

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

Orbia is a community of companies bound together by a shared purpose: to advance life around the world. Orbia’s business groups have a collective focus on ensuring food security, reducing water scarcity, reinventing the future of cities and homes, connecting communities to data and information services and expanding access to health and well-being by providing advanced materials, specialty products and innovative, human-centered solutions. Orbia’s business groups span Precision Agriculture, Building and Infrastructure, Fluorinated Solutions, Polymer Solutions and Data Communications. The company maintains commercial activities in more than 100 countries, operations in over 50 and production sites in 37, with global headquarters in Mexico City, Boston, Amsterdam as well as Tel Aviv, and a team of over 22,000 dedicated employees working worldwide.

W-CH0.1a

(W-CH0.1a) Which activities in the chemical sector does your organization engage in?

- Bulk organic chemicals
- Bulk inorganic chemicals
- Other, please specify (PVC resins, Fluorine-based compounds and phosphates)

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

| | Start date | End date |
|----------------|----------------|------------------|
| Reporting year | January 1 2021 | December 31 2021 |

W0.3

(W0.3) Select the countries/areas in which you operate.

- Argentina
- Australia
- Belgium
- Brazil
- Canada
- Chile
- China
- Colombia
- Costa Rica
- Czechia
- Denmark
- Ecuador
- Finland
- France
- Germany
- Guatemala
- Hungary
- India
- Ireland
- Israel
- Italy
- Japan
- Lithuania
- Mexico
- Netherlands
- Norway
- Oman
- Peru
- Poland
- Russian Federation
- South Africa
- Spain
- Sweden
- Turkey
- United Kingdom of Great Britain and Northern Ireland
- United States of America
- Venezuela (Bolivarian Republic of)

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

USD

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

| Exclusion | Please explain |
|--|--|
| Water data reported here includes manufacturing sites only (excluding offices, warehouses, distribution centers or other sites). | Our material impacts on water come from our manufacturing activities |

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

| Indicate whether you are able to provide a unique identifier for your organization. | Provide your unique identifier |
|---|--------------------------------|
| Yes, an ISIN code | MX01OR010004 |

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

| | Direct use importance rating | Indirect use importance rating | Please explain |
|--|------------------------------|--------------------------------|---|
| Sufficient amounts of good quality freshwater available for use | Vital | Important | <p>Water in Orbia is consumed for a variety of process-related activities. Orbia Extrusion Business Groups (Wavin, Dura-Line & Netafim), for example, consume water mainly for washing and cooling equipment (most of it is re-used through a closed-loop system). On the other hand, Orbia Chemical Business Groups (Vestolit, Alphagary & Koura) use it as a resource for production processes. Some consider water as a raw material, and without it, several production processes cannot take place. Water may be sourced or treated to very specific standards that depend on the type of products to be manufactured.</p> <p>Indirect use of water is mainly related to raw material sourcing. Most of our raw materials are considered chemical substances and water use for their production depends specifically on the product characteristics. For example, PVC resins sourced by our Extrusion Business Groups require important quantities of water to be manufactured. Therefore, water availability is important in our supply chain.</p> <p>Future water dependency has been included in our Climate Risk Assessment conducted in 2019. From the sample of 12 high-priority sites analyzed, only 1 shows to have medium risk due to water stress (San Luis Potosí). Mitigation actions are currently being evaluated.</p> |
| Sufficient amounts of recycled, brackish and/or produced water available for use | Vital | Important | <p>Water is reused where possible. Our Extrusion Business Groups re-use water through closed-loop systems in the majority of their operations. Also, our Las Cuevas Mine in Mexico (San Luis Potosí), located in a water stressed area has high water reuse rates. Our operations are highly dependent on water for operating in optimal conditions, future variations in water availability and pluvial patterns may impact our ability to operate. We aim to update our climate risks assessment, which includes a look into potential scenarios of water availability and drought to keep informing our overall sustainability strategy.</p> |

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

| | % of sites/facilities/operations | Please explain |
|--|----------------------------------|---|
| Water withdrawals – total volumes | 100% | All 119 sites monitor water withdrawal and report data through our internal environmental reporting platform ODISEO on a monthly basis. Data is reported from utility bills. Every quarter, data is validated by plant managers who make sure variations make sense and data is reliable. Orbia always strives to reduce our water withdrawal intensity continuously and expect to maintain this trend. In 2021, we reduced our water withdrawal intensity by 6% compared to 2020. |
| Water withdrawals – volumes by source | 100% | All 119 sites report water withdrawals on a monthly basis, broken down by source: surface water (including rainwater), groundwater, or from a third party (mostly municipal). Every quarter, data is validated by plant managers who make sure variations make sense and data is reliable. Orbia always strives to reduce our water withdrawal intensity continuously and expect to maintain this trend. In 2021, we reduced our water withdrawal intensity by 6% compared to 2020. |
| Entrained water associated with your metals & mining sector activities - total volumes [only metals and mining sector] | <Not Applicable> | <Not Applicable> |
| Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector] | <Not Applicable> | <Not Applicable> |
| Water withdrawals quality | Less than 1% | Water withdrawals quality is not monitored at Corporate level, however, some sites do measure this, as required by their production process. Orbia always strives to reduce our water withdrawal intensity continuously and expect to maintain this trend. In 2021, we reduced our water withdrawal intensity by 6% compared to 2020. |
| Water discharges – total volumes | 100% | All 119 sites monitor and report their monthly water discharge data based on water utility bills, measuring devices, and in some cases (mostly for those with closed-loop systems), based on estimations. Every quarter, data is validated by plant managers who make sure variations make sense and data is reliable. |
| Water discharges – volumes by destination | 100% | All 119 sites report water discharges, on a monthly basis, broken down by destination: surface water, seawater, groundwater and to a third party (municipal). Every quarter, data is validated by plant managers who make sure variations make sense and data is reliable. |
| Water discharges – volumes by treatment method | Not monitored | Water discharges by treatment method are currently not reported at Corporate Level, but are monitored at site level where applicable. Every quarter, data is validated by plant managers who make sure variations make sense and data is reliable. |
| Water discharge quality – by standard effluent parameters | Less than 1% | Wastewater discharge quality is strictly governed by local regulations and parameters are set specifically for each watershed. Orbia's operations abide by these local regulations. It is important to note that 75% of our production sites have closed looped water systems, therefore, this indicator is not material at Corporate level. These parameters are mostly applicable to our chemical plants (30 out of 119 operational sites), and are reported annually, in line with local requirements. |
| Water discharge quality – temperature | Less than 1% | Water discharge quality by temperature is not monitored at Corporate level, however, some sites measure this parameter, in line with local regulation. |
| Water consumption – total volume | 100% | Consumption is calculated based on withdrawal and discharge data reported by sites on a monthly basis in our internal software for environmental data collection ODISEO. |
| Water recycled/reused | Less than 1% | Water recycled or reused is relevant for our Extrusion Business Group sites and for the Mine at Las Cuevas only. This parameter is monitored at local level and since data is calculated using different methodologies, it is not aggregated at Corporate level. |
| The provision of fully-functioning, safely managed WASH services to all workers | 100% | All sites, warehouses and offices have WASH services available to all workers. |

