



GENERAL CLIMATE CHANGE POLICY

APRIL 2020
OCP GROUP



I. PURPOSE

As a major contributor to the global fertilizer market, OCP Group supports the transition towards a more prosperous, sustainable, and resilient agriculture. The Group is vertically integrated, from phosphate rock extraction to phosphoric acid and fertilizer production, and therefore strategically positioned to deliver its mission: contribute to sustainably feeding a growing world population. This implies considering the environmental, social and governance impacts in every decision that is made.

This General Climate Change Policy develops OCP Group's commitment to the fight against climate change and its content is further developed by the following operational policies: Energy Policy, Air emissions Policy and Water Policy.

In addition, this policy is aligned with the 2030 Agenda and the Sustainable Development Goals (SDGs). For further information regarding specific SDG contribution, please refer to each specific operational policy.

II. SCOPE

Climate change is one of the world's biggest challenges and requires the mobilization of all actors at the international level to focus on reducing greenhouse gas (GHG) emissions and promoting sustainable development strategies.

The Paris Agreement and its requirement of adopting Nationally Determined Contributions (NDCs) have caused a paradigm shift within international climate policies. Following this trend, Morocco has adopted its own strategies such as the promotion of renewable energies, and energy efficiency practices.

III. COMMITMENTS

3.1 General commitments

Aware of the climate emergency and acting as an engaged industrial actor, OCP Group commits to:

- A 50% reduction from 2014 in its carbon footprint by 2030.
- Achieve carbon neutrality by 2040.
- 100% clean energy use by 2030 (through improvements in energy efficiency, use of cogeneration and a gradual introduction of renewable energies into the energy mix).
- Meet 100% of water needs covered by non-conventional resources (desalination of seawater and reuse of treated domestic water waste) by 2030.
- Improve the productivity, efficiency and profitability of agricultural production systems.
- Develop skills, raise awareness and empower all employees, suppliers and other stakeholders to combat climate change.
- Integrate the "Fight against climate change" motif as a criterion when choosing OCP Group's suppliers by 2025.



3.2 Operational commitments

OCP Group's commitments to preservation and respect for the climate change have been materialized through the following operational policies related to our main business processes:

- Energy policy
- Water management policy
- Air emissions policy

OCP Group commits to identify, assess and manage climate-related risks (transition and physical risks) and integrate them into the OCP's overall risk and opportunity management. In doing this, The Group will follow best practices and international recommendations, including the TCFD guidelines.

These policies are publicly available on <https://www.ocpgroup.ma/en/sustainability/policies-and-standards>

IV. IMPLEMENTATION

This policy is applied to all activities, products and services of OCP Group, its subsidiaries and joint ventures nationwide, filiates, internal stakeholders, suppliers and their subcontractors.

OCP Group will implement the following lines of action:

- Gradually reducing its carbon footprint across the entire life cycle of its value chain, aiming to achieve carbon neutrality, in accordance to the Paris Agreement.
- Implementing an ambitious climate change adaptation strategy.
- Bringing together internal and external stakeholders to integrate the issue of climate change as a development priority and decision-making criteria.
- Supporting innovations internally and collaborating with national and international research and development entities in multiple fields, especially with those related to clean and renewable energies, as well as to CO2 capture and valorization.
- Implementing tailor-made formulas to diversify and optimize the product portfolio.
- Supporting farmers through education and promotion of the rational use of fertilizers.
- Keeping up with national and international trends and recommendations that are relevant to its activity such as the Task Force on Climate-related Financial Disclosures (TCFD), in order to continue embedding the fight against climate change in all its activities.

V. GOVERNANCE

The responsibility of this policy lies under the ESG / Ethics committee that reports at least twice a year to the Board of Directors / Chief Executive Officer.



VI. COMPLIANCE AND MONITORING

With the aim of identifying, preventing, mitigating and responding to any potential climate change risk related to OCP Group's activity, and since these risks may change over time, OCP Group will conduct an ongoing process of risk identification and management in order to ensure the compliance with the commitments stated in our climate change policies.

VII. REPORTING

For more information on OCP Group's approach to climate change, please consult OCP Group Sustainability report available on its website: <https://www.ocpgroup.ma/en/investors/annual-report>

See also the following policies related: Emissions Policy, Energy Policy , Innovation Policy, Water Management Policy, Responsible Procurement Policy and Supplier Code of Conduct, all available on: <https://www.ocpgroup.ma/en/sustainability/policies-and-standards>

VIII. REVIEW

OCP Group will periodically review this policy to evaluate its relevance, to monitor compliance and to drive continuous improvement. OCP Group welcomes feedback and encourages dialogue with any interested party. All feedback and comments on this policy should be sent to: sustainability@ocpgroup.ma.

Signature: Senior Vice-President - Sustainability Platform

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