in 2026, information on material climate risks, opportunities and the results of sustainability measures will be presented by the Management Board to the Supervisory Board within the framework of an evolving corporate reporting system.

1.2.2 Remuneration of the Management Board

IFRS S2.29(g)(i)–(ii)

The remuneration system for members of the Management Board is aimed at ensuring the achievement of the Company's strategic goals and is based on the principles of transparency, fairness and performance.

The performance of Management Board members is assessed on the basis of a system of key performance indicators that includes financial and non-financial indicators. The assessment system includes indicators of financial stability, operational efficiency, digitalization, innovative development, environmental performance, energy efficiency, occupational health and industrial safety.

In 2025, individual key performance indicators were approved for each member of the Management Board and analyzed quarterly by the Supervisory Board.

At the same time, individual indicators directly related to the achievement of climate targets, the

reduction of greenhouse gas emissions, or the implementation of the Climate Strategy were not, during the reporting period, an independent basis for calculating the remuneration of Management Board members.

As at 31 December 2025, climate factors were not identified as a separate component in the remuneration system for Management Board members. Accordingly, the share of Management Board members' remuneration directly linked to climate indicators was 0% during the reporting period.

1.3 Management of Climate Strategy and Targets

IFRSS1.27(a)(iii)–(iv); IFRS S2.6(a)(iii)–(iv)

In 2025, JSC “Navoiyazot” began developing a Climate Strategy and a Roadmap for its implementation based on the results of the climate risk and opportunity assessment. This work was carried out with the involvement of external consultants and the Company's relevant units.

As part of the development of the Climate Strategy, key decarbonization directions were identified, physical and transition climate risks were assessed, the potential financial implications of climate risks and opportunities were evaluated, and a preliminary list of measures to reduce greenhouse gas emissions and improve the Company's resilience to climate impacts was formed. In preparing these measures, national climate benchmarks were taken into account, including approaches related to the NDC of the Republic of Uzbekistan, as well as SBTi.

During the reporting period, climate agenda matters were considered by the Management Board as relevant materials were prepared and as matters were included in meeting agendas. Consideration of matters by the Supervisory Board took place after the reporting date. A separate procedure and frequency for presenting information on climate risks, opportunities, targets and the progress of climate measures were not formally established in 2025.

The Supervisory Board considered matters relating to sustainable development, environmental protection, occupational health and industrial safety within the framework of its existing strategic, investment and control powers. On 10 December 2025, at a meeting of the Supervisory Board, matters in the area of ESG were considered, as well as draft Occupational Health and Industrial Safety Policy and Environmental Protection Policy.

The Management Board ensured the preparation of materials on climate matters, coordination of the work of relevant units, and interaction with external consultants as part of the development of the Climate Strategy. Once the Climate Strategy has been approved, the Management Board will be responsible for organizing the implementation of the planned measures, including improving energy efficiency, modernizing production facilities, reducing greenhouse gas emissions, rational use of natural resources, and improving the Company's resilience to climate impacts.

In 2025, the Company continued to implement initiatives related to improving the energy efficiency of production processes, reducing specific consumption of energy and water resources, modernizing equipment, and improving the environmental monitoring system. These measures were considered climate-relevant elements of existing modernization and operational efficiency improvement programs.

A separate formalized procedure for taking climate factors into account when making strategic and investment decisions, including analysis of possible trade-offs between financial, production and climate factors, was not applied in 2025. At the same time, the results of the climate risk and opportunity assessment are planned to be used when updating strategic plans, investment programs, production modernization measures and the risk management system.

Monitoring of the implementation of climate measures and the achievement of climate targets during the reporting period was under development, since the Climate Strategy and corresponding target indicators had not yet been approved. Once the Climate Strategy has been approved, the Company

plans to determine the procedure for monitoring climate targets, the allocation of responsibility for their achievement, and the format for regularly informing the Management Board and the Supervisory Board.

2. Strategy

2.1 Overview of Business Strategy

IFRS S2.14(a (i, ii, iv, v), S2.16 (c (i))

The business strategy of JSC “Navoiyazot” is focused on sustainable development through deeper natural gas processing, improved production efficiency and expansion of the product line. Key strategic priorities are ensuring the domestic market's supply of mineral fertilizers to support agriculture, growing export potential by entering new markets, and modernizing production facilities through the introduction of energy-efficient and more environmentally friendly technologies.

The Company seeks to diversify its products within the gas chemistry segment, reduce the carbon footprint of production processes, and improve operational resilience. The strategy also focuses on the rational use of resources, climate risk management, and the adaptation of business processes in line with sustainability principles and the requirements of international disclosure standards.

JSC “Navoiyazot” is implementing a comprehensive transformation strategy for the period 2025–2030, aimed at transitioning to a sustainable chemical company model. The main goal is to achieve the status of a global player (Top 100 by revenue) while simultaneously achieving radical decarbonization of production.

The strategy takes into account climate risks and opportunities associated with the global energy transition, tightening carbon footprint requirements (CBAM) and the need to comply with international environmental safety standards (REACH, ISO 14001).

Integration of Climate Factors into the Business Model

IFRS S2 14a (i, iv)

To minimize environmental impact and ensure competitiveness in “green” markets, JSC “Navoiyazot” integrates climate goals into its core investment processes:

- Technological modernization: The program is aimed at replacing outdated assets (from the 1970s) with energy-efficient equivalents. Key projects (modernization of ammonia, urea and nitric acid production) are designed to reduce the energy intensity of production, cut direct greenhouse gas emissions, and minimize raw material losses.
- Transition to low-carbon energy sources: An important element of the strategy is the construction of a 300 MW solar photovoltaic power plant with a 75 MW storage system. This project will reduce CO₂ emissions (Scope 2) by 210 thousand tons per year and reduce the share of fossil energy sources in the cost structure.
- Environmentally oriented investments: The Company prioritizes projects that ensure a closed-loop use of resources (for example, the construction of an absorption chiller unit for utilizing secondary heat) and wastewater treatment, in line with sustainability (ESG) criteria.

Integration of the climate agenda is regarded by management as one of the key factors for business resilience. As part of the strategy under development, JSC “Navoiyazot” prioritizes projects that ensure:

- Reduced carbon intensity: Compliance with CBAM requirements, which is a mandatory condition for preserving export potential to EU countries.
- Operational efficiency: Implementation of projects with a confirmed payback period (from 1 to 6.5 years) and significant reduction in energy costs.

JSC “Navoiyazot” applies a strategic planning approach focused on adapting to climate and regulatory changes. A key planning element is the use of scenario analysis. In particular, the Company applies the NDC 3.0 scenario of the Republic of Uzbekistan as its baseline, as it reflects the current and projected priorities of state climate, energy and industrial policy, and takes into account the Company's technological and investment constraints. Based on this scenario,

development directions were formed and potential trajectories for achieving climate targets were assessed. Planning takes into account the phased implementation of measures over the short, medium and long term and is used to prioritize investment initiatives aimed at reducing emissions, improving energy efficiency and operational resilience. This approach allows the Company to integrate climate aspects into decision-making processes and to assess the impact of climate risks and opportunities on its operations and financial performance.

2.1.1 Scenarios, Time Horizons and Key Assumptions

IFRS S2 22 a-b, S2.14 a (iv)

As part of implementing its business strategy, JSC “Navoiyazot” applies a structured approach to assessing climate risks and opportunities based on scenario analysis and the definition of time horizons. The use of different time horizons allows the Company's strategic priorities to be linked to the potential impact of physical and transition climate risks, and ensures the comparability of decisions taken with long-term sustainability goals.

For the analysis of physical climate risks, scenarios from the Intergovernmental Panel on Climate Change (IPCC) are used, including combinations of RCP2.6–SSP126, RCP4.5–SSP245 and RCP8.5–SSP585, covering a range from optimistic to stress climate conditions. The assessment is carried out over the time horizons of 2030, 2040 and 2050, where 2030 corresponds to the short-term period, and 2040–2050 allow medium- and long-term physical impacts to be taken into account.

For the assessment of transition climate risks, scenario assumptions are used based on the potential introduction of an Emissions Trading System (ETS) in Uzbekistan, with indicative commencement from 2028. Alternative regulatory development scenarios are considered, including Net Zero, Below 2°C and the baseline BAU (NDC) scenario, as well as assumptions about carbon price dynamics (based on POLES models and NGFS scenarios) and the energy balance through 2050.²³

To ensure a consistent approach to managing climate risks and opportunities, the Company applies uniform time horizons for planning measures to adapt to physical climate risks and mitigate transition risks. These horizons have been formed taking into account the results of scenario analysis and are aligned with the baseline NDC 3.0 scenario of the Republic of Uzbekistan used in strategic planning processes.

2024 has been adopted as the base period against which the dynamics of Scope 1 and Scope 2 greenhouse gas emissions are assessed, and progress toward target benchmarks is determined.

Key Assumptions Used in the Climate Risk Assessment

As part of the scenario analysis and assessment of the financial impact of climate risks, the Company used a number of key methodological assumptions to ensure the comparability of results and consistency of calculations:

- resource prices (electricity, water) are assumed to remain constant over the calculation periods;
- in the absence of data, averaged asset and production process parameters are used;
- the relationships between climate factors and financial indicators are modeled using simplified functional dependencies (including linear ones);
- standardized technological thresholds are adopted (e.g., temperature thresholds for cooling, performance levels under thermal loads);

² [POLES model: Global energy supply, demand, prices forecasting model.](#)

³ [NGFS Scenario Explorer](#)

- the staff structure for assessing heat-related risks is determined based on industry assumptions (including the share of employees working outdoors);
- in certain cases, an assumption of limited or no indirect financial effect is applied where the impact of the risk is local or operational in nature;
- calculations are performed at an aggregated level in the absence of detailed data for individual facilities;
- the assessment is aimed at reflecting the order of magnitude of the impact, without accounting for all possible secondary and behavioral effects.

IFRS S2.10(d)

The following time horizons are applied under this approach:

Short-term horizon (through 2030) - used for planning and implementing priority measures aimed at limiting the impact of climate risks and achieving interim indicators;

Medium-term horizon (through 2040) - covers the period of phased implementation of more complex solutions requiring additional development and resourcing;

Long-term horizon (through 2050) - corresponds to the period of structural changes aimed at ensuring the resilience of the Company's operations under low-carbon development and the achievement of carbon neutrality.

The application of these time horizons ensures the integration of scenario analysis results into strategic and investment planning processes, and enables the comparability of climate risk and opportunity assessments with national benchmarks and long-term development goals.

2.2 Climate Risks and Opportunities and Their Impact on the Business Model

2.2.1 Business Model and Value Chain

IFRS S2.13(a, b)

Climate risks and opportunities directly affect the business -model of JSC “Navoiyazot” through key elements of the value chain – from the supply of raw materials and energy to production and sales of products. These factors determine the level of costs, the resilience of operations, market access, and requirements from regulators and consumers.

As part of the value chain analysis, material climate risks and opportunities were identified for each of its segments, including their potential impact on operational processes, investment decisions and the Company's financial performance. The results of the analysis are presented in the table below.

Table 2. Climate Risks and Opportunities in the Value Chain of JSC “Navoiyazot”

IFRS S2.10(a, b), IFRS S2.13(a)

Value Chain Link	Type of Risk/Opportunity	Description	Impact on the Business Model
Procurement and Supply of Raw Materials and Resources	Physical risk (chronic)	Water shortage. Declining groundwater levels and drought in the Navoiy region.	Increased cost of production due to water procurement costs, reduced efficiency of heat exchangers, potential restrictions on production processes during periods of peak temperatures.
	Transition risk (market)	Increase in the cost of electricity and natural gas	Increased operating costs due -to higher electricity and gas prices resulting from the inclusion of a carbon surcharge in tariffs.
Production Activities	Physical risk (chronic)	Maximum temperature	Rising temperatures increase the load on equipment, causing malfunctions, downtime and increased cooling and maintenance costs.
Production Activities	Physical risk (chronic)	Cooling demand	Cooling efficiency decreases, water and energy consumption increases, which raises operating costs and requires modernization.
Production Activities	Physical risk (acute)	Extreme heat	Staff productivity decreases, safety costs increase and operational risks rise.
Logistics and Transportation	Transition risk (regulatory)	Impact of the carbon regulation system, national carbon regulation	Additional payments by the Company for greenhouse gas emissions.
Production Activities	Climate opportunity: Deployment of energy-efficient and low-carbon technologies and solutions, including renewable energy		Reduced dependence on external energy supplies and carbon surcharges, stabilization of energy costs and reduction of Scope 2 emissions.

Investment Activities and Financing	Climate opportunity: Use of green financing mechanisms		“Green” bonds and sustainable loans will enable Navoiyazot to finance decarbonization and the deployment of renewable energy. The use of green financing instruments may increase potential revenue and improve Navoiyazot's financial performance.
Investment Activities and Financing	Climate opportunity: Participation in international carbon unit trading mechanisms		Participation in offset projects under Article 6 of the Paris Agreement makes it possible to generate additional income from the sale of carbon units.
Sales of Products and Customer Engagement	Transition risk (regulatory)	The CBAM mechanism (EU carbon border tax).	Decline in export revenue or the need to reorient toward less profitable markets without eco-barriers.

Table 3. Concentration of Climate Risks and Opportunities in JSC “Navoiyazot”

IFRS S2.13(b)

Type of Concentration	Description
Geographic	A material concentration of physical climate risks is associated with the city of Navoiy, where the Company's sole production asset is located.
By Assets	The main concentration of risks falls on production assets (chemical plants, heat exchange and cooling equipment) that are sensitive to temperature changes and water resources. Assets with high energy intensity are exposed to transition risks associated with rising energy prices and carbon regulation. Opportunities are concentrated in the modernization of these assets (energy efficiency, deployment of renewable energy), which makes it possible to simultaneously reduce emissions and operating costs.

2.2.2 Acute Physical Risks

IFRS S2.9(a, b, d), S2.13(a, b), S2.15(a, b)

Acute physical risks represent high-intensity extreme weather events (including floods, extreme temperatures, dust storms, etc.) that occur suddenly and can cause significant, albeit short-term, disruptions to the operation of production assets and supply chains. For JSC “Navoiyazot”, the realization of such risks may lead to direct physical damage to infrastructure and equipment, disruptions to production and logistics activities, and risks to the health and safety of personnel. In addition, increased operating costs associated with emergency repair work and ensuring business continuity, delays in the implementation of investment projects, and a resulting potential decline in revenue are possible.

Extreme Heat

Extreme heat is a material physical climate risk affecting the stability of production processes, working conditions and the level of operating costs. This risk increases the load on production infrastructure and energy supply systems.

Table 4. Climate Risk Profile: Extreme Heat

Risk Name	Extreme Heat
Risk Concentration Segments IFRS S2.13(b)	The climate risk assessment was carried out with respect to two key production facilities of the Company: JSC “Navoiyazot” and the polypropylene bag production workshop located in Kanimekh district. Given the geographic proximity of the facilities and their location within a single climate zone, the impact of climate risks was considered at the level of this region of the Company's presence. Both facilities form a single climate risk concentration segment within this analysis.

Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	This risk relates to the medium- and long-term horizon: its financial impact begins to manifest from 2040 and intensifies by 2050 (see the “Expected Financial Effects” row for details)
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Extreme heat has a direct impact on the business -model through reduced labor efficiency and increased operating costs. At the value chain level, costs of ensuring safe working conditions increase (occupational health, cooling, water supply), and there are risks of downtime, delays in completing work, and reduced quality of operations. This affects production processes (core operations), support functions (HSE, HR) and may lead to the redistribution of schedules and resources.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	SSP1-RCP2.6: USD 589.8–869.7 thousand SSP2-RCP4.5: USD 630.7–1,315.4 thousand SSP5-RCP8.5: USD 755.9–1,824.3 thousand⁴ Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions	Projects that improve the resilience of technological processes and energy supply under high temperatures: upgrading Sinoma pumps (soft start and reduced equipment wear under temperature loads), construction of a 300 MW solar photovoltaic power plant + 75 MW storage system (ensuring stable power supply to critical units during periods of grid overload). In addition, measures are being implemented to adapt working conditions and infrastructure operation to high temperatures, including maintaining the standard temperature regime in production, administrative and support premises, equipping control points with air conditioning systems, and introducing procedures for monitoring weather conditions and limiting the duration of outdoor work during extreme heat.