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, and how do these volumes compare to the previous reporting year?

| | Volume (megaliters/year) | Comparison with previous reporting year | Please explain |
|-------------------|--------------------------|---|---|
| Total withdrawals | 15184 | About the same | Difference with previous year is less than 3% |
| Total discharges | 11539 | About the same | Difference with previous year is less than 2% |
| Total consumption | 3645 | Lower | Difference with previous year is less than 7% |

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress and provide the proportion.

| | Withdrawals are from areas with water stress | % withdrawn from areas with water stress | Comparison with previous reporting year | Identification tool | Please explain |
|-------|--|--|---|---------------------|---|
| Row 1 | Yes | 26-50 | About the same | WRI Aqueduct | Based on our updated 2021 assessment using the World Resources Institute (WRI) Aqueduct Version 3.0 tool, 41 of our plants are in areas of high or extremely high water stress, representing 34% of our sites and 47% of our total water withdrawal |

W1.2h

(W1.2h) Provide total water withdrawal data by source.

| | Relevance | Volume (megaliters/year) | Comparison with previous reporting year | Please explain |
|--|-----------------------------|--------------------------|---|--|
| Fresh surface water, including rainwater, water from wetlands, rivers, and lakes | Relevant | 9253 | About the same | Water withdrawn from surface bodies was reduced by 1% compared to previous year. |
| Brackish surface water/Seawater | Not relevant | <Not Applicable> | <Not Applicable> | None of our sites withdraw brackish or sea water. |
| Groundwater – renewable | Relevant but volume unknown | <Not Applicable> | <Not Applicable> | We do not differentiate between groundwater renewable and non-renewable. To provide a more conservative value we report all groundwater as non-renewable. |
| Groundwater – non-renewable | Relevant | 4703 | Lower | We do not differentiate between groundwater renewable and non-renewable. To provide a more conservative value we report all groundwater as non-renewable. Groundwater withdrawal decreased 9% compared to last year. |
| Produced/Entrained water | Not relevant | <Not Applicable> | <Not Applicable> | We do not use produced water or entrained water. |
| Third party sources | Relevant | 1228 | Higher | Water from third parties increased by 5% compared to last year. |

W1.2i

(W1.2i) Provide total water discharge data by destination.

| | Relevance | Volume (megaliters/year) | Comparison with previous reporting year | Please explain |
|---------------------------------|-----------|--------------------------|---|---|
| Fresh surface water | Relevant | 7670 | Lower | Most water discharged to fresh surface water comes from our chemical operations. Reduction in this metric is mostly a result of reclassification from surface water to seawater in 2020. We do not yet monitor TDS in water at Corporate level, however, sites do so according to their local regulations. We report all wastewater discharged to surface bodies (except seawater) as freshwater. |
| Brackish surface water/seawater | Relevant | 1448 | Higher | We do not differentiate between freshwater and brackish water discharge. This figure only represents water discharged from seawater. Seawater discharge increased 8% compared to last year |
| Groundwater | Relevant | 11 | Much higher | Five sites report water discharged to groundwater. Groundwater discharge increased 53% compared to last year |
| Third-party destinations | Relevant | 2411 | About the same | Water discharged to third parties increased by 3% compared to last year. |

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

| | Revenue | Total water withdrawal volume (megaliters) | Total water withdrawal efficiency | Anticipated forward trend |
|-------|---------|--|-----------------------------------|--------------------------------|
| Row 1 | 8783 | 15184 | 0.578437829293994 | Revenue in millions of dollars |

W-CH1.3

(W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?

Yes

W-CH1.3a

(W-CH1.3a) For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.

Product type

Other, please specify (Chemical products from all chemical sites)

Product name

All products manufactured by Vestolit, Alphagary and Koura

Water intensity value (m3)

1.78

Numerator: water aspect

Total water withdrawals

Denominator

Ton

Comparison with previous reporting year

Lower

Please explain

Production increased 3% compared to 2020

W1.4

(W1.4) Do you engage with your value chain on water-related issues?

Yes, our suppliers

Yes, our customers or other value chain partners

W1.4a

(W1.4a) What proportion of suppliers do you request to report on their water use, risks and/or management information and what proportion of your procurement spend does this represent?

Row 1

% of suppliers by number

76-100

% of total procurement spend

76-100

Rationale for this coverage

These figures cover our Wavin, Duraline and Koura Business Groups only, as the rest of our businesses are yet to implement supplier performance evaluations through the Ecovadis Assessment platform. Target supplier group represents 80% of our spend.

