

Climate Strategy of JSC «Navoiyazot»

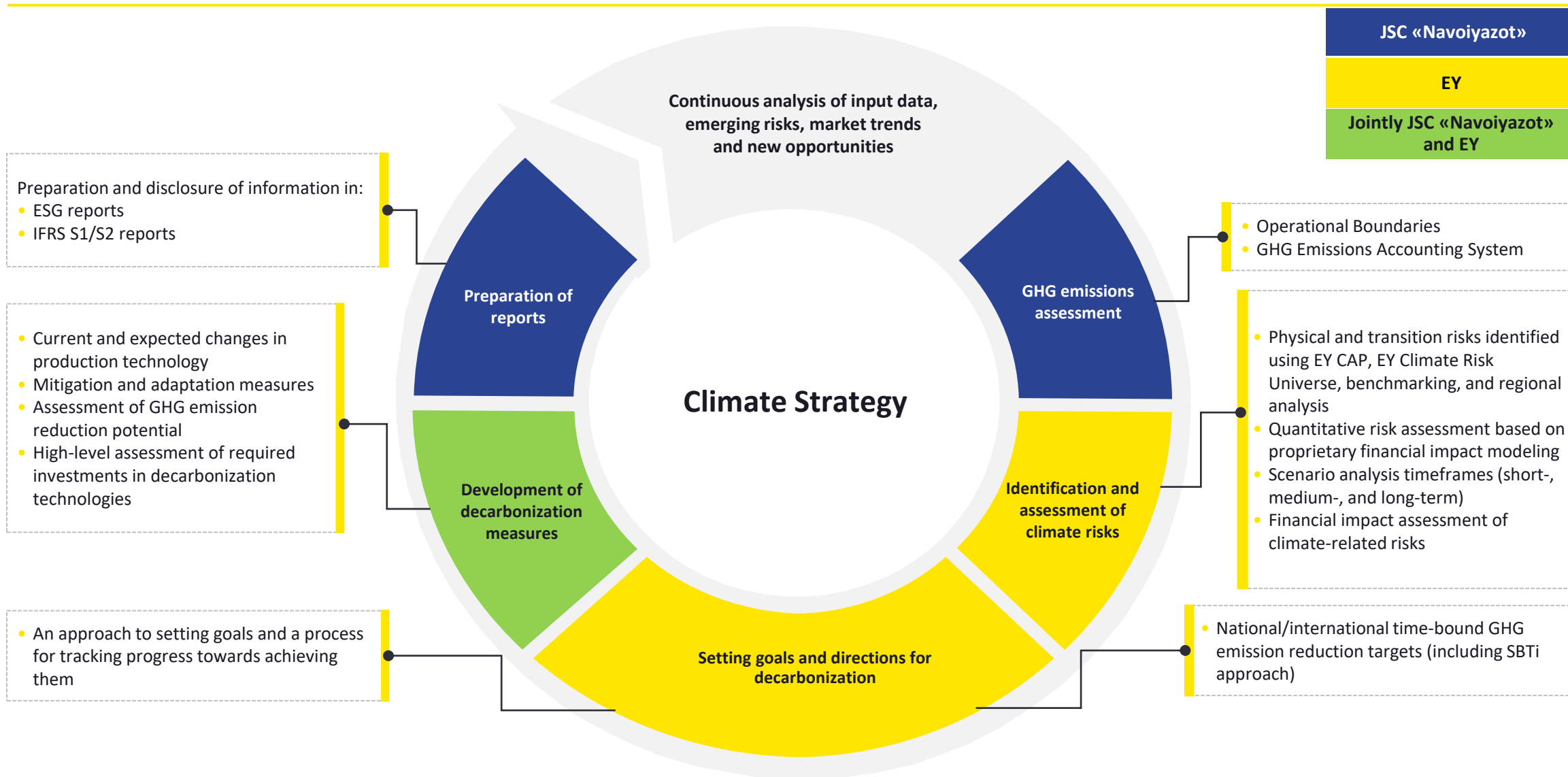
May 2026

■ ■ ■ The better the question. The better the answer. The better the world works.