⁴ The range presented reflects the expected financial impact of the climate risk: the lower bound corresponds to the short-term horizon (through 2030), and the upper bound to the long-term horizon (through 2050).

Planned Risk Management Actions	A project is planned to introduce an absorption chiller unit that ensures the maintenance of stable process temperature regimes during periods of extreme heat, which reduces the likelihood of process deviations and, as a result, minimizes the need for unplanned manual intervention by personnel under conditions of increased heat load.
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2.2.3 Chronic Physical Risks

IFRS S2.9(a), S2.13(a, b), S2.15(a, b), S2.10(b)

Chronic physical risks are caused by long-term changes in climatic conditions, including a gradual increase in average annual temperatures, changes in precipitation patterns, increased aridity, soil degradation and reduced availability of water resources. Unlike acute risks, these processes develop gradually and do not cause immediate disruptions; however, in the longer term they can have a material impact on the functioning of production infrastructure, the reliability of water- and energy supply, and asset operating conditions.

The impact of such risks is reflected in an increased burden on operational processes, deteriorating working conditions and increased requirements for ensuring industrial safety. In addition, chronic climate change leads to higher costs for maintaining facilities in working condition, the need to adapt engineering and technological solutions, and an increased need for investment aimed at improving the resilience of the Company's assets.

The maximum temperature risk represents the most material financial impact among all the risks considered. The upward trend persists across all time horizons, and the cost level remains the highest, underscoring the criticality of this factor for the stability of production processes.

Cooling demand is characterized by a steady increase in financial impact as temperatures rise. Costs increase in each successive time horizon, particularly under higher climate scenarios.

Water shortage does not manifest in all scenarios, but when it does occur, there is a sharp increase in financial pressure in the medium and long term, by 2040–2050. This risk is associated with additional costs for ensuring uninterrupted water supply and preventing process downtime.

Maximum Temperature

The rise in maximum temperatures is a physical climate risk that increases the temperature load on key production assets and infrastructure, affecting equipment stability and increasing energy consumption and maintenance requirements.

Table 5. Climate Risk Profile: Maximum Temperature

Risk Name	Maximum Temperature
Risk Concentration Segments <i>IFRS S2.13(b)</i>	The climate risk assessment was carried out with respect to two key production facilities of the Company: JSC “Navoiyazot” and the polypropylene bag production workshop located in Kanimekh district. Given the geographic proximity of the facilities and their location within a single climate zone, the impact of climate risks was considered at the level of this region of the Company's presence. Both facilities form a single climate risk concentration segment within this analysis.

Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	This risk relates to the medium- and long-term horizon: its financial impact begins to manifest from 2040 and intensifies by 2050 (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	The rise in maximum temperatures has a material impact on the Company's business -model through increased operating costs, reduced efficiency and reliability of production processes, and a higher frequency of unplanned shutdowns and equipment repairs. Increased thermal load on key production assets (including ammonia and urea units) requires additional resources for cooling, maintenance and energy consumption, affecting product cost. In the value chain, this manifests as reduced production stability, a potential decrease in output volumes, higher costs for ensuring uninterrupted operations, and the need to adapt infrastructure and technological processes to changing climatic conditions.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	This risk represents the most material financial impact among all the risks considered. The upward trend persists across all time horizons and scenarios, and the cost level remains the highest. SSP1-RCP2.6: USD 984.0–4,020.6 thousand SSP2-RCP4.5: USD 984.0–5,092.6 thousand SSP5-RCP8.5: USD 1,112.7–7,205.9 thousand Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Projects that reduce the sensitivity of production processes to peak temperature regimes through energy efficiency and infrastructure resilience: replacement of the Linde air separation unit (reducing energy consumption and the system's thermal load); upgrade of Sinoma pumping equipment (optimizing equipment operation under peak loads); construction of a solar photovoltaic power plant with storage (reducing dependence on unstable external power supply during temperature peaks).
Planned Risk Management Actions	In order to reduce the sensitivity of production to peak temperature regimes, a set of measures is planned to modernize key technological units, including digitalization and automation of

<i>IFRS S2.14(a)(ii)</i>	process control in ammonia, urea and nitric acid production, replacement and upgrading of critical components sensitive to overheating, and improving the energy efficiency of technological regimes. Additionally, the modernization of cooling systems is planned, decommissioning outdated refrigeration equipment and introducing more resilient solutions, which together are aimed at ensuring stable equipment operation and reducing the risk of failures under extremely high ambient temperatures.
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Cooling Demand

The cooling demand risk is associated with the increased temperature load on production processes and infrastructure, leading to increased consumption of energy resources and operating costs.

Table 6. Climate Risk Profile: Cooling Demand

Risk Name	Cooling Demand
Risk Concentration Segments <i>IFRS S2.13(b)</i>	The climate risk assessment was carried out with respect to two key production facilities of the Company: JSC “Navoiyazot” and the polypropylene bag production workshop located in Kanimekh district. Given the geographic proximity of the facilities and their location within a single climate zone, the impact of climate risks was considered at the level of this region of the Company's presence. Both facilities form a single climate risk concentration segment within this analysis.
Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	This risk relates to the medium- and long-term horizon: its financial impact begins to manifest from 2040 and intensifies by 2050 (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Rising temperatures increase the load on cooling systems and recirculating water cycles, which during hot periods causes additional energy and water consumption, higher operating costs and accelerated equipment wear. Reduced efficiency of existing cooling systems may limit the stability of technological regimes in ammonia and nitric acid production, require redistribution of production load and increase the risk of technological failures. Together, this affects the reliability of production processes and the stability of deliveries, creating a need to modernize cooling infrastructure and adapt production facilities to peak temperature conditions.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.

Expected Financial Effects <i>IFRS S2.15(b)</i>	This risk is characterized by a steady increase in financial impact as temperatures rise. Costs increase in each successive time horizon, particularly under higher climate scenarios. SSP1-RCP2.6: USD 1,327.8–1,975.2 thousand SSP2-RCP4.5: USD 1,431.5–2,673.8 thousand SSP5-RCP8.5: USD 1,635.6–3,598.5 thousand Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Projects are being implemented to replace air separation equipment with lower specific energy consumption, and to upgrade recirculating water pumps with the introduction of frequency control. This reduces energy costs, decreases equipment heat generation, and consequently reduces the load on cooling systems and recirculating water cycles.
Planned Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Projects aimed at reducing thermal loads and improving the efficiency of technological process cooling systems: introduction of an absorption chiller – switching to cooling through the utilization of excess heat and reducing dependence on energy-intensive compressor cooling; modernization of existing production facilities – upgrading heat exchange and cooling equipment to reduce heat losses and the load on cooling systems.

Water Shortage

The water shortage risk is associated with a potential decline in the availability of water resources needed to support production processes and equipment cooling. Given that the Company's key production facilities are located within a single climate zone, this risk is considered at the level of the region of presence and affects primarily operational activities.

Table 7. Climate Risk Profile: Water Shortage

Risk Name	Water Shortage
Risk Concentration Segments <i>IFRS S2.13(b)</i>	The climate risk assessment was carried out with respect to two key production facilities of the Company: JSC “Navoiyazot” and the polypropylene bag production workshop located in Kanimekh district. Given the geographic proximity of the facilities and their location within a single climate zone, the impact of climate risks

	was considered at the level of this region of the Company's presence. Both facilities form a single climate risk concentration segment within this analysis.
Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	The financial impact of the risk manifests and intensifies over the horizon from 2050 onward (see the "Expected Financial Effects" row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Reduced availability of water resources increases the dependence of production processes on the resilience of recirculating water systems and water-use efficiency, which may limit capacity utilization and lead to higher operating costs. Water supply restrictions can disrupt the stability of production schedules, increase the risk of failures, and affect the timeliness of product deliveries, which directly affects the resilience of the value chain and the fulfillment of contractual obligations.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	The financial effect of water shortage manifests only under the SSP2-RCP4.5 (2°C) scenario, where a high level of industrial activity is maintained alongside limited water resources, leading to increased costs to compensate for lost productivity. Under the SSP1-RCP2.6 (1.5°C) scenario, there are no additional costs, since climate change is minimal and water shortage practically does not occur. Under the SSP5-RCP8.5 (4°C) scenario, no costs are projected either, since extreme warming causes a significant reduction in water demand due to socio-economic factors, including population migration from the region due to unfavorable conditions. SSP1-RCP2.6: None SSP2-RCP4.5: USD 202.5–18,070.6 thousand SSP5-RCP8.5: None Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None

Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Projects aimed at reducing water consumption and improving the efficiency of recirculating water cycles: modernization of technological units to reduce the need for fresh water; introduction of closed-loop water use with water return and reuse; upgrading of recirculating water system equipment to reduce losses and improve resource-use efficiency.
Planned Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Projects that reduce the water intensity of processes and improve the efficiency of recirculating water systems: improving water-use and wastewater treatment systems (modernization of nitric acid production (Phase III)), introducing solutions for water treatment and reuse (modernization and expansion of thiourea production), reducing specific water consumption through the upgrading of technological processes and integration with new infrastructure (modernization of ammonia Phase III).

2.2.4 Transition Risks

IFRS S2.9(a, b, d), S2.13(a, b), S2.15(a, b)

Transition climate risks arise from changes in the regulatory, economic, technological and market environment associated with the transition to a low-carbon economy. Such risks include the introduction of carbon regulation (including taxes and emissions trading systems), tightening of emission restrictions, changes in the structure of product demand, and reputational risks related to the level of the Company's environmental responsibility.

As part of the transition climate risk assessment for JSC “Navoiyazot”, financial analysis was carried out for risks amenable to quantitative modeling based on available forecast data and adopted assumptions. Based on the results of interviews with Company representatives and analysis of the information gathered, the most relevant factors were selected for detailed assessment, including a possible increase in the cost of electricity and natural gas, the potential introduction of a national emissions trading system and/or carbon tax, and the impact of cross-border carbon regulation (CBAM) and similar mechanisms in the jurisdictions where products are sold.

The assessment of transition climate risks showed that tighter carbon regulation – through rising emission prices and a reduction in the volume of free quotas – will lead to a projected increase in electricity and natural gas tariffs and, accordingly, higher costs for the Company.

Projected additional Company expenses for carbon payments and CBAM payments over the period 2025–2050 under three scenarios. The data presented make it possible to assess the dynamics of the financial burden under various decarbonization trajectories and changes in regulatory requirements, which is important for strategic planning and climate risk management.

It should be noted that the financial assessment results were calculated using assumptions about the carbon unit price based on data from the NGFS model. If an alternative scenario with the POLES price parameters, reflecting the forecast for the European carbon unit market, is selected in the model, the resulting figures will differ.⁵

Policy and Legislation

The risk of the introduction of a national emissions quota system and/or a greenhouse gas emissions tax is associated with the tightening of climate regulation, leading to higher carbon costs and the need to transform production processes. Given the high energy and carbon intensity of key

⁵ [Carbon price forecast under EU ETS](#)

production stages, this risk has a material impact on product cost, investment decisions, and emissions management requirements within the Company's value chain.

Table 8. Climate Risk Profile:

Introduction of a National Emissions Quota System and/or GHG Emissions Tax

Risk Name	Potential Impact of the Introduction of a National Emissions Quota System and/or Greenhouse Gas Emissions Tax
Risk Concentration Segments <i>IFRS S2.13(b)</i>	Production processes with high energy and carbon intensity (ammonia, nitric acid and urea production).
Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	The financial impact of this risk begins to manifest in the short term (from 2030), intensifies in the medium term (by 2040), and reaches its maximum level by 2050 (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Impact on the Company's business model and value chain through higher carbon costs within the product cost structure, the need to modernize production facilities and deploy low-carbon technologies, and increased requirements for product carbon intensity, climate reporting and greenhouse gas emissions monitoring.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	BAU (NDC): None Below 2°C: USD 15,013.9–544,525.4 thousand Net Zero 2050: USD 85,885.6–1,630,145.2 thousand Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Development of a decarbonization strategy for production processes; Capture and storage of CO ₂ (CCS/CCU) at key production units (modernization for the production of “blue” ammonia and PVC using carbon capture, utilization and storage technologies).

Planned Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Planned measures to reduce the carbon intensity of products and limit the financial impact of carbon regulation: • Modernization of production facilities to produce “blue” ammonia using CCU/CCUS technologies • Projects to improve energy efficiency and reduce fuel consumption • Electrification of steam boilers and individual technological processes • Use of low-carbon (green) hydrogen in ammonia production • Introduction of flue gas CO₂ capture systems (MEA) • Substitution of natural gas with biomethane • Reduction of N₂O emissions through optimization of catalytic grids • Modernization of green ethanol and Sustainable Aviation Fuel (SAF) production • Transition to purchasing electricity from renewable sources • Optimization of off-gas handling and minimization of flaring.
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Potential Impact of CBAM

The risk associated with the introduction of cross-border carbon regulation (CBAM) is driven by tightening climate requirements in export markets and may lead to higher costs and reduced product competitiveness.

Table 9. Climate Risk Profile: Potential Impact of CBAM

Risk Name	Potential Impact of Cross-Border Carbon Regulation on the European Market – CBAM
Risk Concentration Segments <i>IFRS S2.13(b)</i>	Export supplies of products to markets subject to carbon regulation (including the EU), in respect of the relevant export volumes
Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	The financial impact of this risk begins to manifest in the short term (from 2030) and reaches its maximum level by 2050 (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	This risk may affect the Company's business model and value chain through higher costs when exporting products to markets with cross-border carbon regulation, reduced price competitiveness of carbon-intensive chemical products, the need to introduce greenhouse gas emissions monitoring and verification systems, and increased requirements from foreign customers and partners regarding the carbon footprint of products and climate information disclosure.

Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	BAU (NDC): USD 8,077.1–28,686.7 thousand Below 2°C: USD 5,924.6–17,927.1 thousand Net Zero 2050: USD 1,950.5–151,123.7 thousand Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Analysis of export supplies for vulnerability to CBAM
Planned Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	• Modernization of production facilities to produce “blue” ammonia using CCU/CCUS technologies • Projects to improve energy efficiency and reduce fuel consumption • Electrification of steam boilers and individual technological processes • Use of low-carbon (green) hydrogen in ammonia production • Introduction of flue gas CO₂ capture systems (MEA) • Substitution of natural gas with biomethane • Reduction of N₂O emissions through optimization of catalytic • Modernization of green ethanol and Sustainable Aviation Fuel (SAF) production • Transition to purchasing electricity from renewable sources • Optimization of off-gas handling and minimization of flaring

Increase in the Cost of Electricity and Natural Gas

The risk of rising electricity and natural gas costs is associated with the volatility of energy resource prices and tightening regulation, which may lead to increased operating costs.