Impact of the engagement and measures of success

54% of targeted suppliers have completed the Ecovadis Assessment

Comment

W1.4b

(W1.4b) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Encourage/incentivize suppliers to work collaboratively with other users in their river basins

Other, please specify (Collaboration projects with municipal water treatment plants or neighboring plants related to wastewater reuse)

% of suppliers by number

Less than 1%

% of total procurement spend

Unknown

Rationale for the coverage of your engagement

These collaboration projects have been carried out in partnership with a municipal water treatment plant (by our El Salto site in Mexico), and a couple of neighboring plants (by our Cartagena site in Colombia).

Impact of the engagement and measures of success

The outcomes of these partnerships will relieve water stress in the region significantly, as the objective of both initiatives is to close the water loop. See details of these projects in our 2021 Sustainability Report p. 58

https://www.orbia.com/49ac8a/siteassets/6.-sustainability/2021-sustainability-report/orbia_sustainability_report_2021.pdf

Comment

W1.4c

(W1.4c) What is your organization's rationale and strategy for prioritizing engagements with customers or other partners in its value chain?

We recognize that our water footprint goes beyond our direct operations. Through our solutions, we have an important role in contributing to guarantee water security, particularly in water-stressed areas. From a solutions perspective, some examples of engagement with customers include co-developing and improving our products:

- Netafim's subsurface drip irrigation (SDI) system developed with dairy farmers to integrate organic waste generated by cows into precision irrigation and optimize water and fertilizer use in feed crops, eliminating chemical fertilizer.

- Wavin's portfolio improves performance of high-pressure water distribution networks, safety levels of indoor drinking water supply, reduces water loss and offers smarter ways of managing water networks.

Multi-stakeholder partnership examples related to water:

- Resilience Cities Network: 2021 was our first full year in partnership with the Resilience Cities Network (R-Cities). Through our brands Wavin, Netafim and Dura-Line, we will work with R-Cities members to develop innovative solutions to ongoing challenges including water supply and urban food systems to enhance urban quality of life and ensure resilience. SDG #6 is a focus area of the partnership.

- Water Funds in Latin America: Orbia's chairman presides Agua Capital, a water fund organization that promotes water security in Mexico City. Key projects include: the installation of rainwater harvesting equipment in schools and houses, conservation efforts on Mexico City's external water sources (sub-basin of the State of Mexico), development of a massive online open course with UNESCO's Water Security Center and the National Autonomous University on Hydro-intelligent Cities, aimed to share knowledge and best practices on water management in urban areas. Orbia's companies, in particular Wavin, support Water Funds in other Latin American countries.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

| | |
|--------|-----------------------------------|
| Mexico | Other, please specify (Rio Verde) |
|--------|-----------------------------------|

Type of impact driver & Primary impact driver

| | |
|------------------|--|
| Chronic physical | Changing precipitation patterns and types (rain, hail, snow/ice) |
|------------------|--|

Primary impact

Upfront costs to adopt/deploy new practices and processes

Description of impact

Site has experienced reductions on water supply during dry seasons, however, last year a change in precipitation patterns drove an increase in water availability. Unusual rainfalls urged the site to quickly implement additional water management efforts through investing in technology and new practices.

Primary response

Increase investment in new technology

Total financial impact

4200000

Description of response

Investment in water reclamation systems to increase water use efficiency and additional efforts to protect the site from the unusual water overload. The financial impact is yet to be determined, we aim to analyze it and disclose it in the future

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

No

W3. Procedures

W-CH3.1

(W-CH3.1) How does your organization identify and classify potential water pollutants associated with its activities in the chemical sector that could have a detrimental impact on water ecosystems or human health?

Impacts related to water pollutants can vary across our Business Groups and depend on the process activities. In Orbia, wastewater quality is strictly governed by local regulations, and parameters are set specifically for each watershed. Orbia's operations comply with these local regulations. Our largest potential water pollutant is wastewater. Specific potential water pollutants are identified based on raw materials used and in line with the requirements of our Environmental Management Systems or applicable local regulation. This ensures awareness of potential impact and triggers action plans when needed. In addition, specific water footprint analyses are progressing in 5 of our 8 PVC resins production sites, including potential eco-toxicity and eutrophication impacts derived from water discharged.

W-CH3.1a

(W-CH3.1a) Describe how your organization minimizes adverse impacts of potential water pollutants on water ecosystems or human health. Report up to ten potential pollutants associated with your activities in the chemical sector.

| Potential water pollutant | Value chain stage | Description of water pollutant and potential impacts | Management procedures | Please explain |
|---------------------------|-------------------|---|--|---|
| Wastewater | Direct operations | Wastewater has been identified as a potential pollutant that can cause an impact in the environment. Orbia's operations are continuously evaluating efforts to reduce their impact. Where necessary, wastewater treatment plants have been installed. | Compliance with effluent quality standards Measures to prevent spillage, leaching, and leakages Providing best practices instructions on product use | Wastewater quality is strictly governed by local regulations, and parameters are set specifically for each watershed. Orbia's operations comply with these local regulations. |

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

Direct operations
Supply chain

Coverage

Partial

Risk assessment procedure

Water risks are assessed in an environmental risk assessment

Frequency of assessment

Every three years or more

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

Tools on the market
International methodologies and standards

Tools and methods used

WRI Aqueduct
WWF Water Risk Filter
IPCC Climate Change Projections

Contextual issues considered

Water availability at a basin/catchment level
Stakeholder conflicts concerning water resources at a basin/catchment level
Water regulatory frameworks

Stakeholders considered

Local communities
Regulators
Suppliers

Comment

Orbia has looked into water-related risks as part of its climate-related risk management process carried out in line with TCFD recommendations in 2019 for 12 high priority sites. Through this assessment, we have evaluated risks related to water stress by using the WRI Aqueduct tool and the IPCC projections on annual change in precipitation, and annual change in seasonal total soil moisture content. Also, water risk assessments for all five Vestolit resin plants in Mexico and Colombia were completed (representing around 41% of Orbia's consumption and 60% of consumption in water stressed areas) and during 2021, we aim to use these results to establish context-based water targets. We are looking into supply chain water-related data and potential risks through our Ecovadis program where Wavin, Duraline and Koura UK participate assess their suppliers on several environmental topics (including water), the selected set of suppliers represent 80% of their spend. Stakeholder conflicts concerning water resources are considered within the particular water risk assessments conducted at site level. In Koura, for example, as pluvial patterns changed last year, potential impacts of this change were discussed with the neighboring community and the Company took actions to be prepared to handle the additional unexpected water volume. As part of Koura's newly improved comprehensive Corporate Social Responsibility (CSR) & Community Engagement Management System.

