

CLIMATE CHANGE POSITION STATEMENT

Iluka's purpose is to deliver sustainable value. Central to this purpose is our view that in order to achieve attractive, long-term returns for shareholders, Iluka must operate its business in a sustainable way. Financial and sustainable development objectives are integrated and mutually reinforcing, including with respect to climate change.

Iluka accepts the Intergovernmental Panel on Climate Change (IPCC) assessment of climate change science and that climate change impacts are widely recognised. We support the Paris Agreement; are aligning our approach to the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations; and seek to make a positive contribution to the global goal of net zero carbon emissions by 2050.

Iluka's primary contribution is underpinned by our product suite – producing critical minerals that are among the building blocks of a low carbon economy. End uses for Iluka's products include applications in renewable energy production, electric mobility systems and hydrogen production, in addition to essential goods and services that are part of everyday life.

Iluka has an emerging position in rare earths, which are vital for the electrification of the global economy. Of their many high value applications, rare earths are essential for the production of permanent magnets, which are in turn used to produce the motors that power electric vehicles, generate power in wind turbines and in other sustainable development technologies.

Iluka's mineral sands products can enable our customers to increase their own efficiency, use less raw materials, generate less waste and reduce emissions. For its titanium dioxide business, Iluka produces high-grade titanium dioxide feedstocks, rutile and synthetic rutile, that enable our pigment customers to operate their production plants efficiently, with less environmental impact. Pigment, in turn, has many applications, and largely used in the production of paint – itself an essential product for extending the life of infrastructure and all manner of machinery, tools and other products. The company also produces high-quality zircon feedstocks that are converted into ceramic opacifiers, which allow tile producers to achieve whiter tiles with a lower environmental footprint than alternative ceramic whiteners.

While Iluka seeks to make a positive contribution to global decarbonisation goals, Iluka's own carbon emissions arise largely from the use of fossil fuels in the production of synthetic rutile and in our mining operations. There is currently no proven commercially feasible alternative to the use of coal as a reductant in the synthetic rutile production process. Iluka is presently identifying and executing a range of measures to improve carbon efficiency in this process and has also commenced exploring alternatives to carbon-based reductants.

We undertake to:

- build resilience to climate related risk by taking steps to understand, assess and manage the risks and opportunities to our business and stakeholders; and incorporate these in our business strategy and investment decisions;
- assess Scope 3 emissions to improve our understanding of our carbon footprint;
- investigate alternative technology to improve the carbon footprint of the synthetic rutile production process;
- seek partnerships aimed at improving performance in our sector, especially around the deployment of more energy efficient mining fleets; and
- keep our stakeholders informed on our climate change related activities.

More broadly, Iluka seeks to maximise the efficient use of energy. As we continue to develop our understanding and responses, Iluka will review its position annually.