Table 10. Climate Risk Profile: Increase in the Cost of Electricity and Natural Gas

Risk Name	Increase in the Cost of Electricity and Natural Gas
Risk Concentration Segments	Production processes with high energy intensity and dependence on electricity and natural gas, including

<i>IFRS S2.13(b)</i>	ammonia, nitric acid, urea and ammonium nitrate production, as well as auxiliary energy infrastructure.
Time Horizon of Risk Realization <i>IFRS S2.10(c)</i>	The financial impact of this risk begins to manifest in the short term (from 2030) and intensifies in the medium term (by 2040) (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Rising costs of electricity and natural gas directly increase the cost of energy-intensive products and increase the dependence of the business -model on energy resource price dynamics. This increases the impact on the margins of key products, creates a need to optimize the energy balance and energy efficiency of production chains, and may affect the price competitiveness of products in export markets.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	During the reporting period, the Company did not record any financial effects related to this climate risk.
Expected Financial Effects <i>IFRS S2.15(b)</i>	Increase in electricity costs: BAU (NDC): None Below 2°C: USD 2,132.0 – 21,509.2 thousand Net Zero 2050: USD 12,195.9 – 64,391.9 thousand Increase in natural gas costs: BAU (NDC): None Below 2°C: USD 162.2 – 5,882.3 thousand Net Zero 2050: USD 927.8 – 17,609.9 thousand Note: the assessment reflects the range of expected financial effects from the moment the risk materializes, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Risk Management Actions <i>IFRS S2.14(a)(ii)</i>	Increasing the share of electricity purchased from renewable energy sources (RES); Concluding long-term power purchase agreements (PPAs) with RES suppliers to stabilize tariffs; Implementing energy efficiency improvement projects at production sites.
Planned Risk Management Actions	Measures aimed at reducing dependence on energy resource price volatility and improving the predictability of energy costs:

<i>IFRS S2.14(a)(ii)</i>	• Concluding long-term power purchase agreements (PPAs) for electricity from renewable sources, with a phased increase in the share of “green” electricity in the energy balance • Implementing energy efficiency improvement projects to reduce specific consumption of electricity and heat at existing production facilities • Electrification of individual heat- and steam-generating units to reduce natural gas consumption • Optimizing the energy balance and production regimes to reduce the sensitivity of product cost to rising energy prices.
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2.2.5 Climate-Related Opportunities

IFRS S2.9(b), S2.13(a, b), S2.14(a, b)

In assessing climate opportunities for JSC “Navoiyazot”, a selection was made based on an analysis of their potential impact on the business's financial resilience. Three key opportunities were identified: the deployment of energy-efficient and low-carbon technologies and solutions, including renewable energy; attracting investment under Article 6 of the Paris Agreement for the deployment of low-carbon technologies and implementation of GHG emission reduction projects; and the use of green financing mechanisms. These opportunities can significantly reduce operating costs and improve the Company's financial performance amid climate change.

Deployment of Energy-Efficient and Low-Carbon Solutions, Including Renewable Energy

The opportunity to deploy energy-efficient and low-carbon solutions, including renewable energy, is associated with improving the efficiency of energy resource use and reducing the carbon intensity of the Company's operations. As the transition to renewable energy sources progresses and production processes are modernized, this opportunity contributes to reducing costs, improving resilience to climate regulation, and reducing greenhouse gas emissions in the value chain.

Table 11. Company Climate-Related Opportunities (1)

Opportunity Name	Deployment of Energy-Efficient and Low-Carbon Technologies and Solutions, Including Renewable Energy
Description	The transition to renewable energy sources through Power Purchase Agreement (PPA) contracts will allow JSC “Navoiyazot” to partially replace conventional electricity and progressively increase the share of renewable energy in its energy balance. This will reduce electricity costs in the long term, improve resilience to carbon regulation, and lead to a reduction in indirect greenhouse gas emissions (Scope 2).
Opportunity Concentration Segments <i>IFRS S2.13(b)</i>	The opportunity is concentrated in the procurement and energy supply stages (through the transition to renewable energy), operational activities and production processes (through improved energy efficiency), and in investment and strategic

	management, ensuring a reduced carbon footprint and cost resilience across the value chain.
Time Horizon of Opportunity Realization <i>IFRS S2.10(c)</i>	The financial impact of this opportunity begins to be realized over the medium-term horizon (from 2040) and intensifies by 2050 amid the phased deployment of energy-efficient and low-carbon solutions (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	The deployment of energy-efficient and low-carbon technologies reduces dependence on carbon-intensive external energy resources and improves the resilience of operations to regulatory and price changes.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	No material effect was recorded during the reporting period.
Expected Financial Effects <i>IFRS S2.15(b)</i>	The transition to renewable-energy PPA contracts reduces operating electricity costs under all scenarios, with the effect intensifying as climate policy tightens and the price of carbon-intensive energy rises: SSP5-RCP8.5 (BAU / NDC): USD 19,671.3–23,324.0 thousand SSP2-RCP4.5 (Below 2°C): USD 21,641.4–43,199.4 thousand SSP1-RCP2.6 (Net Zero 2050): USD 30,940.9–82,825.0 thousand Note: the assessment reflects the range of expected financial effects from the moment the opportunity is realized, for various climate scenarios.
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Systemic initiatives are at the assessment and planning stage.
Planned Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Equipment modernization, deployment of renewable energy, energy efficiency programs, digitalization of energy consumption

Attracting Investment under Article 6 of the Paris Agreement for GHG Emission Reduction Projects

The opportunity to attract investment under Article 6 of the Paris Agreement is associated with the development of international carbon markets and climate financing mechanisms. Implementing

emission reduction projects allows the Company to attract additional financing, deploy low-carbon technologies, and create a new source of income, while contributing to national climate targets.

Table 12. Company Climate-Related Opportunities (2)

Opportunity Name	Attracting Investment under Article 6 of the Paris Agreement for the Deployment of Low-Carbon Technologies and Implementation of GHG Emission Reduction Projects
Description	Implementing emission reduction projects that meet international verification requirements will allow JSC “Navoiyazot” to attract investment through the mechanisms of Article 6 of the Paris Agreement. For example, converting gas boilers to electricity reduces emissions while creating the potential for income from the sale of carbon units. This creates an additional source of income and improves the economic efficiency of low-carbon projects.
Opportunity Concentration Segments <i>IFRS S2.13(b)</i>	The opportunity is concentrated in operational activities and production processes (through the implementation of emission reduction projects), as well as in investment and strategic activities, including participation in carbon markets and attracting climate financing, providing additional income and stimulating decarbonization across the value chain.
Time Horizon of Opportunity Realization <i>IFRS S2.10(c)</i>	The financial impact of this opportunity begins to be realized over the medium-term horizon (from 2040) and intensifies by 2050 through attracting investment and scaling up emission reduction projects (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	The opportunity transforms the business model through the emergence of an additional source of financing for climate projects. At the value chain level, this contributes to the deployment of emission reduction technologies, improved environmental performance, and integration into international carbon markets.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	None in the reporting period
Expected Financial Effects <i>IFRS S2.15(b)</i>	The implementation of offset projects generates additional one-off income from the sale of verified emission reductions, with the effect depending on the level of carbon unit prices and the climate policy scenario (USD 396.1–3,678.3 thousand)
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None

Current Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Work to assess the potential of emission reduction projects
Planned Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Development of climate projects, verification of emission reductions, entry into carbon markets

Use of Green Financing Mechanisms

The opportunity to use green financing mechanisms is associated with access to preferential financial instruments aimed at supporting low-carbon projects. Attracting such financing helps reduce borrowing costs, increase the investment attractiveness of projects, and strengthen the Company's financial resilience amid the transition to a low-carbon economy.

Table 13. Company Climate-Related Opportunities (3)

Opportunity Name	Use of Green Financing Mechanisms
Description	Attracting “green” financing makes it possible to implement low-carbon projects on more favorable financial terms by reducing borrowing costs. The use of preferential rates compared to commercial financing improves the financial resilience of projects, reduces debt burden, and helps improve economic performance, providing additional attractiveness for investment in decarbonization.
Opportunity Concentration Segments <i>IFRS S2.13(b)</i>	At the level of the Company as a whole, including investment and infrastructure projects
Time Horizon of Opportunity Realization <i>IFRS S2.10(c)</i>	The financial impact of this opportunity begins to manifest from the short-term horizon (from 2030) and reaches its maximum effect by 2050 through the increase in net profit from green financing (see the “Expected Financial Effects” row for details).
Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Attracting “green” financing reduces borrowing costs and debt burden, improving the financial resilience of projects and stimulating the implementation of decarbonization initiatives across the value chain.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	None recorded
Expected Financial Effects	Attracting “green” financing provides a significant increase in net profit through a reduction in the cost of capital, with a comparable

<i>IFRS S2.15(b)</i>	effect across all climate scenarios (USD 120,511.7–561,397.2 thousand).
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Preliminary analysis of sustainable financing instruments
Planned Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Issuance of “green” bonds, attracting sustainable loans, implementation of ESG financial practices

Utilization of the Excess Volume of CO₂

The opportunity to utilize the excess volume of CO₂ generated during ammonia production is associated with improving the efficiency of by-product use and creating an additional source of income.

Table 14. Company Climate-Related Opportunities (4)

Opportunity Name	Utilization of the Excess Volume of CO ₂ Generated During Ammonia Production
Description	The ammonia production process is accompanied by the generation of significant volumes of CO ₂ . Part of these emissions is already used commercially under existing contracts; however, there remains potential to utilize the remaining volume. Monetizing CO ₂ creates an additional source of income without significant changes to operations, and also improves the efficiency of using production by-products.
Opportunity Concentration Segments <i>IFRS S2.13(b)</i>	At the level of the Company as a whole, in the ammonia production segment and the associated sale of by-products
Time Horizon of Opportunity Realization <i>IFRS S2.10(c)</i>	The financial impact of this opportunity begins to be realized over the medium-term horizon (from 2040) and intensifies by 2050 (see the “Expected Financial Effects” row for details).

Impact on the Business Model and Value Chain <i>IFRS S2.13(a)</i>	Utilizing CO ₂ transforms emissions from a cost into a source of income, improving the overall economic efficiency of the production process.
Current Financial Effects <i>IFRS S2.15(a), 16(a)</i>	Partially realized through existing supply contracts for 168.1 thousand tCO ₂
Expected Financial Effects <i>IFRS S2.15(b)</i>	Additional revenue from the sale of the remaining CO ₂ volume is estimated at approximately USD 365.8 thousand annually over the period 2035–2050 (comparable across all scenarios)
Material Risk of Significant Adjustment to the Carrying Amount of Assets and Liabilities in the Next Reporting Year <i>IFRS S2.16(b)</i>	None
Current Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Concluding CO ₂ sale agreements, analyzing emission volumes and their commercialization potential
Planned Actions to Manage the Opportunity <i>IFRS S2.14(a)(ii)</i>	Expanding the portfolio of CO ₂ sale contracts, optimizing delivery logistics, and seeking additional sales markets to fully utilize the available CO ₂ volume

2.3 Risks and Uncertainties Associated with Achieving GHG Emission Targets (Scope 1 and Scope 2)

IFRS S2.14(a, b), S2.13(a, b)

To achieve greenhouse gas emission reduction targets and improve resilience to changes in energy prices, JSC “Navoiyazot” plans to:

- Increase the share of electricity from low-carbon sources, including through long-term power purchase agreements (PPAs) and the integration of renewable energy into the energy balance;
- Improve the energy efficiency of key production processes to reduce electricity and natural gas consumption;
- Carry out electrification of individual heat-generating and technological processes where technically and economically feasible;
- Optimize the energy balance and production regimes, reducing the sensitivity of operating costs to changes in energy prices;
- Diversify energy supply sources to improve resilience.

JSC “Navoiyazot” recognizes that the implementation of decarbonization measures and the achievement of its stated targets involve a number of external dependencies and uncertainties. In

particular, achieving these targets depends on the availability and cost of low-carbon electricity, primarily from renewable sources, the development of energy infrastructure, the pace of deployment of low-carbon technologies, the availability of investment resources, and the further development of the regulatory environment in electricity markets and carbon regulation. The Company also recognizes that uncertainty remains regarding the dynamics of energy prices, changes in market conditions, and the speed of technology deployment, which may affect the timing, cost and effectiveness of implementing the measures provided for in the Company's climate strategy.

2.4 Integration of Climate Risks and Opportunities into Business Strategy

IFRS S2 14 a(i,ii,iv,v), b, S2 22(a-b)

Climate risks and opportunities are integrated into the business strategy of JSC “Navoiyazot” through the development of a Climate Strategy and a decarbonization Roadmap based on scenario analysis and taking into account national and international climate requirements. The strategy is aimed at the phased reduction of greenhouse gas emissions, improving energy efficiency, and ensuring the resilience of the Company's operations amid climate change and tightening regulation.

The climate resilience assessment shows that, if the planned measures are implemented, the Company will be able to adapt its business model to transition climate risks, including rising energy costs, the introduction of carbon mechanisms, and tightening regulatory requirements. The NDC 3.0 provides for a 27% reduction in emissions by 2030, 50% by 2035, and the achievement of carbon neutrality by 2050, which requires transforming the energy base, modernizing production processes, and developing low-carbon technologies.

The key directions for integrating climate factors into the strategy are:

- transition to renewable energy sources through PPA-contracts, with the subsequent achievement of 100% renewable energy for Scope 2;
- improving the energy efficiency of production processes, including through electricity generation using steam turbines and implementing fuel consumption reduction projects;
- electrification of equipment and phasing out fossil fuels, including the purchase of electricity from renewable sources;
- deployment of advanced solutions, including the use of green hydrogen, as well as the modernization of green ethanol and Sustainable Aviation Fuel (SAF) production;
- the application of offset mechanisms to compensate for residual emissions.

Implementation of the strategy is accompanied by significant investment, reflecting the Company's transition to a more capital-intensive but sustainable low-carbon development model. At the same time, the investments are aimed at reducing operational and regulatory risks, improving energy efficiency, and ensuring long-term competitiveness.

The assessment takes into account a number of material uncertainties, including the pace of introduction of carbon regulation, the dynamics of energy prices, the availability of technologies and financing sources, and the development of renewable energy infrastructure.

The Company has the ability to adapt its strategy in the short, medium and long term through:

- the flexibility of the investment program and the ability to attract “green” financing;
- modernization and repurposing of existing assets;
- phased deployment of technological solutions;
- integration of emissions and climate risk management into operational activities.

Scenario analysis was carried out for the Company's entire operations using scenarios reflecting national (NDC 3.0) and international (SBTi, Net Zero 2050) benchmarks, over horizons through 2030, 2040 and 2050.

The NDC 3.0 scenario (Uzbekistan) has been adopted as the baseline scenario, as it reflects the current and projected priorities of the state climate, energy and industrial policy of the Republic of Uzbekistan, and takes into account the Company's technological and investment constraints. The

SBTi scenario has been developed as an ambitious scenario, consistent with science-based emission reduction trajectories aimed at limiting global temperature rise in line with the goals of the Paris Agreement.

Key assumptions include the tightening of climate policy, a decline in the cost of renewable energy, the development of low-carbon technologies, and the gradual transformation of the energy balance. Thus, the integration of climate risks and opportunities into the strategy of JSC “Navoiyazot” ensures increased resilience of the business -model, a reduction in the impact of climate factors, and the formation of a long-term sustainable development trajectory amid the global energy transition. Table 15 below presents the Roadmap of JSC “Navoiyazot” under the NDC scenario.