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

Water-related risks have been included as part of our climate-related risk assessment carried out in line with TCFD recommendations in 2019 for 12 high-priority sites. We have identified physical risks related to water stress that may lead to a lack of process water resulting in disruption to manufacturing processes on site, and also transition risks related to increased costs of water. Consequently, this could lead to a reduction in revenue on a short-term scale. Longer-term scale events could have a more significant impact on water supply. This assessment was completed based on information provided by the WRI Aqueduct tool and the IPCC projections on annual change in precipitation and annual change in seasonal total soil moisture content and has considered potential impacts by 2030. Findings from these assessments inform our Business Groups strategies and decision making processes.

Rationale for choosing RCP 8.5 for physical risks (including water-related):

Orbia’s first intention was to understand the possible outcomes to 2030 for some of its key sites, based on a 'business as usual' trajectory which would see temperatures increase by around 4.5°C or more by 2100, which is expected to provide some insight of the highest level of effort to adapt to climate change, which also include water-related variables and risks like drought & scarcity. Based on this, we chose RCP 8.5 from the IPCC. Future water costs were also considered within our transition risk assessment. In an effort to evaluate effects on relevant supply chains, key vertically integrated sites from our Fluorinated Solutions business groups were included into our 12 sites samples.

Also, in 2020, we embarked upon a program of water risk assessments covering the full spectrum of watershed risks (physical, regulatory and community-related). We completed assessments for all five Vestolit resin plants in Mexico and Colombia (representing 41% of Orbia’s consumption and 60% of consumption from water stress areas). Analysis was conducted using the WWF Water risk Filter tool. Information about the water footprint of the evaluated sites was also considered, as this includes relevant information related to water impact from raw materials. Findings have resulted in the creation of specific committees at each site and working sessions to develop objectives and initiatives to mitigate water-related risks.

We are looking into supply chain water-related data and potential risks through our Ecovadis program where Wavin, Duraline and Koura UK participate assess their suppliers on several environmental topics (including water), the selected set of suppliers represent 80% of their spend.

In general, Orbia manages sustainability efforts (including water-related aspects) through a matrix structure, with leadership and functional specialties held at global and corporate levels. Orbia’s VP of Sustainability is a member of the Leadership Team along with the Business Presidents, CFO and other key functional leaders. The VP and the Corporate Sustainability team work directly with presidents of the business groups to identify climate and water risks and opportunities and embed climate considerations into decision-making and business strategy. We base much of this work on the 2019 TCFD-aligned risk analysis and company-wide risk processes. Additionally, each business group has a dedicated sustainability lead and team responsible for the development of the business specific sustainability strategies and oversight. Water-related performance data is reported in ODISEO, our centralized sustainability reporting platform.

As part of our business processes, we continually identify climate and/or water related risks, including physical, transitional, regulatory, and other risks. The Orbia risk management teams quantify the potential financial impact and timeframe of each risk. Risks with higher financial impact are prioritized for mitigating action. A risk with a substantive (high) financial impact on a global Orbia corporate level is one where the potential financial impact was identified as greater than 50 Million USD. However- a risk can be considered substantive for a specific Orbia business group or site with a lower potential financial impact as well. Also- the risk impact can be considered substantive/strategic on a global Orbia level even with a lower potential impact, pending on significant potential influence in terms of safety, environmental or other forms of compliance, business continuity or reputation. The following are the risk threshold categories as defined by Orbia. The threshold category names have been adjusted to match those used in the CDP reporting requirements.

1. High: \$50MM or greater USD
2. Medium-high : \$37.5MM USD – \$50MM USD
3. Medium : \$22.5MM - \$37.5MM USD
4. Low-medium: \$7.5MM - \$22.5MM USD
5. Low: Less than \$7.5MM USD

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, only within our direct operations

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

As part of our business processes, we continually identify climate and/or water related risks, including physical, transitional, regulatory, and other risks. The Orbia risk management teams quantify the potential financial impact and timeframe of each risk.

Risks with higher financial impact are prioritized for mitigating action.

A risk with a substantive (high) financial impact on a global Orbia corporate level is one where the potential financial impact was identified as greater than 50 Million USD . However- a risk can be considered substantive for a specific Orbia business group or site with a lower potential financial impact as well. Also, the risk impact can be considered substantive/strategic on a global Orbia level even with a lower potential impact, pending on significant potential influence in terms of safety, environmental or other forms of compliance, business continuity or reputation.

The following are the risk threshold categories as defined by Orbia. The threshold category names have been adjusted to match those used in this section of the CDP questionnaire.

- 1. High: \$50MM or greater USD
- 2. Medium-high : \$37.5MM USD – \$50MM USD
- 3. Medium : \$22.5MM - \$37.5MM USD
- 4. Low-medium: \$7.5MM - \$22.5MM USD
- 5. Low: Less than \$7.5MM USD

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

| | Total number of facilities exposed to water risk | % company-wide facilities this represents | Comment |
|-------|--|---|--|
| Row 1 | 41 | 26-50 | Based on our updated 2021 assessment using the World Resources Institute (WRI) Aqueduct Version 3.0 tool, 41 of our plants are in areas of high or extremely high water-stress, representing 34% of our sites and 47% of our total water withdrawal. |

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

| | |
|--------|-----------------------------------|
| Mexico | Other, please specify (Rio Verde) |
|--------|-----------------------------------|

Number of facilities exposed to water risk

1

% company-wide facilities this represents

Less than 1%

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

Less than 1%

Comment

We have included water-related risks in our TCFD-aligned climate risk assessment. The analysis covered twelve high priority sites from three of Orbia's Business Groups across six countries. The screening process considered prior risk assessment work done internally, combined with the financial exposure of site impact. Only one of our evaluated sites has been identified to be at medium risk in terms of financial impact related to water stress .