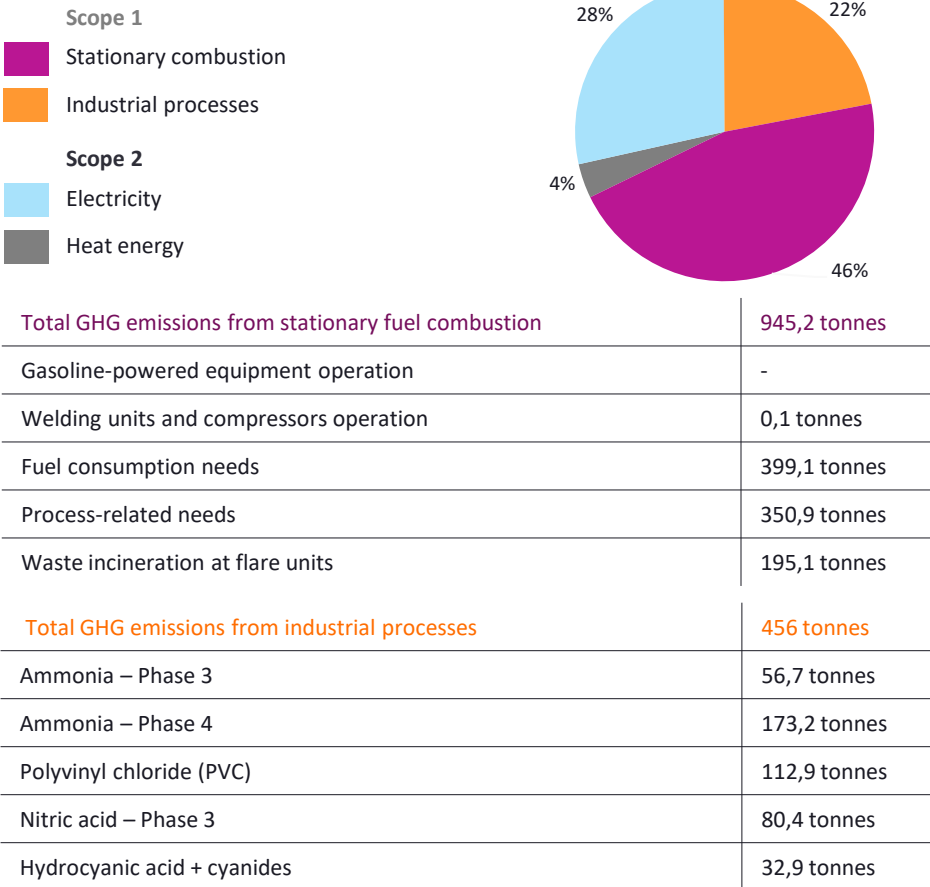
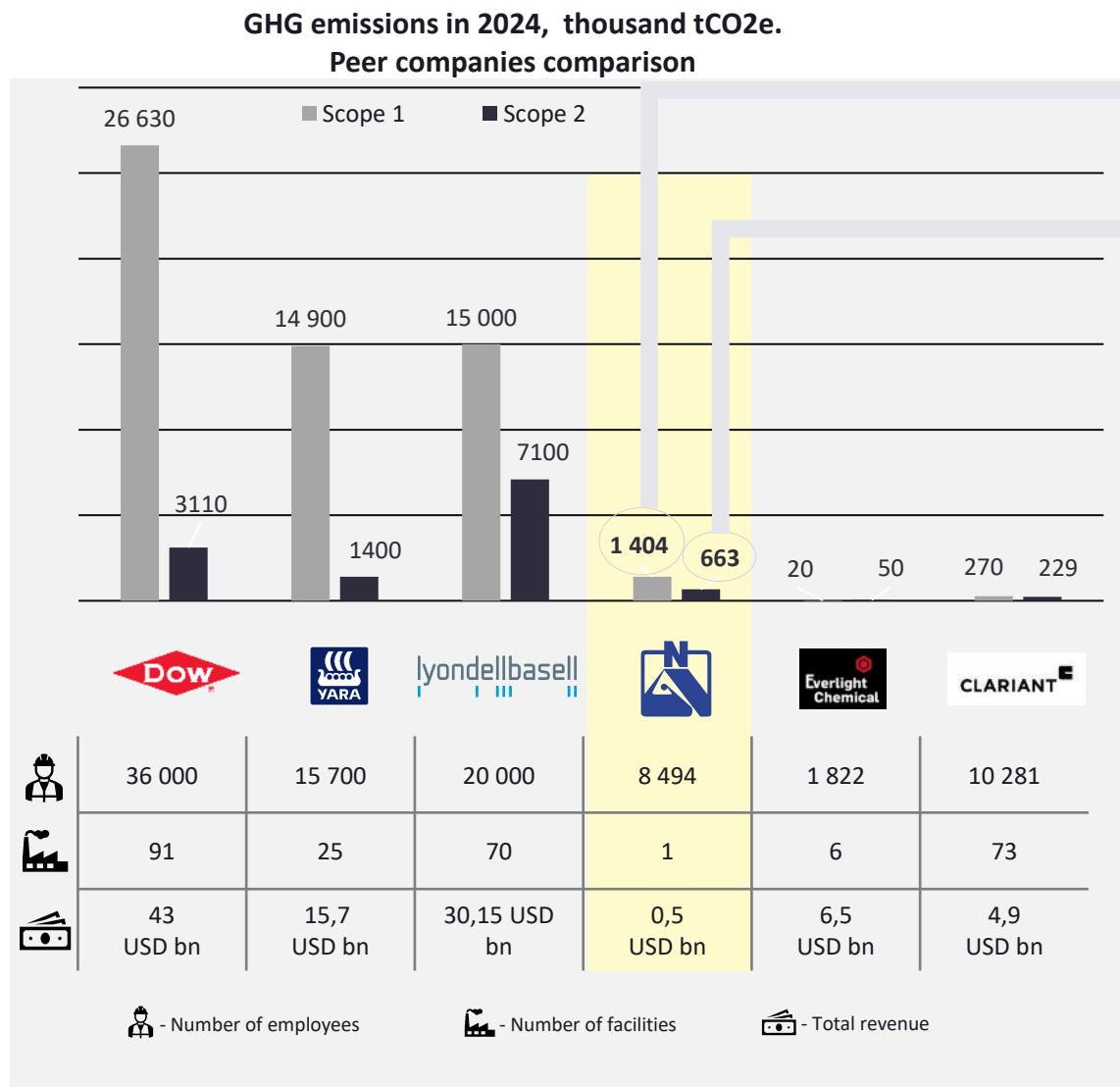


