

## Greenhouse Gases (GHG) Emissions

Increased recognition of the fact that greenhouse gases (GHGs) directly affect the Earth's climate have led to growing legislation regulating emissions across the entire globe. Among the dangers posed by climate change is the frequency and intensity of extreme events, such as heat/cold waves, storms, droughts and floods caused by rising sea levels. The scientific community widely accepts that ecological catastrophes may increasingly threaten national economies in years to come.

According to the Intergovernmental Panel on Climate Change's (IPCC) Special Report on Climate Change and Land, published in 2018, limiting warming to an average of 1.5°C, compared to the pre-Industrial Revolution period, would significantly reduce desertification, land degradation and other negative consequences of climate change, as compared to a scenario in which temperatures rise by 2°C or more. The report also recommends reducing greenhouse gas emissions by 50% by 2030, and reaching climate neutrality by 2050, meaning that all human-caused GHG emissions should be balanced out by carbon removal from the atmosphere.

Tower sees great importance in reducing its carbon footprint in alignment with recommendations from the international scientific community. Consequentially, we have undertaken a process of calculating and measuring the emissions of CO<sub>2</sub> and other greenhouse gases resulting from our activities and develop strategies for reducing emissions over time.

### Calculation of GHG Emissions

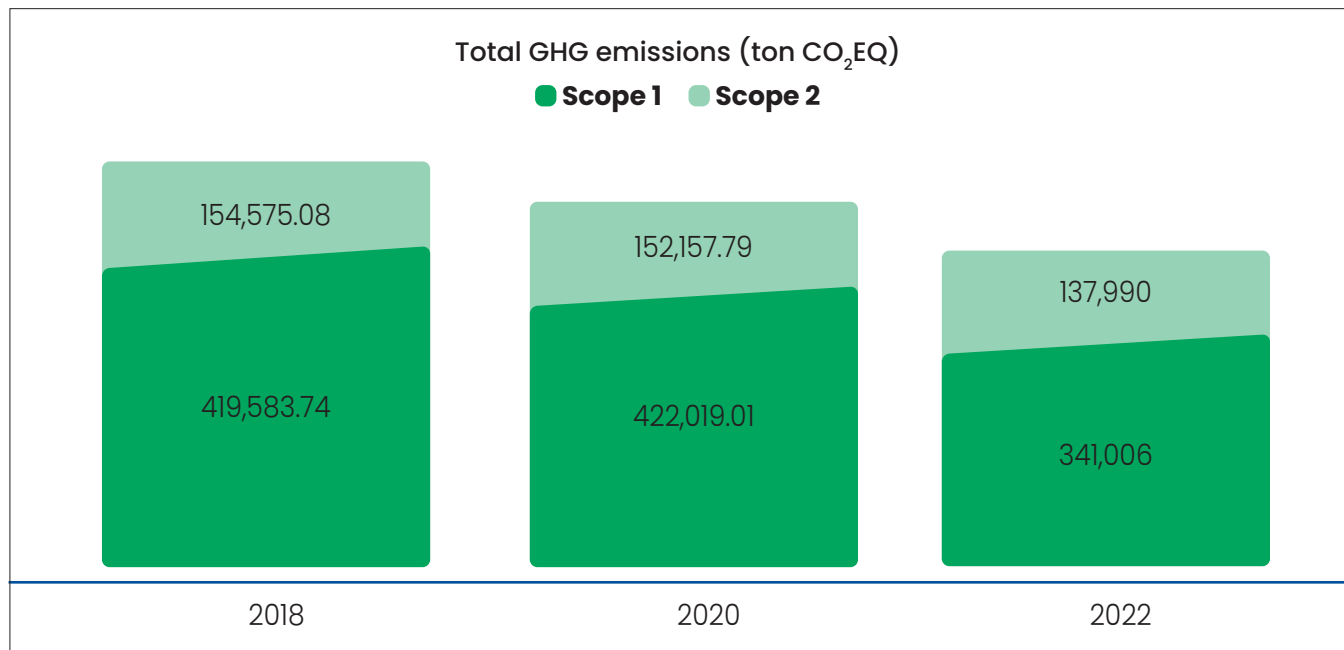
As part of our efforts to reduce Tower's GHG emissions, emissions are calculated according to the GHG Protocol methodology.

The calculation includes reference to scope 1 (direct emissions) and scope 2 (indirect emissions):

**Scope 1** – Carbon emissions from direct emission of fuels and gas leaks into the atmosphere.

**Scope 2** – Carbon emissions as a result of purchasing energy from an external source (electricity consumption from an electricity company or a private manufacturer).

The variations in the scope 1 emissions are due to cooler and warmer weather conditions between the years effecting the emissions during production.



reduction [%] 2020 to 2022	
Scope 1	-19%
Scope 2	-9.3%
Total	-17%