Table 15. Measures to Reduce Scope 1 and Scope 2 Greenhouse Gas Emissions of JSC “Navoiyazot” – NDC Scenario

No	Measure	Scope	GHG Emission Reduction, tCO ₂	Potential of the Measure in Total Emissions, %	Description of the Measure
Short-term Measures through 2030					
1	Conclusion of Renewable Energy PPAs	Scope 2	316 804	12%	Transitioning 45% of electricity consumption to renewable energy. Sinoma 300 MW photovoltaic power plant project.
2	Modernization for the production of “blue” ammonia using CCU/CCUS, including:				
	Modernization of Urea Production (for Phase 4)	Scope 1	168 100	6%	Modernization of urea production (Stamicarbon): a 15% increase in the use of carbon dioxide captured from ammonia production as feedstock for urea synthesis.
	CCU Projects for CO ₂ Capture and Utilization (for Phase 4)				CO ₂ capture and utilization (CCU) projects: Air Products projects (up to 40 thousand tCO ₂), liquid CO ₂ production (up to 50 thousand tCO ₂), existing CO ₂ capture unit (7 thousand tCO ₂).
3	Company Energy Efficiency Improvement Projects				Measures under the development strategy of JSC “Navoiyazot”:
	Reduction of Electricity Consumption	Scope 2	63 797	2%	- Modernization of Sinoma recirculating water pumping equipment, - Replacement of the air separation unit (Linde, 20% off-take), - ABHM (30 Gcal/h chiller), - Modernization of ammonia production Phase III (1971), - Modernization of urea production (Stamicarbon).
	Reduction of Heat Energy Consumption	Scope 2	87 471	3%	Self-sufficiency in heat energy through own production.
	Reduction of Natural Gas Consumption in Boiler Houses	Scope 1	109 064	4%	Reducing heat losses by restoring the thermal insulation of heating networks and equipment; reducing gas consumption by using synthesis gas – a by-product of acetylene production.
	Reduction of Natural Gas Consumption and Reduction of Flaring in the Acetylene Production of the PVC, CS and M Complex	Scope 1	17 565	0,6%	- Replacement of pyrolysis unit reactor assemblies, replacement of gas pipeline filters; installation of a gas desulfurization unit in the acetylene production of the PVC, CS and M complexes. - Installation of a natural gas desulfurization unit installed on the 0.6 MPa natural gas pipeline supplying workshop No. 909 (acetylene production).
	Electricity Generation Using Steam Turbines	Scope 2	9 600	0,4%	Replacement of pressure-reducing and cooling units (PRUs) with steam turbine units generating electricity at workshop No. 49 (building 618) and

No	Measure	Scope	GHG Emission Reduction, tCO ₂	Potential of the Measure in Total Emissions, %	Description of the Measure
workshop No. 916.					
4	Reduction of N ₂ O Emissions through Optimization of Catalytic Grids	Scope 1	350 000	13%	The mechanism provides for the modernization and optimization of platinum catalytic grids used in production processes, aimed at improving the efficiency of decomposition of nitrogen oxides (N ₂ O) – a potent greenhouse gas.
5	Conclusion of Renewable Energy PPAs: Deployment of Wind Generation	Scope 2	76 500	3%	Deployment of a wind power plant with an installed capacity of 50 MW.
Total for the Short-term Period (through 2030)					
Potential for GHG Emission Reduction in the Short-term Period, %			1 198 901	44%	
CAPEX, USD million			416		
OPEX, USD million			24		
Medium-term Measures through 2035					
6	Conclusion of Renewable Energy PPAs	Scope 2	237 308	9%	Transitioning the remaining electricity consumption to renewable energy. The reduction potential takes into account decreased energy consumption through process optimization via energy efficiency measures.
7	Modernization for the Production of “Blue” Ammonia Using CCU/CCUS:				
	Application of CCU/CCUS in Urea Production	Scope 1	64 467	2%	Increasing CO ₂ capture volumes beyond the existing potential.
8	Boiler Electrification	Scope 1	26 281	1%	Electrification of natural-gas-fired boilers (Boiler No. 3 in PVC production).
9	Modernization for the Production of Green Ethanol and SAF	Scope 1	179 870	6%	The measure provides for the creation of an integrated complex for the production of ethanol and Sustainable Aviation Fuel (SAF). The project is implemented in two stages: processing of off-gases into ethanol, followed by conversion into SAF. The planned SAF production volume is approximately 80 thousand tons per year.
Total for the Medium-term Period (through 2035)					
Potential for GHG Emission Reduction in the Medium-term Period, %			507 927	19%	
CAPEX, USD million			405		

No	Measure	Scope	GHG Emission Reduction, tCO ₂	Potential of the Measure in Total Emissions, %	Description of the Measure
OPEX, USD million			17		
Long-term Measures through 2050					
10	Modernization for the Production of Green Ethanol and SAF	Scope 1	220 130	8	The measure provides for the creation of an integrated complex for the production of ethanol and Sustainable Aviation Fuel (SAF). The project is implemented in two stages: processing of off-gases into ethanol, followed by conversion into SAF. The planned SAF production volume is approximately 80 thousand tons per year.
11	Electrification of Natural-Gas-Fired Boilers in Ammonia-Urea Production	Scope 1	224 543	8	Electrification of natural-gas-fired boilers. Technology must be agreed with the licensor.
12	Green Hydrogen for Ammonia Production + Boilers for Phase 3	Scope 1	128 733	5%	Converting Phase 3 of ammonia production from natural gas to ammonia synthesized using green hydrogen
13	Electrification of Acetylene Production (Plasma Pyrolysis)	Scope 1	190 154	6%	The mechanism provides for replacing part of the acetylene production technological processes with electric equivalents using renewable energy sources.
14	Process Optimization through Improved Energy Efficiency				
	<i>Optimization of off-gas handling and minimization of flaring.</i>	Scope 1	50 504	2%	The mechanism is aimed at integrating advanced digital technologies and cloud AI platforms into flaring management processes at the production facility, in order to optimize energy resource consumption and reduce the carbon footprint.
	Process Optimization through Improved Energy Efficiency	Scope 1	12 916	1%	
Total for the Long-term Period (through 2050)					
Potential for GHG Emission Reduction in the Medium-term Period, %			826 978	30%	
CAPEX, USD million			605		
OPEX, USD million			50		
Cumulative GHG Emission Reduction			2 533 807	90%	
—	Offset Projects	—	206 745	8%	

The methodology for developing the Climate Strategy of JSC “Navoiyazot” is based on a comprehensive and phased approach, including the identification and assessment of transition and physical climate risks using the internal risk management system, analysis of climate scenarios (NDC 3.0 as the baseline and SBTi as the ambitious scenario), and consideration of key external factors such as the development of climate policy, energy price dynamics, and technology availability. Based on the results of the analysis, quantitative emission reduction targets have been formed, and a portfolio of measures has been developed covering the transition to renewable energy, the deployment of energy-efficient solutions, electrification, the application of CCUS, and the development of hydrogen technologies. The strategy is integrated into the corporate governance system through investment planning, KPIs and the implementation Roadmap, with regular monitoring and updating of assumptions provided for, ensuring its adaptability and resilience to changing climatic conditions and regulatory requirements.

2.5 Scenario Analysis of Climate Risks and Opportunities

IFRS S2.14(c), S2.16(a, b), S2.22 a (i-ii), S2.25 a (i,ii,iii)

The scenario analysis of climate risks and opportunities for JSC “Navoiyazot” is based on considering various decarbonization scenarios reflecting the degree of tightening of climate policy. This approach makes it possible to compare the Company's potential risks and opportunities depending on changes in the external regulatory and market environment.

2.5.1 Analysis of Transition Risks

IFRS S2.22 b (i (1-5), ii (1-5))

For the analysis of transition climate risks, JSC “Navoiyazot” applied a specialized climate risk assessment methodology that makes it possible to determine the potential impact of climate factors on the Company's operations, and to identify the most material risks and opportunities for the chemical industry. Additionally, benchmarking of leading international and regional chemical sector companies was carried out, as well as analysis of transition risks characteristic of Uzbekistan companies. This approach made it possible to form a comprehensive picture of the most relevant transition risks for JSC “Navoiyazot”.

The following key assumptions were adopted for modeling transition risks and assessing their potential financial impact:

- Introduction of a national greenhouse gas emissions trading system in Uzbekistan from 2028;
- Gradual tightening of carbon regulation and reduction in the share of free quotas;
- Increase in carbon unit prices in line with NGFS scenarios and forecasts for the European carbon market;
- Change in the structure of Uzbekistan's energy balance, with the share of renewable energy sources increasing to 40% by 2030 and to 60% by 2050;
- Annual technological reduction in the carbon intensity of electricity.

The following scenarios were considered to assess the impact of various decarbonization trajectories:

- BAU (NDC) – maintaining current national commitments without the introduction of market-based carbon regulation mechanisms;
- Below 2°C – gradual reduction of free quotas under the ETS with a phased increase in carbon payments;
- Net Zero – the most ambitious scenario, assuming the application of approaches similar to the European ETS system and an accelerated transition to a low-carbon economy.

The Below 2°C and Net Zero scenarios are characterized by higher transition risks due to rising carbon costs, increased energy costs, and the need for accelerated modernization of production processes.

Results of the Scenario Analysis

The modeling results show that, as climate policy tightens, the financial impact of transition climate risks for JSC “Navoiyazot” increases substantially. The main drivers of rising costs are the increased cost of energy resources, the introduction of carbon regulation (including ETS), rising carbon unit prices, and the introduction of the CBAM mechanism.

The greatest burden falls on the Net Zero 2050 scenario, in which all cost categories increase at an accelerated rate, primarily due to carbon payments. Under the Below 2°C scenario, cost growth is more moderate but steady, and also requires investment in energy efficiency and low-carbon technologies. The BAU (NDC) scenario does not assume a significant increase in costs, but is associated with the accumulation of long-term regulatory risks.

Thus, the results of the analysis confirm that the transition to a low-carbon economy will have a material impact on the structure of the Company's operating and capital costs, primarily due to rising carbon payments and related regulatory mechanisms. Under these conditions, timely adaptation, including the modernization of production processes, improving energy efficiency, and reducing carbon intensity, will be a key factor in minimizing financial risks and ensuring long-term business resilience.

2.5.2 Analysis of Physical Risks

IFRS S2.22 b (i (1-5), ii (1-5))

For the analysis of physical climate risks, JSC “Navoiyazot” applied a specialized climate analytics platform that makes it possible to assess the potential impact of climate hazards on the Company's production facilities. The assessment was carried out for two sites: the main production site of JSC “Navoiyazot” and the polypropylene bag production workshop located in Kanimekh district.

For the analysis of physical risks, scenarios from the Intergovernmental Panel on Climate Change (IPCC) were applied, including combinations of Representative Concentration Pathways (RCP) and Shared Socioeconomic Pathways (SSP), reflecting a wide range of possible climate changes:

- RCP2.6–SSP126 – a scenario of limited climate change, assuming rapid measures to reduce greenhouse gas emissions and a relatively low level of physical risks;
- RCP4.5–SSP245 – an intermediate scenario with a medium level of climate change and a gradual intensification of climate hazards;
- RCP8.5–SSP585 – a scenario of the most severe physical risks, reflecting a high level of global warming and intensification of extreme climate events.

The assessment was carried out over three time horizons:

- 2030 – the short-term period, reflecting the first material consequences of climate change;
- 2040 – the medium-term period, characterizing the intensification of climate impacts;
- 2050 – the long-term period, reflecting the potential structural consequences of climate change for the Company's operations.

The analysis assessed key climate exposure indicators for the sites under consideration across all scenarios and time horizons. The hazards considered included extreme temperatures, increased cooling demand, water resource shortages, floods, storm events, and wildfires.

The assessment of potential financial impact was based on common methodological assumptions, including the use of median climate forecasts, expected changes in the structure of the energy balance, and assumptions about the gradual reduction in the carbon intensity of energy and the continuity of operations.

Results of the Scenario Analysis

The assessment results show that physical climate risks can have a material financial impact on the operations of JSC “Navoiyazot”, especially in the long term and under higher climate scenarios.

The greatest financial impact is associated with rising maximum temperatures, which has a significant impact on production processes, infrastructure condition, and the level of operating costs. Increased cooling demand and extreme heat also have a material impact, leading to increased energy consumption and additional requirements for working conditions and industrial safety.

The water resource shortage risk is scenario-dependent and may become material under certain climate trajectories, affecting the resilience of production processes and water supply costs.

The analysis shows that the aggregate financial impact of physical risks generally increases with a transition to more intensive climate scenarios and rises substantially over the horizon beyond 2040. The most pronounced contribution to the increase in risks is related to rising extreme temperatures and the corresponding increase in load on cooling and water supply systems. The results of the analysis are used by the Company to integrate climate factors into strategic planning and risk management processes.

Analysis of Climate Opportunities

IFRS S2.22(a)(i), IFRS S2.22 b (ii (1-5))

To assess climate opportunities, JSC “Navoiyazot” modeled the potential economic effects of implementing decarbonization measures, including the transition to renewable energy sources, participation in offset mechanisms, and attracting “green” financing. The analysis is based on a number of key assumptions reflecting the Company’s current strategic priorities and macroeconomic forecasts.

Assumption on Offset Projects

It is assumed that the opportunity to participate in offset mechanisms does not arise for any emission reductions, but only for certain projects that meet international verification requirements.

This analysis considers an offset project to convert gas boilers used for heat energy production, which run on natural gas, to electricity. The project is implemented to reduce greenhouse gas emissions and receive compensation for verified reductions.

Pricing for GHG emission reductions was selected as follows:

- For the Below 2°C scenario – an average price for industrial projects of USD 1.4/tCO₂e was adopted, in line with the World Bank’s State and Trends of Carbon Pricing 2024 report (World Bank, 2025).⁶
- For the Net Zero scenario – a price of USD 13/tCO₂e was adopted, based on current rates under Japan’s Joint Crediting Mechanism (JCM) (Ukrainian Climate Office, 2024).⁷

⁶ [State and Trends of Carbon Pricing 2025](#)

⁷ [JCM_funding-programs.pdf](#)

Compensation for emission reductions is assumed to be a one-time payment, made in the year the reduction is achieved. In subsequent years, provided the achieved emission level is maintained, no additional income is assumed.

The prices used reflect average values for international carbon unit markets. The actual value may vary depending on the type of project, credit quality, administrative costs, and currency fluctuations.

Assumption on Green Financing Projects

To assess the potential benefits of attracting “green” financing, financial modeling of project revenue was carried out under two borrowing scenarios:

- Standard commercial financing with an interest rate of 9% and a repayment term of 7 years.
- “Green” financing for the same term – 7 years, but at a reduced rate of 2%.

Both scenarios use a debt service coverage ratio (DSCR) of 1.7, reflecting the Company's stable ability to service its debt obligations and ensuring a conservative approach to assessing the project's financial resilience.

The model also uses an EBIT growth forecast based on the Company's budget figures through 2026. From 2026 onward, a moderate growth rate of 1.6% is applied, since this indicator has historically tended to decline. These assumptions can be adjusted in the model as necessary.

3 Risk Management

IFRS S2.25 (a, c)

JSC “Navoiyazot” operates a comprehensive and structured Risk Management System (RMS) aimed at effectively identifying, assessing, managing and monitoring risks related to climate and other aspects of the enterprise's operations. The purpose of the system is to ensure a unified and consistent approach to risk management at all levels of the organization, contributing to the achievement of strategic and operational goals.

Overall management of the system is carried out by the Company's Management Board, supported by a Risk Management Committee responsible for oversight and methodological support of the RMS. The system covers all material types of risk, including strategic, financial, operational, compliance, occupational health, environmental, personnel and fraud risks. The RMS is part of the internal control system and is integrated into corporate governance, ensuring systematic consideration of risks in management decision-making. Risk management is also taken into account when forming key performance indicators (KPIs) and the motivation system for executives and employees, which increases commitment to the RMS's goals and contributes to the development of a risk culture.

3.1 Risk Management System and Accountability

IFRS S2.25a (i)

The Company's RMS has been developed taking into account the requirements of international standards and best practices, including ISO 31000:2018 and COSO Enterprise Risk Management (ERM) – Integrating with Strategy and Performance.