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The main parts of the climate strategy and the work carried out to implement them



The primary focus of decarbonization measures is on reducing emissions from industrial processes and stationary fuel combustion



The primary focus of decarbonization measures is on reducing emissions from industrial processes and stationary fuel combustion, as well as reducing the carbon footprint of purchased electricity.

In the absence of decarbonization measures, emissions are projected to increase by 6% by 2027, after which they will remain stably high with unchanged production capacity.

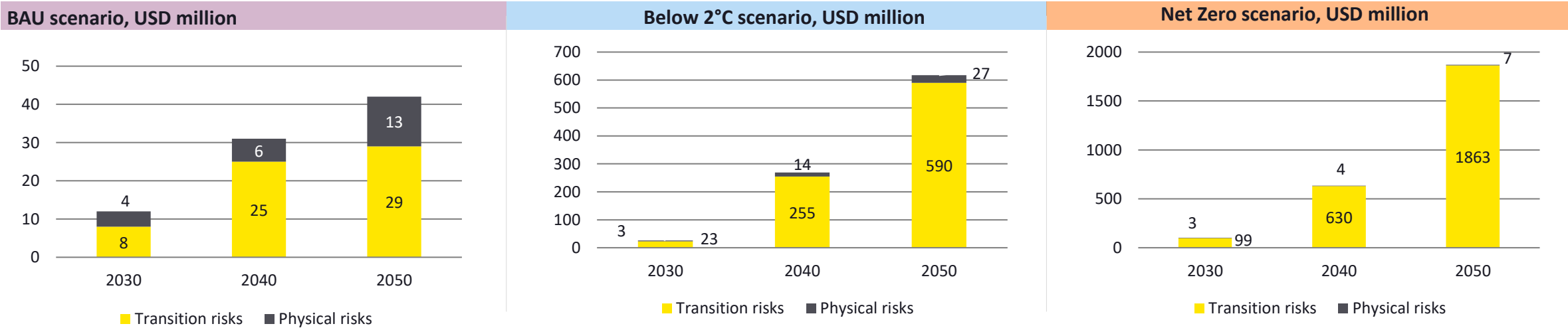
Transition climate risks represent the most significant impact on the operations of JSC «Navoiyazot»