W4.2

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

| | |
|--------|-----------------------------------|
| Mexico | Other, please specify (Rio Verde) |
|--------|-----------------------------------|

Type of risk & Primary risk driver

| | |
|------------------|--------------|
| Chronic physical | Water stress |
|------------------|--------------|

Primary potential impact

Increased production costs

Company-specific description

A decrease on water supply from underground sources (mainly) could result in an increase of production costs, since alternate water supplies need to be sourced.

Timeframe

More than 6 years

Magnitude of potential impact

Medium

Likelihood

Likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2430000

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

Value calculated is the average of impact on revenue in case of water stress affecting our 12 higher risk sites evaluated, although only 1 site has a medium risk of this materializing

Primary response to risk

Secure alternative water supply

Description of response

Identify additional water sources for our medium risk operation.

Cost of response

122000

Explanation of cost of response

The calculation covers the estimated cost of buying additional water to supplement our operations at our 1 medium risk site over one year. Based on historical water shortages, we estimate a requirement of at least 1145 m3 of water per day at a cost of 0.29 USD/m3. This is a short-term cost impact and does not consider potential complications associated with the sourcing and availability of supplementary water sources, or related community concerns.

W4.2c

(W4.2c) Why does your organization not consider itself exposed to water risks in its value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact?

| | Primary reason | Please explain |
|-------|-------------------|--|
| Row 1 | Not yet evaluated | Initial global efforts are mainly focused on direct operational risk, however, our Vestolit Business Group's efforts to understand the water footprint of 5 sites, have provided a sense about water-related risks from their most relevant raw materials. Financial impact of these has not been quantified yet. This will help inform future actions to understand our exposure to water risks in our value chain. As part of our continuous improvement processes, we are collaborating with different areas of our organization to strengthen our scenario analysis capability. We will analyze new scenarios in 2022, in line with the most recent available information, and will include additional stages of our value chain. |

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

Our El Salto Plant near Guadalajara, in Mexico is located in an area of extreme water stress. A project partnership with the municipal water treatment plant initiated in 2020 is on track to be completed, allowing us to source treated water and return it for treatment after use in our production process. By sourcing water from a municipal treatment water plant, the plant will no longer rely on underground water in high-stress zones, further progressing our water efficiency initiatives.

Also, one of our sites in Cartagena, Colombia is in a medium- to highwater stress. Previously unable to reuse the water, our team saw an opportunity to partner with neighboring companies to reuse wastewater, and the project has successfully advanced to the legal stage. The water quality has been characterized and assessed based on the neighbor's requirements for water uptake. The team identified process reconditioning activities and the engineering phase will start in 2022. The success of this project will benefit local factories, residents and alleviate water stress levels.

Estimated timeframe for realization

More than 6 years

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10080000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

Based on the site's daily water consumption (1,200 m3) and approximate costs per m3 in Mexico (3 USD), we expect savings related to the purchase of water of around 1m USD per year, for the next 10 years.

Initial investment to be made by the site to make this project happen is of 1m USD on year 1 only (in total, adapting the water treatment plant will cost around 7 million USD, split between the 7 partners of the project).

Type of opportunity

Products and services

Primary water-related opportunity

Increased sales of existing products/services

Company-specific description & strategy to realize opportunity

Stormwater management solutions help cities build their climate resilience, while reducing the costs and damage from increased flooding, particularly in Europe. They also contribute to relieving heat stress and help alleviate groundwater depletion with infiltration/attenuation units combined with StormHarvester (an all-in-one-tank rainwater reuse and flood drainage system run on smart weather forecasting technology).

Wavin has been investing in growing this range of solutions in the past years and expanding capacity to produce geocellular units. More information in the following links:

<https://www.wavin.com/en-ie/catalogue/rainwater-stormwater>

<https://www.wavin.com/en-ie/Knowledge-Centre/News/Five-ways-to-reduce-urban-heat-stress>

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

180000000

Potential financial impact figure – maximum (currency)

250000000

Explanation of financial impact

The above are based on estimated revenue forecasts to 2025 for the ranges of solutions mentioned above, expected to grow 30-40% from 2019 revenues.

In 2021, our stormwater management solution revenues increased by 22% vs. previous year.

Type of opportunity

Products and services

Primary water-related opportunity

Increased sales of existing products/services

Company-specific description & strategy to realize opportunity

Our Netafim business addresses multiple opportunities related to the triple challenge of the global food system, including allowing higher crop yields to feed a growing population while minimizing water and fertilizer use:

- While the market share of drip irrigation for extensive crops, such as maize and rice, has been historically low, we have had successful commercial-scale efforts in Turkey and India, delivering improved yields, 70% water savings, fertilizer use reduction, >90% reduction of methane emissions and significant reduction of arsenic uptake into rice grains. With rice feeding more than 1.6 billion people around the world (UN) and growers leaning towards sustainable agriculture, the market is growing globally.
- According to the UN, more than 660 million live in small urban centers under water and food scarcity. In 2021, Netafim acquired Dutch Greenhouse Company Gakon Horticultural Projects to meet the growing demand for local food production in all climates. Yields in commercial greenhouse projects are increasing by up to 8-10 times in comparison to open field growing. Growers can now produce crops all year round, even in urban areas and fresh local food is available for local markets, while resources like water and fertilizer use is being cut by up to 40%.
- Netafim's Community Irrigation Project model, which organizes smallholders into "irrigation communities" that benefit from regular water supply through improved infrastructure, efficient irrigation equipment, modern farming practices and a hub of technical and commercial assistance that enables farmers to thrive and support their families and communities. This model has been successful in India and efforts to develop this in other regions are ongoing.