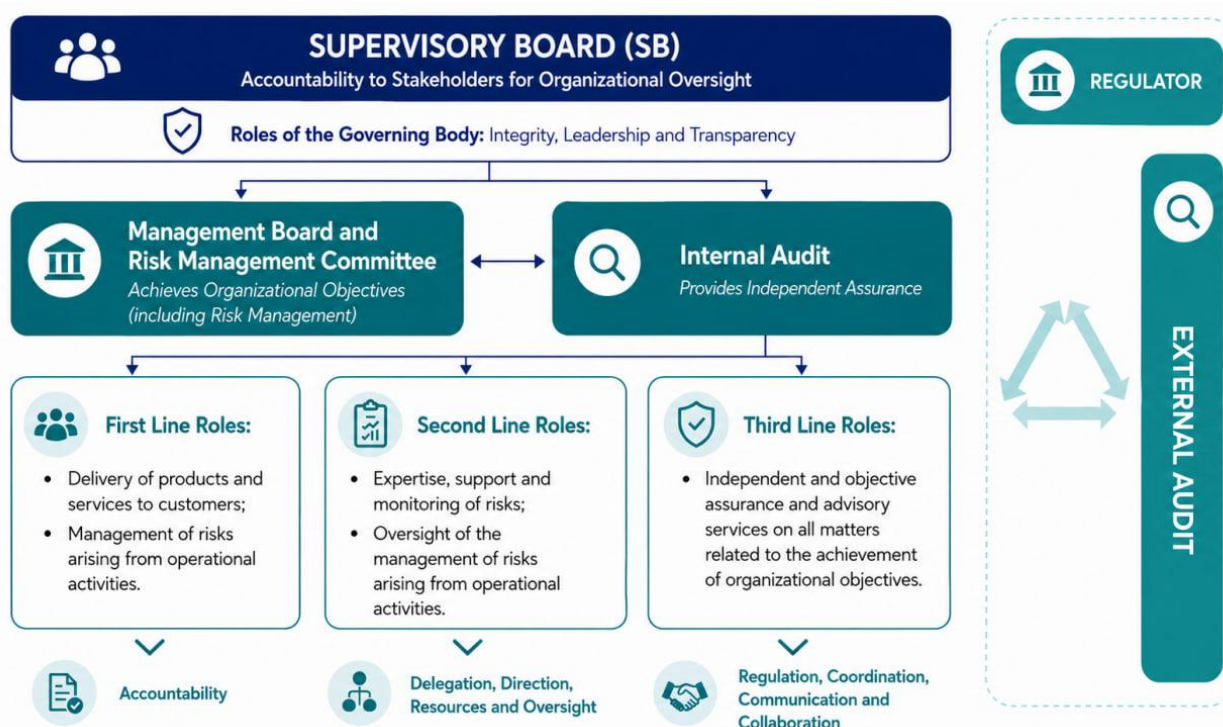
The Company's risk management system is based on the international “Three Lines of Defense” model (see Figure 3), under which risk prevention and management functions, control tasks and independent assessment are clearly distributed among relevant units, operational structures, and the internal audit service.

First line – production and support units. They manage risks in operational activities: identify, assess and analyze risks, inform management, develop response measures, conduct monitoring and reporting, document risks and implement standards.

Second line – the risk management function. Provides methodology and control: develops policies and procedures, monitors compliance with requirements, supports the business, conducts training, organizes risk assessments (including stress- tests), coordinates mitigation measures, prepares reports and escalates material events.

Third line – internal audit. Independently assesses the effectiveness of the risk management and control system, interacts with committees, and provides assurance and improvement recommendations to management.

Figure 3. Illustration of the “Three Lines” Model



The RMS also defines the roles and responsibilities of governing bodies and structural units:

- The Supervisory Board oversees the risk management system, reviews and approves the Risk Register, the risk map and risk management reports.
- The Audit Committee monitors the reliability and effectiveness of the RMS, analyzes the Risk Register and risk monitoring results.
- The Risk Management Committee under the Management Board reviews key risks, the risk profile and risk mitigation action plans, and forms recommendations for the Management Board.
- The Management Board ensures the implementation of the RMS and the allocation of resources for risk management measures.
- The Risk Management Department coordinates the processes of risk identification, assessment, monitoring and reporting, and provides methodological support to risk owners.
- Risk owners are responsible for managing risks within their area of responsibility and implementing risk mitigation measures.

3.2 Risk Identification Process

IFRS S2.25 a (i, v)

Climate risk identification is carried out as a continuous and structured process using both “top-down” (management level) and “bottom-up” (unit level) approaches.

Risk owners and relevant units are involved in the process, identifying potential events and factors, including environmental and climate aspects, that could affect the achievement of strategic and operational goals.

The tools used include:

- surveys and interviews;
- analysis of internal and external information sources;
- results of audits, inspections and compliance assessments;
- industry practices and international experience.

All identified risks, including climate risks, are recorded in the Risk Register, which is regularly updated and serves as the basis for further analysis and management.

3.2.1 Assessment of Risks and Opportunities

IFRS S2.25a (iii, iv)

After identification, climate risks undergo qualitative and quantitative assessment against two key parameters: probability of occurrence and potential impact.

The following are used for the analysis:

- qualitative and quantitative assessment methods;
- risk maps for visualizing priorities;
- scenario analysis (more detailed information on the scenarios used for climate risk analysis is provided in Section 2.1.1 Time Horizons and Their Relationship to Business Strategy)
- key risk indicators (KRIs).

At the Company level, material risks are consolidated into a single register and reviewed regularly (at least once a year) by the Supervisory Board. The assessment takes into account the risk appetite and tolerance levels approved by the Supervisory Board.

This ensures a comparable and prioritized assessment of climate risks within the context of the Company's overall risk profile.

Risk Appetite for Climate Risks

In accordance with the Risk Management Policy, Navoiyazot also operates a Methodology for Determining the Company's Risk Appetite and Risk Tolerance. The Company's risk appetite defines the acceptable level of exposure to climate risks that the Company is willing to accept in achieving its strategic and operational goals. Navoiyazot's consolidated risk appetite is set at 10% of the projected net profit for the following financial year, including potential losses related to climate factors (e.g., environmental fines, decarbonization costs, additional operating expenses).

In the context of climate risks, the risk appetite is characterized as follows:

- the Company seeks to minimize its environmental impact, including greenhouse gas emissions;
- controlled investments in transformation and decarbonization are permitted, even with moderate short-term financial risks;
- a zero-tolerance principle is established for events involving material environmental damage

or reputational consequences.

The qualitative parameters of the risk appetite include:

- the unacceptability of significant environmental incidents;
- mandatory compliance with environmental legislation and standards;
- a focus on reducing CO₂ emissions and other pollutants in line with approved strategies.

Information on climate risks is included in regular risk reporting and reviewed at the level of governing bodies.

The risk appetite and tolerance levels are reviewed at least once a year and/or in the event of material changes in the external environment (e.g., changes in climate policy or energy prices).

3.2.2 Monitoring of Risks and Opportunities

IFRS S2.25a (v, vi)

To improve risk management practices, in 2026 Navoiyazot plans to approve a Risk Identification and Assessment Methodology, which will be integrated into the existing risk management system and will ensure continuous monitoring of the risk level and the effectiveness of response measures.

The monitoring process covers all types of risk provided for in the Enterprise Risk Library and applies to all structural units within the framework of the established Methodology.

Monitoring is carried out on a regular basis by the Risk Management Department together with risk owners and those responsible for implementing measures. The main objective of monitoring is to track the current level of risks, identify changes compared to the previous assessment, and analyze the compliance of risks with the established risk appetite and risk tolerance parameters. This process takes into account both internal factors related to the Company's operations and external conditions, including the macroeconomic situation, changes in the regulatory environment, and industry trends.

The key monitoring tool is the Risk Register, which is formed and regularly updated by the Risk Management Department based on information received from risk owners. The Register records identified risks, their current assessments, the status of measure implementation, and the dynamics of changes. The Register is updated at least once a quarter, as well as when new risks arise or there are material changes in the characteristics of existing risks.

In the monitoring process, particular attention is paid to key risk indicators, which reflect changes in risk factors and make it possible to identify potential deviations in a timely manner. The Risk Management Department regularly requests current data on established indicators from risk owners, analyzes their dynamics, and compares them with threshold values. This approach ensures early risk identification and creates conditions for prompt response.

Monitoring also includes oversight of the implementation of risk management measures. Risk owners and designated responsible persons ensure the implementation of approved measures and regularly provide information on their implementation status, including timelines, results achieved, and resource use. The Risk Management Department assesses the adequacy and effectiveness of the measures implemented, and, if necessary, initiates their adjustment or the development of additional measures.

An important element of monitoring is the documentation of control results. This process records the current level of risks, progress in implementing measures, instances of risk realization, and collects supporting materials. If necessary, the Risk Management Department requests additional documents from risk owners, which must be provided within established timeframes. This ensures the transparency of the process and the possibility of subsequent analysis.

Monitoring is continuous in nature and involves regular review of risks taking into account changes in the internal and external context of the Company's operations. When new risks are identified or

the parameters of existing risks change, information is promptly transmitted to the Risk Management Department for analysis and inclusion in the Register. If a risk is characterized by a high level of probability and impact, information is brought to the attention of governing bodies with proposals for risk reduction.

3.2.3 Continuous Improvement and Reassessment

JSC “Navoiyazot” ensures continuous improvement of the risk management system through regular review and updating of the Risk Management Policy, risk identification and assessment methodologies, and response and mitigation plans. The review is carried out annually or on an extraordinary basis in the event of significant changes in the internal or external environment, including changes in regulatory requirements and organizational changes.

The effectiveness of the system's application is assessed by both internal and external auditors as part of regular audit reviews. All identified non-conformities and deficiencies are discussed at meetings of the relevant bodies and are accompanied by the development and implementation of corrective measures.

This dynamic and cyclical process makes it possible to maintain the relevance and adequacy of risk management, contributes to the achievement of strategic goals, and supports the sustainable development of the enterprise amid a changing business environment and climate challenges.

4 Metrics and Targets

JSC “Navoiyazot” uses a system of climate indicators to monitor the impact of its operations on the climate, assess the effectiveness of greenhouse gas emission reduction measures, and manage climate risks and opportunities.

As climate governance develops, the Company plans to expand and refine the set of metrics used, including indicators related to greenhouse gas emissions, energy consumption, water use, investment in climate measures, and the achievement of targets for reducing climate impact and improving the resilience of the production model.

The system of climate metrics has been formed taking into account the specifics of the Company's production activities, the structure of its assets, the energy resources used, and the results of the climate risk assessment. The indicators are used to monitor the implementation of the Climate Strategy, prepare management reporting, assess the effectiveness of decarbonization measures, and make investment decisions.

The key climate indicators of JSC “Navoiyazot” are:

- gross Scope 1 greenhouse gas emissions;
- indirect energy-related Scope 2 greenhouse gas emissions;
- total greenhouse gas emissions;
- energy resource consumption;
- energy efficiency indicators of production processes;
- water consumption and water conservation indicators;
- implementation of greenhouse gas emission reduction measures.

Industry-wide Indicators

JSC “Navoiyazot” maintains systematic accounting of gross greenhouse gas emissions across both scopes (Scope 1 and 2), applying the international GHG Protocol methodology. The disclosure includes an assessment of the operational and financial vulnerability of assets to transition and physical climate factors. The Company analyzes the potential of climate opportunities and the volume of capital expenditure (CAPEX) allocated to decarbonization and modernization projects. The process of integrating climate factors into the remuneration system and key performance indicators for management is also described.

Industry Metrics

SASB RT-CH

The Company discloses industry metrics in accordance with the SASB Chemicals Standard (RT-CH), including:

- total energy consumption and the structure of energy sources (RT-CH-130a.1);
- water resource management, including the volume of water withdrawal and consumption, including in regions with high water stress (RT-CH-140a.1);
- greenhouse gas emissions and related climate indicators (RT-CH-110a.1), as well as an analysis of approaches to reducing them (RT-CH-110a.2)

Climate Targets:

The Company sets quantitative targets to monitor the implementation of the Climate Strategy through 2050. Each target has a clearly defined base period, measures and timeline for achievement. The established benchmarks take into account international climate agreements and the national “green” agenda of the Republic of Uzbekistan.

4.1 Greenhouse Gas Emissions

IFRS S2 29(a)(i)–(vi); IFRS S2 B26–29, B32–B34; IFRS S2 32–33

JSC “Navoiyazot” monitors and quantifies greenhouse gas emissions in accordance with the Greenhouse Gas Protocol (GHG Protocol). The disclosure covers Scope 1 and Scope 2 emissions, consolidated using the operational control approach.

The assessment of direct greenhouse gas emissions (Scope 1) was carried out in accordance with the international methodology “2006 IPCC Guidelines for National Greenhouse Gas Inventories”. The calculation included emissions from all material sources under the Company's operational control, including stationary and mobile fuel combustion, technological processes, industrial waste disposal sites, and refrigerant leaks. Global Warming Potentials (GWP) from the IPCC Sixth Assessment Report were used in calculating emissions.

The assessment of indirect energy-related greenhouse gas emissions (Scope 2) was carried out using the location-based approach in accordance with GHG Protocol requirements. Country-specific greenhouse gas emission factors, based on data from the International Energy Agency (IEA) and reflecting the emissions intensity of electricity generation in the Republic of Uzbekistan, were used for the calculations. The calculation included the volumes of purchased electricity and heat energy.

IFRS S2.29(a)(i)(1–3)

The largest share of emissions comes from direct emissions (Scope 1), formed mainly as a result of the use of raw materials, fuel resources, and technological processes in production activities. Indirect energy-related emissions (Scope 2) are associated with the consumption of purchased electricity and heat energy.

The Company recognizes that greenhouse gas emissions also arise across the entire value chain, including the supply of raw materials and subsequent stages of product use. Currently, Scope 1 and Scope 2 emissions are accounted for, while disclosure of Scope 3 emissions is planned starting in 2026 (see Table 17).

Table 16. Greenhouse Gas Emissions at JSC “Navoiyazot”

GHG Emission Category	2023 tCO ₂ -eq.	2024 tCO ₂ -eq.	2025 tCO ₂ -eq.
Scope 1	1 362 262	1 404 327	1 407 761
Scope 2	668 593	663 023	574 087
Total (Scope 1 + Scope 2)	2 030 856	2 067 350	1 981 848

4.1.1. Emissions Structure and Boundaries

IFRS S2.29(a)(iv)(1–2)

The boundaries for greenhouse gas emission accounting are determined in accordance with the operational control approach and cover all production sites and support units of JSC “Navoiyazot” under the Company's management.

The main sources of direct greenhouse gas emissions (Scope 1) include:

- mobile fuel combustion by road and rail transport;
- stationary fuel combustion in power and technological units;
- technological processes in chemical product manufacturing;
- fugitive emissions from the use of refrigerants in equipment;
- emissions from the disposal of production waste.

Scope 1 emissions were calculated on the basis of the “2006 IPCC Guidelines for National

Greenhouse Gas Inventories” methodology. Global Warming Potential (GWP) factors from the IPCC Sixth Assessment Report (AR6) were used in the calculation.

During the reporting period, methodological approaches to calculating greenhouse gas emissions were updated. In particular, fugitive emissions related to refrigerant leaks were included in the inventory for the first time, which made it possible to improve the completeness, accuracy and transparency of climate indicator disclosure.

The structure of direct greenhouse gas emissions is presented below.

Table 17. Structure of Direct Greenhouse Gas Emissions for 2025

Emission Source Category	Emissions, tCO ₂ -eq.	Share, %
Stationary Fuel Combustion	892 480,079	63,39
Industrial Processes	507 723,981	36,07
Mobile Fuel Combustion	2 435,578	0,17
Production Waste	361,801	0,03
Refrigerant Emissions	4 759,398	0,34
Total for Scope 1	1 407 760,836	100,0

The largest share of Scope 1 emissions comes from stationary fuel combustion and technological processes in chemical product manufacturing, which together account for more than 99% of the Company's direct emissions.