Key Assessed Transition Climate Risks		Key Assessed Physical Climate Risks	
Impact of carbon pricing mechanisms	Increase in mandatory greenhouse gas emission payments resulting from the introduction of carbon regulation in Uzbekistan.	Water scarcity	Increase in water costs due to shortages and growing demand, resulting in additional expenses compared to the baseline level.
	Greenhouse gas emission payments associated with exports to the EU.	Maximum temperatures	Higher asset recovery costs and increased production losses due to infrastructure downtime, as well as additional occupational health and safety expenses.
Increase in electricity and natural gas costs	Growth in operating expenses due to rising electricity and gas prices driven by the inclusion of carbon surcharges in tariffs.	Increased cooling demand	Growth in energy costs driven by higher cooling requirements caused by rising temperatures.
		Extreme heat	Decline in labor productivity due to heat stress, leading to reduced operational efficiency and higher personnel costs.

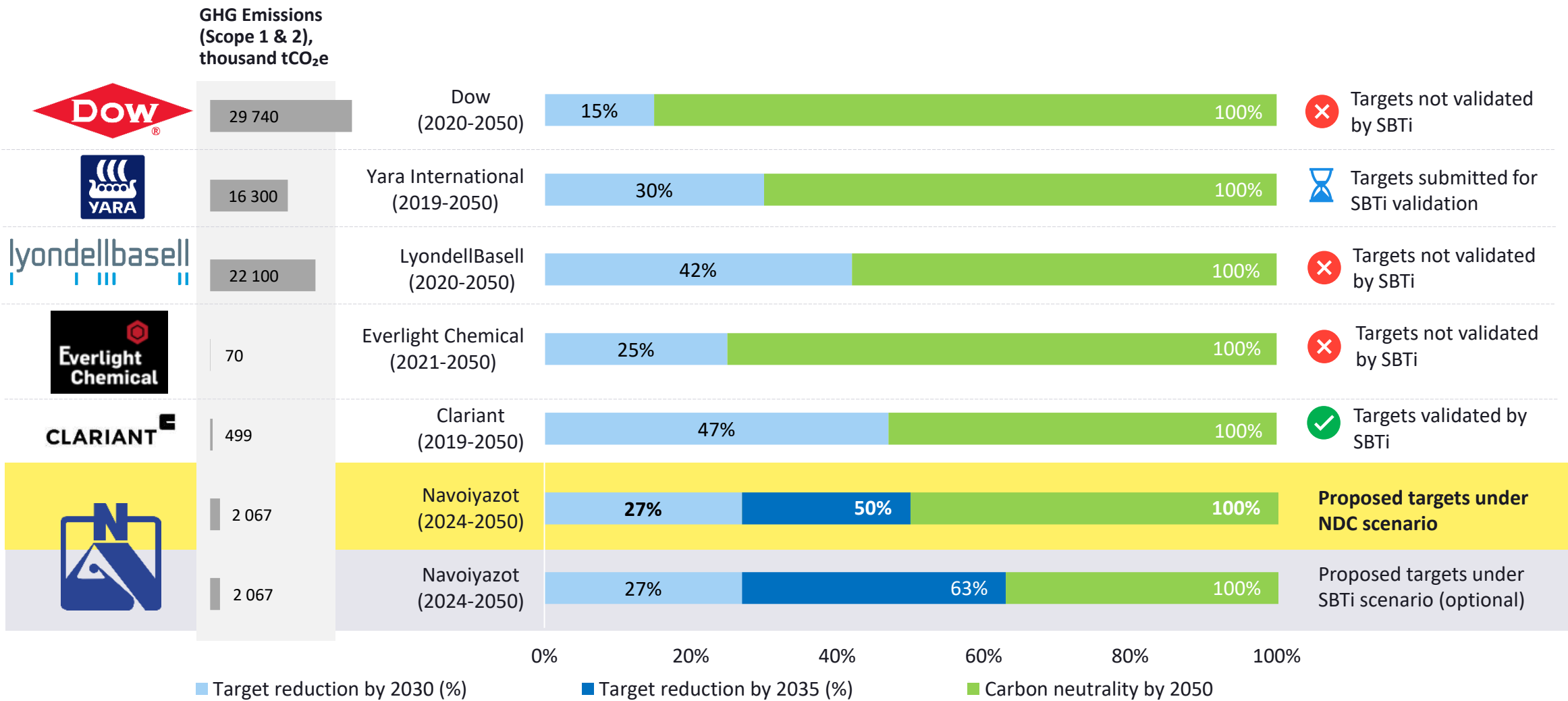
Transition risks were identified using EY Climate Risk Universe, peer benchmarking, and regional analysis, and assessed under NGFS scenarios.