Estimated timeframe for realization

4 to 6 years

Magnitude of potential financial impact

High

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

520000000

Potential financial impact figure – maximum (currency)

740000000

Explanation of financial impact

- Extensive crops cover about 88% of irrigated land globally. Nonetheless, micro-irrigation only covers an estimated <1% of this land. Based on the emergence of new incentives such as carbon/water credits, new technological breakthroughs, and wider adoption of sustainability criteria by governments, Netafim predicts a 5% CAGR in sales of irrigation products and solutions for extensive crop cultivation to 2025.
- The Greenhouse market is a ~\$3 billion market, with an estimated CAGR of at least 7% for the upcoming years. Netafim accelerated its penetration to this market with the acquisition of Gakon. Together, the combined revenues expected to reach ~\$200M by 2025. In addition, the urban farming market is expected to significantly grow in the upcoming years, due to trends of local food production and food security concerns. This market is a direct fit to Netafim and Gakon capabilities, and estimated to contribute additional revenues by 2025
- Financial estimation of continued growth in community irrigation in India as well as initial penetration to additional geographies

In 2021, our precision irrigation revenues increased by 15% vs. previous year, accounting for 13% of Orbia's revenue.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Las Cuevas

Country/Area & River basin

| | |
|--------|-----------------------------------|
| Mexico | Other, please specify (Rio Verde) |
|--------|-----------------------------------|

Latitude

21.941647

Longitude

-100.577946

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

489

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

114

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

375

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0.94

Comparison of total discharges with previous reporting year

Higher

Discharges to fresh surface water

0.94

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0

Total water consumption at this facility (megaliters/year)

489

Comparison of total consumption with previous reporting year

Much lower

Please explain

Change in water withdrawal was 35% lower than last year, while discharge was 25% higher.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water withdrawals – volume by source

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water discharges – total volumes

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water discharges – volume by destination

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water discharges – volume by final treatment level

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

This is not monitored

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

Water consumption – total volume

% verified

76-100

Verification standard used

International Auditing Standard ISAE 3000 Revised Assurance Engagements

Please explain

<Not Applicable>

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy that is publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

| | Scope | Content | Please explain |
|-------|--------------|---|--|
| Row 1 | Company-wide | <p>Reference to international standards and widely-recognized water initiatives</p> <p>Commitment to align with public policy initiatives, such as the SDGs</p> <p>Commitment to water-related innovation</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Acknowledgement of the human right to water and sanitation</p> | <p>- Our Sustainability Policy includes our commitment to water stewardship https://www.orbia.com/sustainability/policies-and-guidelines/sustainability-policy/</p> <p>- As part of our purpose, to advance life around the world, our businesses are committed to address the world's most critical challenges, including water management. Described here: https://www.orbia.com/challenges/; https://www.orbia.com/494d27/siteassets/6.-sustainability/2021-sustainability-report/orbia_sustainability_report_2021.pdf (pages 57-59)</p> <p>- Because our business aspires to advance global sustainable development and deliver solutions to the world's most pressing challenges, we pledged support for the United Nations' Sustainable Development Goals (UN SDGs). In order to assess how and to what extent our solutions contribute to the SDGs and their targets, we are committed to continuously evaluate the value delivered by Orbia's products and solutions towards water access and sanitation. https://www.orbia.com/4ab9cc/siteassets/3.-news--stories/sustainable-solutions-report-unsdg/sus_un-sdg-report_11.11.21_d1v5.pdf (pages 6,7,9,10,11)</p> <p>- Our \$130 million USD venture capital fund, Orbia Ventures, invests in and collaborates with startups that aspire to advance life around the world. Water infrastructure innovation is one of the focus areas. https://www.orbia.com/ventures/ov-focus-areas/</p> <p>- Orbia is part of The CEO Water Mandate, a UN's initiative to provide a multi-stakeholder platform to advance corporate water sustainability policies and practices. https://www.orbia.com/494d27/siteassets/6.-sustainability/2021-sustainability-report/orbia_sustainability_report_2021.pdf, page 111)</p> <p>- Our expertise and focus are on improving water conservation and access as well as developing sanitation infrastructure. We provide solutions in access to water, sanitation and hygiene to mitigate the deficit in coverage and quality of provision of basic WASH services for communities in Latin America through the development of strategic alliances with project partners in the communities. https://www.orbia.com/494d27/siteassets/6.-sustainability/2021-sustainability-report/orbia_sustainability_report_2021</p> |

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

| Position of individual | Please explain |
|------------------------|---|
| Board-level committee | <p>The Board's Corporate Practices and Sustainability Committee has oversight on our overall Sustainability strategy, including water issues. Every Quarter, our VP of Sustainability and VP of Health, Safety and Environment & Engineering report progress on targets to this committee, including our water performance.</p> <p>In addition, Orbia's Critical Risk Committee (CRC), reports to the Audit Committee, and is responsible for identifying and assessing enterprise risks, evaluating the appropriate risk profile for the enterprise, developing risk mitigation plans, and overseeing their implementation. These risks include water risks, both physical and transition.</p> |

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

| | Frequency that water-related issues are a scheduled agenda item | Governance mechanisms into which water-related issues are integrated | Please explain |
|-------|---|--|---|
| Row 1 | Scheduled - some meetings | <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Reviewing and guiding corporate responsibility strategy</p> | The Board is regularly updated with all major risks and opportunities related to social and environmental aspects, including water. |

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

| | Board member(s) have competence on water-related issues | Criteria used to assess competence of board member(s) on water-related issues | Primary reason for no board-level competence on water-related issues | Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future |
|-------|---|---|--|---|
| Row 1 | Yes | Juan Pablo del Valle Perochena, Orbia's Chairman has competence on water issues through his active involvement in diverse environment organizations. He is chairman of Mexico City's first water fund (Agua Capital) and member of the Latin American Conservation Council and the Latin America Water Funds Partnership, which he has been supporting and advising for a number of years. For instance, he is the co-chairman of the Latin America Conservation Council, which works to mainstream nature-based solutions that protect, restore, and better manage biodiversity and water to tackle climate change and reach the sustainable development goals (SDGs). | <Not Applicable> | <Not Applicable> |

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify (Vice President, Sustainability)

Responsibility

Assessing water-related risks and opportunities
 Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

The VP of Sustainability is part of the Executive Leadership Team (at the same level as the CFO and other key functional roles, influencing our business strategy) and reports to the Board regularly. All aspects of sustainability, including water-related matters, are reported to the VP of Sustainability by the business groups Sustainability leaders.