4.1.2. Scope 2 Emissions

IFRS S2.29(a)(v)

Indirect energy-related emissions (Scope 2) are associated with the consumption of purchased electricity and heat energy.

Natural gas is supplied for the Company's raw material, technological and fuel needs. Electricity is purchased from the national power grid of the Republic of Uzbekistan. The location-based approach was used to calculate Scope 2 emissions, applying emission factors based on data from the International Energy Agency (IEA) for the Republic of Uzbekistan.

During the reporting period, Scope 2 emissions amounted to 574,087.506 tCO₂-eq.

Table 18. Scope 2 Emissions at the Company

Type of Imported Energy	2023, tCO ₂ -eq.	Share, %	2024, tCO ₂ -eq.	Share, %	Emissions, tCO ₂ -eq.	Share, %
Electricity	591 322,21	88,44	586 013,14	88,39	569 291,08	99,16
Heat Energy	77 271,78	11,56	77 009,85	11,61	4 796,43	0,84
Total for Scope 2	668 593,99	100,0	663 022,99	100,0	574 087,51	100,0

The main source of indirect energy-related emissions is electricity consumption, which accounts for more than 88% of Scope 2 emissions.

4.1.3. Scope 3 Emissions

IFRS S2.29(a)(vi)

As this is the first year of preparing climate disclosures in accordance with IFRS S2 requirements, JSC “Navoiyazot” has made use of the transitional relief provided under the standard with respect to the disclosure of Scope 3 greenhouse gas emissions. During the reporting period, no quantitative assessment of Scope 3 emissions was carried out.

At the same time, the Company recognizes the potential materiality of indirect emissions across the value chain, including purchased goods and services, transportation of raw materials and finished products, waste management, business travel, and other categories provided for by international greenhouse gas accounting standards.

As part of the further development of its climate reporting system, the Company plans to identify material Scope 3 emission categories, organize the necessary data collection processes, and ensure disclosure of the relevant indicators in subsequent reporting periods.

4.2 Methodology for Calculating Greenhouse Gas (GHG) Emissions

IFRS S2.29(a)(ii-iii)

JSC “Navoiyazot” calculates greenhouse gas emissions in accordance with the principles of the international GHG Protocol Corporate Accounting and Reporting Standard and the IPCC Guidelines (2006 IPCC Guidelines for National Greenhouse Gas Inventories), for determining emission factors and Global Warming Potentials over a 100-year horizon.

The emissions consolidation boundaries are determined based on the operational control approach and cover all production facilities and support units of the Company under its management.

The calculation of Scope 1 emissions uses data on actual fuel consumption, technological processes, and waste generation. Scope 2 emissions are calculated using the location-based approach based on data on electricity and heat energy consumption, applying emission factors corresponding to the energy balance of the Republic of Uzbekistan.

Global Warming Potential (GWP) factors from the IPCC Sixth Assessment Report (AR6) are used to convert emissions of various greenhouse gases into CO₂ equivalent.

4.2.1 Exposure of Assets and Operations to Transition Climate Risks

IFRS S2.29 (b)

The most material transition climate risks for JSC “Navoiyazot” are:

- tightening of national regulation in the area of greenhouse gas emissions, including the introduction of quota and carbon taxation systems;
- the introduction and expansion of cross-border carbon regulation mechanisms in key export markets (including CBAM);
- an increase in the cost of electricity and natural gas as a result of changes in energy and carbon policy;

The greatest exposure to transition climate risks is found in the production complexes for ammonia, nitric acid, urea, ammonium nitrate and other products characterized by high energy intensity and significant greenhouse gas emissions. The most exposed assets include ammonia, nitric acid and urea production units, energy facilities, and other production infrastructure whose operation involves significant fuel and energy consumption.

The climate risk assessment showed that the main potential financial impact is associated with a possible increase in operating costs, the need to modernize production facilities, and additional investment in decarbonization measures.

4.2.2 Exposure of Assets and Operations to Physical Climate Risks

IFRS S2.29 (c)

The operations of JSC “Navoiyazot” are exposed to both acute and chronic physical climate risks.

The main physical risks include:

- an increase in average annual temperatures;
- an increase in the duration and intensity of periods of extreme heat;
- a shortage of water resources;
- an increase in maximum air temperatures

Production facilities with high water and energy consumption, cooling systems, energy infrastructure facilities, and transport and logistics processes are the most vulnerable to physical climate risks.

To improve resilience, the Company implements measures to improve energy efficiency, enhance water supply and environmental monitoring systems, and takes climate factors into account in long-term investment planning.

As at the reporting date, the Company is working on developing a methodology for quantitatively assessing the share of assets and activities exposed to transition and physical climate risks. Disclosure of the relevant indicators is planned in subsequent reporting periods as the climate accounting and risk assessment system develops.

4.2.3 Share of Assets/Activities Aligned with Climate Opportunities

IFRS S2.27(d)

The Company views climate opportunities as one of the factors for the long-term improvement of competitiveness and business resilience.

The main areas related to climate opportunities include:

- modernization of production facilities;
- improving the energy efficiency of technological processes;
- development of renewable energy projects;
- reduction of greenhouse gas emissions;
- improving the efficiency of water resource use;
- attracting sustainable and green financing.

During the reporting period, the Company did not carry out a quantitative classification of assets, revenue, capital and operating expenses related to climate opportunities. As part of the implementation of the Climate Strategy, a corresponding accounting and monitoring methodology is being developed. Disclosure of these indicators is planned starting from subsequent reporting periods.

4.3 Internal Carbon Pricing

IFRS S2.29(f)

As at the reporting date, JSC “Navoiyazot” does not apply an internal carbon pricing mechanism in making investment and operational decisions.

At the same time, when conducting scenario analysis of climate risks, the Company takes into account the potential impact of external carbon regulation mechanisms and the projected cost of greenhouse gas emissions on financial performance and product competitiveness.

As the climate governance system develops, the Company is considering the possibility of using internal carbon price benchmarks in assessing investment projects and decarbonization programs.

4.4 Industry Metrics

IFRS S2.32, SASB RT-CH

In addition to industry-wide climate indicators, the Company monitors industry-specific metrics characteristic of the chemical industry:

- total energy consumption;
- specific energy consumption per unit of product;
- volume of water consumption;
- specific water consumption;
- greenhouse gas emissions per unit of product produced;
- share of reused water;
- volume of investment in environmental and climate projects;
- energy efficiency indicators of production processes.

These indicators are used to assess the effectiveness of measures to modernize production, reduce the carbon intensity of products, and improve the resilience of the Company's operations.

In addition to these indicators, the Company tracks the volume of products produced by major product type. This indicator is used to assess the scale of production activity and serves as a basis for analyzing the resource and carbon intensity of output. Given the wide range of chemical products, this report discloses production volumes for key product types.

Table 19. Production Volume by Product Type

SASB RT-CH-000.A

Product Type	Unit	Production Volume		
		2023	2024	2025
Ammonia	thousand tons	681,955	750,93	783,333
Urea	thousand tons	491,511	579,919	585,905
Nitric Acid	thousand tons	609,683	655,003	629,145
Ammonium Nitrate	thousand tons	744,884	766,254	717,051
Hydrocyanic Acid and Cyanide Salts	thousand tons	50,396	54,091	88,393

Electricity consumption is determined by meters installed at the “Khimik” substation and at the balance ownership boundary with the external supplier, JSC “NIES”. Volumes of heat energy are recorded by instruments installed at the outlet of the Company's own steam boilers and waste-heat boilers; where own generation is insufficient, additional steam is metered at the boundary with the supplier, JSC “NIES”.

Total energy consumption includes energy purchased from external suppliers (hot water for heating, steam and electricity) and own energy (steam + renewable electricity from the solar photovoltaic power plant)

Table 20. Energy Consumption Within the Organization

SASB RT-CH-130a.1

Indicator	unit of	2023*	2024*	2025
Amount of Energy Purchased for Consumption, by Type	GJ	4 460 250,490	4 697 265,720	4 287 805,573
Heat Energy (Heating)	GJ	95 132,000	64 439,680	35 839,010
Heat Energy (Steam)	GJ	464 924,320	509 885,250	-
Grid Electricity	GJ	3 900 194,170	4 122 940,790	4 251 966,563
Own Energy Generation, by Type	GJ	9 464 502,400	9 768 298,500	9 646 503,720
Electricity (Renewable)	GJ	1 317,010	16 998,470	25 752,300
Heat Energy (Steam)	GJ	9 463 185,390	9 751 300,030	9 620 751,420
Amount of Energy Sold, by Type	GJ	385,000	9 161,810	19 387,390
Heat Energy (Heating)	GJ	385,000	147,630	15,070
Heat Energy (Steam), Own Production	GJ	-	9 014,180	19 372,320
Total Energy Consumption	GJ	13 924 367,890	14 456 402,410	13 914 921,903
Total Heat Consumption (Heating)	GJ	94 747,000	64 292,050	35 823,940
Total Heat Consumption (Steam)	GJ	9 928 109,710	10 252 171,100	9 601 379,100
Total Electricity Consumption	GJ	3 901 511,180	4 139 939,260	4 277 718,863
Percentage of Electricity from the Grid	%	28,02	28,64	30,7
Percentage from Renewable Sources	%	0,01	0,12	0,19

*The 2023 and 2024 figures differ from those in the 2024 Sustainability Report, since own steam generation was not included in the energy consumption volume for 2023 and 2024 in that report.

JSC “Navoiyazot” operates in a region with a high level of water stress (Uzbekistan, per the WRI classification), but does not carry out direct water withdrawal from natural sources. The main water supply is provided through centralized networks. The Company implements measures to reduce water consumption and improve water efficiency as part of its environmental management. Metering devices are installed at the boundary with the supplier and in the workshops to monitor water resource use, ensuring the volumes of water withdrawal and consumption are determined.

The total water withdrawal volume includes: process water from the water supply network, process water from the Damkhoja water pipeline, drinking water from the water supply network, and drinking water used at the Company's health resort. During the reporting period, no instances of non-compliance with water quality permit requirements, standards or regulations were recorded.

Table 21. Water Consumption

SASB RT-CH-140a.1

Indicator	unit of	2023	2024	2025
Total Water Withdrawal Volume:	thousand m3	31 364,315	21 707,814	23 359,054
- Process Water from the Water Supply Network	thousand m3	21 774,625	13 714,191	14 675,799
- Process Water from the Damkhoja Water Pipeline	thousand m3	6 939,548	6 556,122	6 675,421
- Drinking Water Supplied to the Plant from the Water Supply Network	thousand m3	2 627,836	1 413,792	2 002,529
- Drinking Water for the Health Resort from the Water Supply Network	thousand m3	22,306	23,709	5,305
Total Volume of Water Consumed	thousand m3	25 369,734	16 863,204	18 707,246
- process wastewater	thousand m3	5 013,741	4 097,850	3 892,809
- domestic wastewater	thousand m3	980,840	746,760	758,999

4.5 Climate Targets

IFRS S2.33(a-h), S2.35, S2.37

JSC “Navoiyazot” is consistently developing its system of climate targets as part of the implementation of its Climate Strategy and sustainable development programs.

These targets have been formed as part of the development of the Climate Strategy of JSC “Navoiyazot” and reflect the Company's strategic benchmarks for reducing greenhouse gas emissions and achieving carbon neutrality. The target indicators have been determined taking into account the results of scenario analysis, the national climate commitments of the Republic of Uzbekistan (NDC), and international approaches to decarbonizing the industrial sector.

The Company considers the following as long-term benchmarks:

- a 27% reduction in greenhouse gas emissions by 2030 compared to the baseline level;
- a 50% reduction in greenhouse gas emissions by 2035 compared to the baseline level;
- achievement of carbon neutrality (Net Zero) by 2050.

2024 is the base year for assessing the achievement of climate targets, against which the baseline level of Scope 1 and Scope 2 greenhouse gas emissions has been established. The targets are set with respect to gross Scope 1 and Scope 2 greenhouse gas emissions and are expressed as an absolute reduction in emissions relative to the baseline level.

To achieve these targets, the Company implements measures to improve energy efficiency, modernize technological processes, develop low-carbon energy sources, reduce greenhouse gas emissions, and reduce the resource intensity of production.

Monitoring of progress toward climate targets is carried out annually through an assessment of actual greenhouse gas emissions, analysis of the implementation of decarbonization measures, and review of results at the level of the Management Board and the Supervisory Board.

Target indicators and the measures for achieving them are subject to regular review taking into account monitoring results, changes in regulatory requirements, technological development, and updates to the Company's Climate Strategy.

4.6 Target-Setting Approach and Monitoring

IFRS S2.36, S2.34(a-d)

The climate targets of JSC “Navoiyazot” are formed based on the results of climate risk and opportunity assessment, scenario analysis, the Company's strategic priorities, and the national goals of the Republic of Uzbekistan in the area of sustainable development and climate policy.

The following are taken into account when setting targets:

- the baseline level of greenhouse gas emissions;
- the results of scenario analysis;
- the technical potential for emission reduction;
- investment needs;
- industry practices and international climate initiatives.

Monitoring of target achievement is carried out on a regular basis through analysis of climate indicators, assessment of the implementation of decarbonization measures, and review of results at the level of the Management Board and the Supervisory Board.

As the climate governance system develops, the Company plans to expand the list of indicators used and improve the mechanisms for monitoring the achievement of climate targets, including indicators for greenhouse gas emissions, energy consumption, water use, climate investments, and adaptation measures.

5. Social Responsibility

JSC “Navoiyazot” views its employees as the foundation of sustainable development and a key factor in the Company's long-term contribution to the development of industry, the regional economy, and local communities. Accordingly, the Company builds its social policy around respect for human rights, ensuring decent and safe working conditions, developing human capital, constructive social partnership, and supporting employees and their families. These areas are integral elements of the corporate governance and sustainable development of JSC “Navoiyazot”.

In managing its social practices, JSC “Navoiyazot” is guided primarily by the requirements of the legislation of the Republic of Uzbekistan in the areas of labor, social protection, occupational health, and protection of employees' rights. The relevant requirements and corporate commitments are integrated into the Company's internal regulatory documents, including the Human Rights Policy, the Non-Discrimination Policy, the HR Policy, the Collective Bargaining Agreement, internal labor regulations, and other local acts.

Key Social Indicators for 2025

440/441 of the Collective Bargaining Agreement fulfilled	UZS 61.49 billion for social infrastructure and preventive nutrition	UZS 45.93 billion for occupational health measures under the agreement
6 835 employees underwent preventive medical examinations	1 291 employees underwent training, retraining and professional development	1 502 children had recreational stays at the "Oftobjon" camp

Approach to Managing Social Activities

The social activities of JSC "Navoiyazot" are embedded in the corporate governance system and are implemented through a combination of strategic oversight, internal policies, collective agreements, operational execution, and control by relevant units and the trade union.

1. Strategic Benchmarks	2. Regulatory Framework	3. Execution	4. Control and Feedback	5. Results and Plans
The sole shareholder, the Supervisory Board and the Management Board, within their respective powers, determine the priorities of social policy and sustainable development.	Policies, the Collective Bargaining Agreement, and internal documents establish the Company's obligations to employees and the procedure for their implementation.	The HR Department, relevant units, the medical and health unit, the occupational health and safety service, and the Trade Union ensure the implementation of social programs and guarantees.	The fulfillment of social obligations is monitored through verification of the implementation of the Collective Bargaining Agreement, trade union oversight, internal reporting, and the established procedure for reviewing employee grievances.	The results of fulfilling social obligations are recorded in reporting and used to adjust social programs, the Collective Bargaining Agreement, and plans for the next period.