Physical risks were assessed using EY Climate Analytics Platform (EY CAP), with climate indicators extracted for 2030–2050 under RCP2.6, RCP4.5, and RCP8.5 scenarios for selected sites.

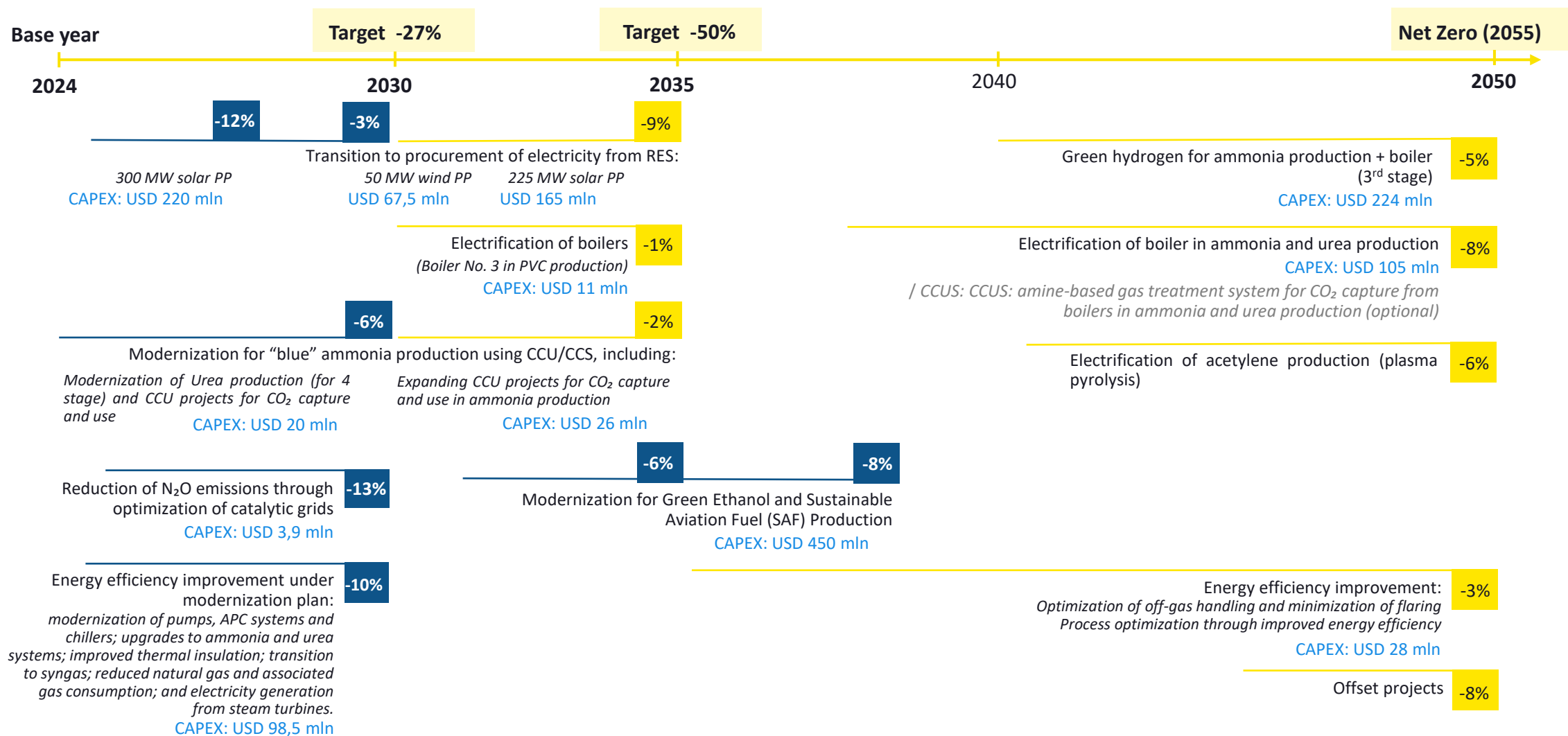
Potential Financial Impact of Climate Risks by Scenario, USD million