The VP and Corporate Sustainability team work directly with the Business Group Presidents to identify water risks and opportunities and embed these into business decision-making and strategy.

In terms of operations, Wavin, Netafim and Dura-Line have closed loop water systems, and even though some plants are located in water stress areas, water risks have been determined to be low for these 3 businesses. Vestolit and Koura are our largest water users and both have taken steps to reduce their water footprint and assess and manage water risks.

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify (Vice President, Health, Safety and Environment & Engineering)

Responsibility

Managing water-related risks and opportunities

Frequency of reporting to the board on water-related issues

As important matters arise

Please explain

The VP of Health, Safety and Environmental is part of the Executive Leadership Team (at the same level as the CFO and other key functional roles, influencing our business strategy) and reports to the Board regularly. All aspects of sustainability, including water-related matters, are reported to the VP of Sustainability by the business groups Sustainability leaders. His work is directly linked to the operations on site, hence, providing guidance and management opportunities for Orbia's environmental performance, including water-related issues.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

| | Provide incentives for management of water-related issues | Comment |
|-------|--|---|
| Row 1 | No, and we do not plan to introduce them in the next two years | We have incorporated an ESG modifier to senior management compensation that can impact 10% of the annual bonus (positively or negatively). The current targets include making progress on our current environmental and social ImpactMark metrics. 2 out of those are directly related to environmental issues: Reduce Greenhouse Gas emissions and Reduce waste sent to landfill. Given Orbia's operational impacts, these are relevant to all our businesses, while water issues are material to only certain of our businesses. Incentives related to water would not be applicable at Orbia level, and only relevant at certain business groups. |

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

Yes, other

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Given the diversity of our operations, we encourage engagement for policy influence purposes at business group level, to improve our water performance.

We are working on a strategy to strengthen our governance structure around policy influence activities across our Business Groups.

As part of this, we will make sure all our engagement related to policy is aligned with our corporate purpose, values, and sustainability strategy and commitments (including water). We have started a reporting process to ensure that all memberships and engagements, direct or indirect, that influence policy, are reported to corporate level for assessment. Corrective actions will be taken when necessary to make sure all actions are consistent with our corporate water strategy.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

orbia-2021-annual-report-complete_en.pdf

orbia_sustainability_report_2021.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

| | Are water-related issues integrated? | Long-term time horizon (years) | Please explain |
|---|--|--------------------------------|--|
| Long-term business objectives | Yes, water-related issues are integrated | 5-10 | <p>Water is at the core of a significant part of our business solutions. As part of our purpose to advance life around the world, one of the challenges we have committed to addressing with our products and services is managing water resources better. See more information here: https://www.orbia.com/challenges/our-water-systems/</p> <p>Our Wavin and Netafim brands, representing almost 50% of Orbia revenues offer water-related solutions and have integrated UN SDG # 6 as core to their business strategy:</p> <p>Wavin's core strategic pillars include: Safe & efficient water supply; Better Sanitation and Hygiene, and Climate Resilient Cities (https://www.wavin.com/en-en/about/sustainability/environment)</p> <p>Netafim's purpose is to help farmers "grow more with less" through sustainable agriculture practices (https://www.netafim.com/en/sustainable-agriculture/)</p> <p>Orbia also recently partnered with the Resilient Cities Network, with a strong focus on water and SDG 6.</p> <p>And even though water use and discharge is not among the top five material topics at Orbia level, it can be of higher importance to some of our Business Groups, especially those with sites in water-stressed areas. Where relevant, sites are planning to develop long-term context-based water targets; expand water-related benefits to stakeholders through diverse initiatives; and contribute to Sustainable Development Goal No.6 through their products and solutions.</p> |
| Strategy for achieving long-term objectives | Yes, water-related issues are integrated | 5-10 | <p>Our businesses are constantly investing in developing solutions that include capture, recycling and reuse of water, with rain and stormwater harvesting, street gullies and heating and cooling systems. Our smart products include solutions that ease the burden of installation for managing water distribution for homes and buildings; sewer systems that support city-wide sanitation, and chemicals applied for water treatment and sanitation purposes. These solutions help bring clean water to millions of people and bring more circularity to water systems within buildings and entire communities. Some examples of strategies can be seen in section 4, related to opportunities.</p> <p>Also, through the WRI Aqueduct Tool, we have identified that 47% of our sites operate in high and extremely high water-stressed areas. These facts are informing our strategy, and as part of our commitment, we will start a process to establish context-based targets for water, where current, future conditions and thresholds of our water basins based on science will be considered, especially in water scarce areas.</p> <p>Orbia is signatory to the UN CEO Water Mandate, and reports progress across six areas of water stewardship in our Sustainability Report every year.</p> |
| Financial planning | Yes, water-related issues are integrated | 5-10 | <p>Our businesses, especially Wavin and Netafim are continuously assessing potential financial impacts from their products and solutions that contribute to water efficiency and conservation; as well as needed investments to grow specific water-related offerings.</p> <p>In addition, Orbia is constantly looking for effective ways of protecting water sources and reusing water wherever possible to reduce consumption in our operations. Where necessary, investments are discussed and planned.</p> |

W7.2

(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

0

Anticipated forward trend for CAPEX (+/- % change)