Human Rights and Labor Practices

JSC "Navoiyazot" views respect for human rights as a fundamental condition for sustainable development. The Company's commitments include the prevention of discrimination, forced and child labor, ensuring equal opportunities, equal pay for work of equal value, freedom of association, the right to collective bargaining, protection of personal data, and safe and healthy working conditions.

In 2025, compliance with labor rights was monitored through the trade union committee, the commission for monitoring the implementation of the Collective Bargaining Agreement, the coordination of certain personnel decisions with the trade union, and the labor dispute resolution mechanism. The labor dispute commission received 7 employee grievances: 6 grievances were reviewed at a commission meeting, 2 were upheld, and 4 employees received explanations.

Results of Fulfilling Social Obligations in 2025

Area	2025 Result
Collective Bargaining Agreement	440 of 441 provisions fulfilled. In addition, 24 of 28 measures under the occupational health agreement were completed; 4 measures were postponed to Q1 2026.
Social Partnership	38 of 38 measures under the section on social partnership and guarantees for trade union activities were fulfilled. The employer transferred UZS 17.40 billion to the trade union committee, equivalent to 3% of the payroll fund; UZS 11.03 billion was allocated to purposes agreed by the parties.

Area	2025 Result
Social Infrastructure	JSC “Navoiyazot” allocated more than UZS 6 billion for the major overhaul of the “Dustlik” preschool educational institution No. 23 in the city of Navoiy. UZS 61.49 billion was allocated for the maintenance of social infrastructure facilities and meal compensation, including the “Oftobjon” camp, the health resort, the medical and health unit, milk vouchers, and preventive nutrition.
Employment and Labor Guarantees	341 employees were hired, including 49 women; 7,353 employees took annual paid leave. The average monthly salary across the enterprise was UZS 7,675,300.
Occupational Health and Safety	UZS 45.93 billion was allocated to measures under the occupational health section. Inspections and corrective measures were carried out; 6,835 employees underwent preventive medical examinations.
Training and Development	780 employees underwent training, retraining and professional development at the enterprise's training center; 511 employees and specialists were trained at national training centers. Total expenditure on these areas amounted to approximately UZS 1.23 billion.
Social Well-being	1,502 children of employees and partner organizations had recreational stays at the “Oftobjon” camp; 216 employees had wellness stays at sanatoriums in Uzbekistan; 267 people at the health resort of JSC “Navoiyazot”.

Social Guarantees and Corporate Well-being

The Collective Bargaining Agreement provides a broad package of guarantees covering wages, leave, support for employees' families, wellness programs, medical services, and additional payments in life situations. In 2025, the Company ensured the practical implementation of these measures through payments, corporate infrastructure services, and trade union programs.

Material Support Provided in 2025

- UZS 2.84 billion – assistance to 6,746 employees in connection with annual leave;
- UZS 468.42 million – assistance to 257 employees in connection with the death of close relatives;
- UZS 340.40 million – dental prosthetics compensation for 340 employees;
- UZS 286.30 million – payments to 106 employees upon retirement;
- UZS 383.74 million – payments to 314 employees for anniversary dates.

Families, Women and Vulnerable Categories

- 463 women were on childcare leave for children up to two years of age;
- UZS 4.48 billion – payments to 488 women before and after childbirth;
- UZS 48.13 million – payments to 28 women raising children with disabilities;
- UZS 227.22 million – payments to families who lost a breadwinner and to persons with work-related disabilities;
- 43 non-working pensioners received material assistance.

Equal Opportunities, Personnel Development and Social Responsibility

The Company develops a system of equal opportunities and inclusiveness, focusing on supporting women, youth, employees with disabilities, and families with children. The relevant guarantees are set out in the Collective Bargaining Agreement and implemented through paid leave, additional payments, support for young families, training, and wellness programs.

In 2025, all 20 measures under the section on the regulation of women's labor and additional guarantees for persons with family responsibilities were fulfilled, as well as 9 of 9 measures under the section on additional benefits and guarantees for youth. As part of the “O‘zbekiston bo‘ylab sayohat qil!” (“Travel Across Uzbekistan!”) program, 10 trips to historical cities of the republic were organized, involving 600 employees.

The social responsibility of JSC “Navoiyazot” also covers engagement with local communities and support for regional development. The Company implements programs in education, healthcare,

culture, sports, and assistance to socially vulnerable groups. In 2025, the practical focus of social initiatives was on maintaining corporate and regional social infrastructure, including medical services, children's recreation, sanatorium-resort treatment, and preventive nutrition.

Priorities for Further Development

In 2026, the Company plans to complete the postponed measures under the occupational health agreement, conduct an independent audit of occupational health, industrial safety and safety engineering, continue improving the Collective Bargaining Agreement, strengthen the systematization of data on human rights and social guarantees, and develop training programs, medical prevention, and support for youth, women and employees' families. This approach will improve the quality of social management and ensure more transparent disclosure of results in sustainability reporting.

6. SASB Index: Chemicals Standard (RT-CH)

Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-110a.1	Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations	Quantitative	Metric tons (t) CO ₂ -e	1,362,263	1,404,327	1,407,761	Greenhouse gas emissions are consolidated using the operational control approach. The international methodology “2006 IPCC Guidelines for National Greenhouse Gas Inventories” was applied to assess direct GHG emissions for 2023-2025. The main sources of Scope 1 GHG emissions at JSC “Navoiyazot” include: - mobile combustion sources (vehicle fuel use); - stationary combustion sources (use of welding equipment and compressors, flare units, gas combustion for steam generation, etc.); - process emissions (production of ammonia from natural gas, acetylene for PVC and other chemicals); - emissions from industrial waste disposal sites (mercury-phosphor sludge, coke from pyrolysis reactors, stabilized sludge, lime sludge, etc.). Specific emission factors are applied for each fuel type, which may be based on national data or values proposed by the IPCC. Global Warming Potentials (GWP) from the IPCC Sixth Assessment Report were used in calculating emissions. During the reporting period, methodological approaches to calculating greenhouse gas emissions were updated to improve data accuracy. In calculating greenhouse gas emissions for 2025, fugitive emissions related to refrigerant leaks were taken into account. These emissions were not included in the calculations for 2023–2024, which should be taken into account when comparing year-on-year figures.
			Percent (%)	0%	0%	0%	The Company's gross global greenhouse gas emissions were not subject to regulatory mechanisms limiting or reducing emissions during the reporting period, due to the absence of corresponding mandatory regulatory requirements in the Republic of Uzbekistan. Accordingly, the share of Scope 1 emissions covered by emissions-limiting regulations was 0%. Law of the Republic of Uzbekistan No. ZRU-1073 “On the Limitation of Greenhouse Gas Emissions” enters into force on 1 January 2026, under which legal entities whose activities are accompanied by greenhouse gas emissions will be required to take measures to reduce emissions, participate in

							the implementation of state policy in this area, and provide information on greenhouse gas emissions upon request from authorized bodies. To prepare for the new regulatory requirements, the Company plans to organize greenhouse gas emissions reporting, as well as develop a climate strategy and decarbonization measures. In addition, an agreement has been concluded for the preparation of reporting on products exported to European Union countries under the Carbon Border Adjustment Mechanism (CBAM).
RT-CH-110a.2	Description of the long-term and short-term strategy/plan for managing Scope 1 emissions, as well as a description of emission reduction targets and analysis of performance in achieving these targets.	Discussion/Analyses	N/A (not applicable)	The Company commits to reducing greenhouse gas emissions (Scopes 1–3) by 90% by 2050, using residual offset measures. The Company's short-term and long-term greenhouse gas emission reduction targets are aligned with the global goal of limiting warming to 2°C, thereby contributing to the achievement of the goals of the Paris Agreement. In addition, as part of the development of the Climate Strategy, the implementation of decarbonization measures is planned for the periods through 2030, 2040 and 2050.			
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-120a.1	Air emissions of the following pollutants:						Data is taken from the annual statistical report “1-eco”.
	(1) NOx (nitrogen oxides, excluding N2O)	Quantitative	Metric tons (t)	449	578	531	JSC “Navoiyazot” uses both direct measurements and calculation-based assessment methods, relying on actual and averaged factors. Analyses and calculations are carried out in accordance with approved methodologies and GOST standards, ensuring the accuracy of the data obtained and transparency in assessing environmental impact. For SOx, values are presented for sulfur dioxide. In 2025, a significant increase in VOC emissions is observed compared to previous years due to the revision of the Company's maximum permissible emission (MPE) standards and the inclusion of fugitive acetylene emissions from the cylinder-filling unit in the calculations.
	(2) SOx (sulfur oxides)	Quantitative	Metric tons (t)	8	3	3	
	(3) Volatile Organic Compounds (VOCs)	Quantitative	Metric tons (t)	18	25	154	
	(4) Hazardous Air Pollutants (HAPs)	Quantitative	Metric tons (t)	50	39	40	Since the national pollutant emissions classification does not have a “Hazardous Air Pollutants” category, the HAP row presents data on emissions of Class 1 and Class 2 hazard pollutants
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description

RT-CH-130a.1	(1) Total energy consumed, including*	Quantitative	Gigajoules (GJ)	13,924,368	14,456,402	13,914,922	Data is provided based on the annual reports of the chief power engineer's service. Electricity consumption is determined by meters installed at the "Khimik" substation and at the balance ownership boundary with the external supplier, JSC "NIES". Volumes of heat energy are recorded by instruments installed at the outlet of the Company's own steam boilers and waste-heat boilers; where own generation is insufficient, additional steam is metered at the boundary with the supplier, JSC "NIES". Total energy consumption includes energy purchased from external suppliers (hot water for heating, steam and electricity) and own energy (steam + renewable electricity from the solar photovoltaic power plant)
	- heat energy (hot water for heating)	Quantitative	Gigajoules (GJ)	94,747	64,292	35,824	
	- heat energy (steam)	Quantitative	Gigajoules (GJ)	9,928,110	10,252,171	9,601,379	
	- electricity	Quantitative	Gigajoules (GJ)	3,901,511	4,139,939	4,277,719	
	(2) Percentage of electricity from the grid	Quantitative	Percent (%)	28.02%	28.64%	30.7%	
	(3) Percentage from renewable sources	Quantitative	Percent (%)	0.01%	0.12%	0.19%	
	(4) Total energy produced in-house⁸	Quantitative	Gigajoules (GJ)	9,464,502	9,768,299	9,646,504	
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-140a.1	(1) Total water withdrawal volume:	Quantitative	Thousand cubic meters (m³)	31,364.315	21,707.814	23,359.054	Data is provided based on the annual reports of the chief power engineer's service and the environmental protection department. Water consumption matters are handled by the chief power engineer's department, which organizes and monitors the rational use of water resources. Wastewater discharge accounting, including monitoring of wastewater quality, is maintained by the environmental protection and natural resource management department. The main water supply is provided through centralized networks. The total water withdrawal volume includes: process water from the water supply network, process water from the Damkhoja water pipeline, drinking water from the water supply network, and drinking water used at the Company's health resort. Metering devices are installed at the boundary with the supplier and in the workshops to monitor water resource use,
	- Process Water from the Water Supply Network	Quantitative	Thousand cubic meters (m³)	21,774.625	13,714.191	14,675.799	
	- Process Water from the Damkhoja Water Pipeline	Quantitative	Thousand cubic meters (m³)	6,939.548	6,556.122	6,675.421	
	- Drinking Water Supplied to the Plant from the Water Supply Network	Quantitative	Thousand cubic meters (m³)	2,627.836	1,413.792	2,002.529	
	- Drinking Water for the Health Resort from the Water Supply Network	Quantitative	Thousand cubic	22.306	23.709	5.305	

⁸ Note on RT-CH-130a.1 – The organization shall discuss its efforts to reduce energy consumption and/or improve energy efficiency at all stages of production processes.

			meters (m³)				ensuring the volumes of water withdrawal and consumption are determined.
	(2) Total volume of water consumed	Quantitative	Thousands of cubic meters (m³)	25,369.734	16,863.204	18,707.246	Total water consumption is determined as the difference between the volume of water withdrawn and the volume of treated wastewater discharged into the sewage system.
	- process wastewater	Quantitative	Thousands of cubic meters (m³)	5,013.741	4,097.850	3,892.809	
	- domestic wastewater	Quantitative	Thousands of cubic meters (m³)	980.840	746.760	758.999	
	<i>percentage of this volume in regions with high or extremely high baseline water stress.</i>	Quantitative	Percent (%)	100%	100%	100%	The share of water consumption volume in regions with high or extremely high baseline water stress is taken as 100%, since all production facilities of JSC "Navoiyazot" are located in Uzbekistan, which is classified by the WRI as a region with a high level of water stress. At the same time, the Company does not carry out direct water withdrawal from natural sources. Water supply is provided through centralized systems; however, since the Company's operations are entirely concentrated in a region with a high level of water stress, the entire volume of water consumed is attributed to water use in a high water-stress area.
RT-CH-140a.2	Number of incidents of non-compliance associated with water quality permits, standards, and regulations.	Quantitative	Number	0	0	0	During the reporting period, no instances of non-compliance with water quality permit requirements, standards or regulations were recorded.

RT-CH-140a.3	Description of risks related to water resource management, and discussion of strategies and methods for mitigating these risks.	Discussion/Analysis	N/A (not applicable)		The identification and description of climate risks are presented in the Climate Risk Assessment Report of JSC “Navoiyazot”, prepared in November 2025.		
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-150a.1	(1) Amount of hazardous waste generated	Quantitative	Metric tons (t)	13,992.95	9,926.07	16,977.40	Data is provided based on the annual reports of the environmental protection department. In each workshop of JSC “Navoiyazot”, waste is recorded and managed in a special log, where data on waste generation and removal is recorded. This data is submitted as quarterly reports to the environmental protection department. The Environmental Protection Department is responsible for overall coordination, reporting, and the assessment of material aspects of waste management.
	Hazard Class 1	Quantitative	Metric tons (t)	0.07	0.15	0.07	According to sanitary rules and standards (SanPiN RUz), industrial waste is divided into 5 hazard classes, with Class 5 waste being non-toxic. The volume of hazardous waste includes waste of hazard classes 1–4. Recycled waste refers to waste processed within the Company and waste transferred to third-party organizations for disposal.
	Hazard Class 2	Quantitative	Metric tons (t)	452	495	220	
	Hazard Class 3	Quantitative	Metric tons (t)	2,514	832	966	
	Hazard Class 4	Quantitative	Metric tons (t)	11,026	8,599	15,791	
	(2) Percentage of recycled waste	Quantitative	Percent (%)	10.42%	18.45%	8.15%	The percentage of recycled waste is determined as the mass of recycled waste divided by the total mass of waste generated.
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description