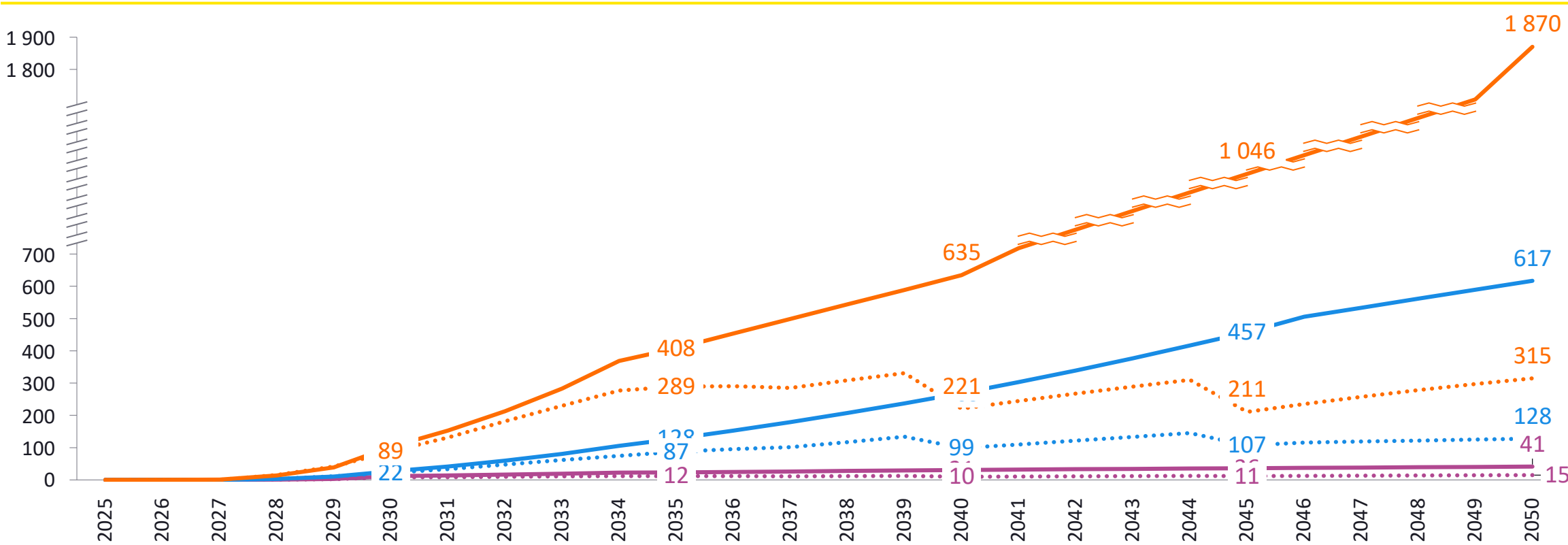
GHG Emissions Reduction Targets: Peer Benchmark and Targets for JSC «Navoiyazot»



Roadmap for JSC «Navoiyazot» under NDC scenario



Reduction of climate risks under relevant climate scenarios as a result of implementing mitigation measures under the NDC scenario, USD million



- BAU scenario - Risks without implementation of measures
- BAU scenario - Risks with implementation of measures under the NDC scenario
- "Below 2°C" scenario - Risks without implementation of measures
- "Below 2°C" scenario - Risks with implementation of measures under the NDC scenario
- Net Zero scenario - Risks without implementation of measures
- Net Zero scenario - Risks with implementation of measures under the NDC scenario

Mitigation of Key Risks Across Scenarios

BAU (continuation of current trends with limited climate policy action)	CBAM, increased cooling demand, rising temperatures
Below 2°C (moderate mitigation scenario aligned with keeping warming below 2°C)	Carbon pricing, CBAM, rising electricity costs, water scarcity
Net Zero (ambitious decarbonization pathway targeting net-zero emissions by ~2050)	Carbon pricing, CBAM, rising electricity costs



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