0

Water-related OPEX (+/- % change)

0

Anticipated forward trend for OPEX (+/- % change)

0

Please explain

Orbia continuously invests in water efficiency, control and protection, however, we have not mapped the details of our investments and spend on water-related topics at a Corporate level, to date. Environmental CAPEX and OPEX figures consolidated at Corporate Level do not include a breakdown by topic but we will consider this for future reporting.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

| | Use of scenario analysis | Comment |
|-------|--------------------------|--|
| Row 1 | Yes | We have used the RCP 8.5 scenario (Business as usual) to evaluate our climate-related physical risks, which include a deep dive into water-stress risk. For our climate-related transition risks, we have used the IEA Sustainable Development Scenario. |

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.

| | Type of scenario analysis used | Parameters, assumptions, analytical choices | Description of possible water-related outcomes | Influence on business strategy |
|-------|--------------------------------|---|--|--|
| Row 1 | Water-related Climate-related | | <p>In general, all 12 high-priority sites included in our climate risk assessment are exposed to low to medium risks for hazards analyzed (cyclones, floods and water stress).</p> <p>From our climate-related applied models, we have identified that for medium risk sites we should:</p> <ul style="list-style-type: none"> •Conduct site visits to further investigate site vulnerabilities. •Review vulnerabilities with the sites to verify their materiality. •Research and discuss best practices for decreasing vulnerability and increasing resilience for the identified hazards. •Develop recommended mitigation actions included in this assessment. <p>Also, all 12 high-priority sites are exposed to risks related to an increase in water costs by 2030, which also have an effect on production costs.</p> | We are currently discussing and developing a strategy to respond to water-related challenges, especially in sites located in water-stressed areas, as well as identifying water stewardship and security opportunities. Water availability, neighboring community engagement, and increased water costs are some examples of topics considered for action plans. |

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, and we do not anticipate doing so within the next two years

Please explain

We are in the early stages of developing a more robust global water strategy.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

| | Products and/or services classified as low water impact | Definition used to classify low water impact | Primary reason for not classifying any of your current products and/or services as low water impact | Please explain |
|-------|---|--|---|--|
| Row 1 | Yes | Resource efficiency in the production process (products, services, processes, and technologies that utilize limited resources in a sustainable manner while minimizing impacts on the environment) Product use improves water management and address water scarcity and quality issues. | <Not Applicable> | All products that come from our manufacturing plants that operate within water efficiency principles, and our extrusion plants (Wavin, Dura-Line and Netafim) maintain closed loop systems that minimize water withdrawal can be considered as low water impact products. Our portfolio includes systems that minimize water use and loss, such as rainwater harvesting systems and precision irrigation solutions, representing 15% of total revenues; as well as systems that support the access to improved drinking water and safe management and treatment of waste, reducing health hazards. https://www.orbia.com/4ab9cc/siteassets/3.-news--stories/sustainable-solutions-report-unsdg/sus_un-sdg-report_11.11.21_d1v5.pdf (pages 6,7) |

W8. Targets

W8.1

(W8.1) Describe your approach to setting and monitoring water-related targets and/or goals.

| | Levels for targets and/or goals | Monitoring at corporate level | Approach to setting and monitoring targets and/or goals |
|-------|--|---------------------------------------|--|
| Row 1 | Business level specific targets and/or goals | None are monitored at corporate level | We completed assessments for all five Vestolit resin plants in Mexico and Colombia, we aim to use these results to establish context-based water targets for each of these sites. Goals are expected to: 1. Reduce water-stress, potential impact related to eco-toxicity and eutrophication in our operations. 2. Drive engagement opportunities with suppliers to reduce eco-toxicity impact from some of our raw materials. Local community involvement is being evaluated as well. |

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

Yes

W9.1a

(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?

| Disclosure module | Data verified | Verification standard | Please explain |
|-------------------|---|-----------------------|--|
| W1 Current state | The following GRI indicators are verified every year: 303-3 Water withdrawal by source 303-3 Water withdrawal in water stress areas 303-4 Water discharge by quality and destination 303-4 Water discharge in water stress areas 303-5 Water consumption | ISAE 3000 | All our water withdrawal and discharge data is covered in the assurance scope, as stated in our Sustainability Report. https://www.orbia.com/49526d/siteassets/6.-sustainability/2021-sustainability-report/orbia_independent-assurance-report_2021_eng.pdf |

W10. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

No additional comments.

W10.1

(W10.1) Provide details for the person that has signed off (approved) your CDP water response.

| | Job title | Corresponding job category |
|-------|----------------------------------|---|
| Row 1 | Vice-president of Sustainability | Other, please specify (C-Suite Officer) |

W10.2

(W10.2) Please indicate whether your organization agrees for CDP to transfer your publicly disclosed data on your impact and risk response strategies to the CEO Water Mandate's Water Action Hub [applies only to W2.1a (response to impacts), W4.2 and W4.2a (response to risks)].

Yes

SW. Supply chain module

SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

| | Annual revenue |
|-------|----------------|
| Row 1 | 8783000000 |

SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

No, CDP supply chain members do not buy goods or services from facilities listed in W5.1

SW1.2

(SW1.2) Are you able to provide geolocation data for your facilities?

| | Are you able to provide geolocation data for your facilities? | Comment |
|-------|---|---------|
| Row 1 | No, we do not have this data and have no plans to collect it | |

SW2.1

(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.

SW2.2

(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?

No

SW3.1

(SW3.1) Provide any available water intensity values for your organization's products or services.

Product name

Chemical products from all chemical sites

Water intensity value

1.78

Numerator: Water aspect

Water withdrawn

Denominator

Total production (Ton)

Comment

This answer corresponds to the water intensity of all our chemical products

[Submit your response](#)

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

| | I understand that my response will be shared with all requesting stakeholders | Response permission |
|---------------------------------------|---|---------------------|
| Please select your submission options | Yes | Public |

Please confirm below

I have read and accept the applicable Terms