RT-CH-210a.1	Discussion of engagement processes for managing risks and opportunities associated with community interests.	Discussion/Analyses	N/A	The process for managing risks and opportunities related to the rights and interests of the local community is described. It is based on an assessment of the potential impact of the Company's operations on social conditions, public health, and infrastructure development in the region of presence. JSC "Navoiyazot" provided sponsorship assistance to low-income residents of the "Qo'rg'ontepa" and "Maydon" mahallas of Khatirchi district in a total amount of UZS 950,000.0 thousand, including: UZS 495,000.0 thousand for the "Qo'rg'ontepa" mahalla, and UZS 455,000.0 thousand for the "Maydon" mahalla. JSC "Navoiyazot" carries out continuous production-based environmental monitoring of pollutant emissions into ambient air, with sampling at emission sources and laboratory analysis. To ensure compliance with established maximum permissible emission (MPE) standards, and to enable prompt response in the event of exceedances and prevent deviations from environmental requirements, a continuous monitoring and control system is in place. Three automatic gas analyzers are installed in workshops No. 3, No. 23 and No. 25, providing continuous monitoring and analysis of pollutant emissions into ambient air. To continuously monitor the level of ambient air pollution in the enterprise's sanitary protection zone, as well as in the city of Navoiy and Karmana district, 28 stationary monitoring posts have been installed. To capture pollutant emissions at their sources, 1 scrubber is installed in the granulation tower of workshop No. 3, and 2 scrubbers in the granulation tower of workshop No. 23. In 2025, JSC "Navoiyazot" received a total of 174 requests from individuals and legal entities. Of these, 149 requests were submitted through the Virtual Reception, and 25 requests were received directly by the Company. All requests received were reviewed in accordance with the requirements of applicable legislation and the Company's internal procedures. Review of Requests: -25 requests were granted; -148 requests were reviewed with explanations provided; -1 request was forwarded to the relevant organization. The analysis showed that most of the granted requests were related to employment matters, the provision of material assistance to employees with disabilities and low-income employees, and other social matters. Most of the requests for which explanations were provided also concerned employment matters. No violations of applicable legislation were identified during the review of requests. All requests are reviewed within established timeframes as part of approved procedures. To ensure transparency and effective engagement with stakeholders, the Company regularly discloses information on the results of reviewing requests: In 2025, 151 media placements were made; Information is published on a quarterly basis through: - the Company's official website; - the Telegram channel; - the corporate newspaper "Navoiy kimyogari".			
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-320a.1	(1) Total Recordable Incident Rate (TRIR)	Quantitative	Indicator	0.06 (TRIR=4x200000/12805497)	0.06 (TRIR=4x200000/12766174)	0.1 (TRIR=7x200000/12826940)	the Company calculates the Total Recordable Incident Rate (TRIR) and the Fatality Accident Rate (FAR). The TRIR indicator is calculated using the formula:

							TRIR = (Number of recordable incidents × 200,000) / Total number of hours worked.
	(2) Fatality rate for	Quantitative	Indicator	FAR= 0	FAR= 0	0.03 (FAR=2x200 000/12826940)	The FAR indicator is calculated using the formula: FAR = (Number of fatal accidents × 200,000) / Total number of hours worked. No fatal accidents were recorded in 2023 or 2024. In 2025, 2 fatal accidents occurred, resulting in a FAR of 0.03. The increase in the TRIR in 2025 is due to an increase in the number of recorded incidents, while the FAR reflects the occurrence of employee fatalities at the Company during the reporting period.
	(a) full-time employees	Quantitative	Indicator	Fatality - 0	Fatality - 0	Fatality - 2	
	(b) contract employees	Quantitative	Indicator	0	0	0	
RT-CH-320a.2	Description of measures to assess, monitor and reduce the long-term (chronic) health risk exposure of employees and contractors.	Discussion/Analyses	N/A	The indicator is based on the results of production monitoring and control by the occupational health and safety service.			
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-410a.1	Revenue from products designed with resource efficiency considerations for use-phase.	Quantitative	UZS billion	UZS 1.5 trillion 0,33 %	UZS 6.3 billion 0,1 %	UZS 6.5 billion 0,085 %	In 2025, JSC “Navoiyazot”'s revenue from products contributing to improved resource-use efficiency during the use phase amounted to UZS 6.464 billion, or 0.085% of the Company's total revenue, which reached UZS 7,586.539 billion. This category includes products used in water treatment, water purification and equipment maintenance processes, including polyacrylamide gel (PAA gel), polyacrylamide granules (dry form of PAA), iron (III) chloride (FeCl ₃ ·6H ₂ O, 40% aqueous solution), and inhibited hydrochloric acid (HCl, 23%)

							Polyacrylamide products are used in coagulation and flocculation processes to remove suspended particles, reduce water turbidity, and improve treatment efficiency. Their use helps reduce water and chemical reagent consumption by improving the quality of water clarification and treatment. Iron chloride is used as a coagulant in water treatment, providing effective removal of pollutants, organic compounds and phosphates, which improves water treatment quality and reduces the load on subsequent treatment stages. Inhibited hydrochloric acid is used for the chemical cleaning of equipment and removal of mineral deposits. The presence of corrosion inhibitors minimizes the impact on metal surfaces, extending equipment service life and improving operational efficiency. Together, the use of these products contributes to optimizing the use of water and chemical resources, reducing corrosion risks, reducing resource losses, improving equipment operational efficiency, and expanding opportunities for reusing treated water. This ensures a reduction in overall environmental impact and supports the principles of sustainable resource-efficient production. For data comparability, it should be noted that the indicator disclosed in the 2024 annual report was calculated without taking into account polyacrylamide granules and inhibited hydrochloric acid, which led to its understatement. After refining the methodology, revenue from products aimed at improving resource-use efficiency during the use phase for 2024 amounted to UZS 6.281 billion, or 0.1% of the Company's total revenue of UZS 5,780.285 billion. For comparison, in 2023 the Company's total revenue amounted to UZS 4,672.933 billion, of which UZS 15.677 billion (0.33%) came from products contributing to improved resource-use efficiency during the use phase.
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description

RT-CH-410b.1	(1) Share of products containing substances hazardous to health and the environment, Category 1 and 2, according to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS)	Quantitative	Percent (%) of revenue	52%	56%	54%	According to the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), the following substances are classified as Category 1–2: hydrocyanic acid and cyanide salts, liquid chlorine, nitric acid, caustic soda of all concentrations, hydrochloric acid, high-concentration ammonia, aqueous ammonia, potassium chlorate, formalin, and (concentrated) acetic acid. These substances have been classified as belonging to GHS Categories 1–2 based on hazard assessment results. The share of revenue from products classified as containing substances with a high hazard level (GHS hazard classes 1–2 under the relevant hazard categories per safety data sheets (SDS)), in total revenue from product sales. Classification is carried out based on SDS data and includes products containing substances classified in the most hazardous categories in terms of impact on human health and/or the environment. Formula: Percent (%) = Revenue from GHS 1–2 products / Total revenue from product sales × 100%
	(2) Share of such products that have undergone hazard assessment.	Quantitative	Percent (%)	100%	100%	100%	The share of products for which a hazard assessment has been carried out and safety data sheets (SDS) have been prepared, out of the total volume of products manufactured. All products manufactured by the enterprise are accompanied by the development and updating of safety data sheets (SDS) containing information on hazard classification and handling measures. For certain product categories (including chemical agents and mineral fertilizers), state registration and testing are additionally carried out in accordance with Resolution of the Cabinet of Ministers of the Republic of Uzbekistan No. 115 dated 6 March 2024.
RT-CH-410b.2	Discussion of strategy to (1) manage hazardous chemicals	Discussion/Analyses	N/A	JSC “Navoiyazot” applies a risk-based approach to managing hazardous chemicals at all stages of their lifecycle – from procurement, storage and transportation to use, processing and waste management. The management system is based on the requirements of the legislation of the Republic of Uzbekistan in the areas of industrial safety, occupational health, and environmental protection, and is integrated into certified management systems complying with the international standards ISO 45001 (occupational health and safety) and ISO 14001 (environmental management). Identification and classification of hazardous chemicals is carried out based on safety data sheets (SDS) and the requirements of the Globally Harmonized System of Classification and Labelling of Chemicals (GHS). For substances presenting an increased hazard to human health and the environment, special procedures for storage, transportation, production control, and emergency response are applied. Risk management is ensured through a set of engineering and organizational measures, including: - operation of ventilation, gas and dust capture systems; - monitoring equipment leak-tightness and timely elimination of gas and liquid substance leaks; - carrying out planned preventive repairs and maintenance;			

				- monitoring of pollutant emissions, wastewater discharges, and waste management; - production monitoring of compliance with industrial safety requirements at hazardous production facilities. The Company interacts with state supervisory authorities, including the Committee for Industrial, Radiation and Nuclear Safety under the Cabinet of Ministers of the Republic of Uzbekistan, and operates on the basis of relevant licenses for handling toxic and explosive substances. Particular attention is paid to protecting employees from exposure to hazardous chemical factors. All employees are provided with the necessary personal protective equipment, undergo mandatory training and briefings on the safe handling of chemicals, and are covered by preventive measures provided for by legislation and the Company's internal regulatory documents. Employees are also insured under a mandatory employer liability insurance contract for harm to life or health in the performance of their work duties. In 2025, 28 measures were implemented under the occupational health and industrial safety action plan, at a cost of UZS 435.7 million. Total occupational health expenditure amounted to UZS 34.1 billion, including the provision of personal protective equipment to employees, preventive nutrition, and other occupational health and industrial safety measures. As part of environmental management, 39 environmental protection measures were implemented in 2025, at a cost of UZS 7.6 billion. In particular, measures were carried out to maintain the operability of gas cleaning and ventilation systems, prevent chemical leaks, and improve wastewater and waste management systems. The measures implemented reduced pollutant emissions into the atmosphere by 2,016 thousand tons. In addition, in the second half of 2025, 5,183 mercury-containing lamps were decontaminated and disposed of in accordance with established procedures and environmental safety requirements. The hazardous chemical management strategy implemented is aimed at preventing accidents, reducing the impact on employee health and the environment, ensuring regulatory compliance, and continuously improving production safety.
	(2) developing alternatives with reduced human or environmental impact.	Discussion/Analyses	N/A	JSC "Navoiyazot" implements measures aimed at reducing the environmental impact of chemical production through the reuse of by-products and waste, as well as the introduction of circular economy principles and industrial symbiosis. One example of such solutions is the use of carbon dioxide (CO₂) generated in production processes as feedstock for other enterprises instead of releasing it into the atmosphere. In 2025, 18,835.92 tons of CO₂ were sold to a third-party consumer, which reduced the volume of direct greenhouse gas emissions and ensured further beneficial use of this product in industry. Revenue from the sale of CO₂ amounted to UZS 1.35 billion. Another example is the recycling of sulfuric acid waste back into economic use. Part of the waste is used as feedstock in the production of superphosphate fertilizers, reducing the consumption of primary chemical resources. In 2025, 918 tons of sulfuric acid waste were used in the production process. In addition, this by-product is sold to third-party industrial enterprises for further use in technological processes. Revenue from the sale of sulfuric acid waste amounted to UZS 1.17 billion. The application of these practices helps reduce waste volumes, reduce the environmental burden, use material resources more efficiently, and reduce the need to produce primary raw materials. Total revenue from the sale of CO₂ and sulfuric acid waste in 2025 exceeded UZS 2.5 billion. Thus, JSC "Navoiyazot" is developing solutions aimed at replacing primary resources and incorporating by-products into reuse, which is in line with the principles of sustainable production and helps reduce the environmental impact of chemical products and production processes.

Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-410c.1	Share of products containing genetically modified organisms (GMOs) in total sales.	Quantitative	Percent (%) of revenue	-	-	-	The Company does not produce products containing GMOs
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description
RT-CH-530a.1	Discussion of corporate positions related to government regulations or policy proposals addressing environmental and social factors affecting the industry.	Discussion/Analyses	N/A	JSC “Navoiyazot” forms and implements a corporate position on environmental and social regulatory matters in accordance with the legislation of the Republic of Uzbekistan, industry requirements, and corporate governance principles. The Company continuously monitors changes in the regulatory framework, including requirements in the areas of environmental protection, climate change, industrial safety, occupational health, labor relations, and employee social protection. Monitoring results are taken into account when updating internal policies, risk management procedures, and development plans. As part of its environmental agenda, JSC “Navoiyazot” pays particular attention to reducing environmental impact, improving energy efficiency, and managing climate risks. The Company regularly monitors atmospheric emissions, wastewater discharges, and energy and natural resource consumption, and implements measures to improve the environmental and industrial safety of production facilities. In developing strategic initiatives, the Company takes into account both national and international regulatory trends, including the development of carbon regulation mechanisms and cross-border carbon regulation (CBAM), assessing their potential impact on production activities, export supplies, and product competitiveness. To improve climate governance competencies, the Company engages external experts and consultants, provides training for executives and specialists on greenhouse gas emissions accounting, climate risk assessment, and the implementation of international best practices. Recommendations formed as part of the climate risk assessment and TCFD approaches are integrated into corporate governance and decision-making processes. The social policy of JSC “Navoiyazot” is based on compliance with the labor legislation of the Republic of Uzbekistan, principles of employee rights protection, ensuring safe working conditions, developing human capital, and equal opportunities. Personnel management is carried out in accordance with the Collective Bargaining Agreement, the HR Policy, the Human Rights Policy, the HR Strategy, and other internal regulatory documents of the Company. The corporate position on environmental and social regulatory matters is based on the principles of legality, transparency, accountability, and sustainable development enshrined in the Corporate Governance Code of JSC “Navoiyazot”. Compliance with the relevant requirements is monitored through the existing corporate governance system, within which strategic matters are considered by the Company’s governing bodies, including the General Meeting of Shareholders, the Supervisory Board, and the Management Board.			
Code	Metric	Category	Unit of Measure	2023	2024	2025	Description

RT-CH-540a.1	Process Safety Incidents Count (PSIC)	Quantitative	Number	4	4	3	Process Safety Incidents Count (PSIC) – defined as the total (annual) number of all incidents falling under the definition of Tier 1 Process Safety Events (PSE) in accordance with ANSI/API RP 754.
	Process Safety Total Incident Rate (PSTIR)	Quantitative	Indicator	$PSTIR = \frac{0,06 \times 4 \times 200000}{12805497}$	$PSTIR = \frac{0,06 \times 4 \times 200000}{12766174}$	$PSTIR = \frac{0,04 \times 3 \times 200000}{12826940}$	Process Safety Total Incident Rate (PSTIR) – defined as the total (annual) number of Tier 1 incidents normalized per hours worked, calculated as PSIC multiplied by 200,000, divided by the total number of hours worked during the year by employees, contractors and subcontractors.
	Process Safety Incident Severity Rate (PSISR) ⁹	Quantitative	Indicator	$PSISR = \frac{0,16 \times 10 \times 200000}{12805497}$	$PSISR = \frac{0,14 \times 9 \times 200000}{12766174}$	$PSISR = \frac{0,5 \times 33 \times 200000}{12826940}$	Process Safety Incident Severity Rate (PSISR) – defined as a cumulative (annual) indicator weighted by incident severity, calculated as the Total Severity Score of all Tier 1 incidents multiplied by 200,000, divided by the total number of hours worked during the year by employees, contractors and subcontractors.
RT-CH-540a.2	Number of Transportation Incidents ¹⁰	Quantitative	Number	0	0	0	No transportation incidents were recorded at the Company.

⁹ Note on RT-CH-540a.1 – The organization shall describe incidents with a severity level of 1 or 2, including root causes, outcomes, and corrective actions taken in response.

¹⁰ Note on RT-CH-540a.2 – The organization shall describe significant transportation incidents, including root causes, outcomes, and corrective actions taken in response.

7. Concluding Provisions

This report has been prepared for the purpose of disclosing information on the Company's climate-related risks and opportunities, taking into account the requirements of IFRS S2 "Climate-related Disclosures". The report has been prepared taking into account the transitional provisions of IFRS S2 and does not contain information on sustainability risks and opportunities that fall outside the scope of climate-related risks and opportunities.

No external independent audit or other independent assurance of this report was carried out during this reporting period. The disclosures have been prepared based on available data, internal procedures for collecting and consolidating information, and the current level of maturity of the processes for managing climate-related risks and opportunities. The question of independent assurance of climate-related disclosures may be considered by the Company in subsequent reporting periods as the data collection, control and verification system develops, and as it further transitions to applying international sustainability disclosure standards.

Additional information on sustainability, environmental, social and corporate governance matters not disclosed in detail in this report due to its climate scope may be obtained from the Company's reports for previous reporting periods, as well as from materials posted on the Company's official website. For matters not covered by this report due to its thematic scope, stakeholders may refer to the Company's previously published reports, materials posted on the Company's official website, or submit an inquiry using the contact details provided on the website, including via the hotline: [+998 (79) 224-41-11].