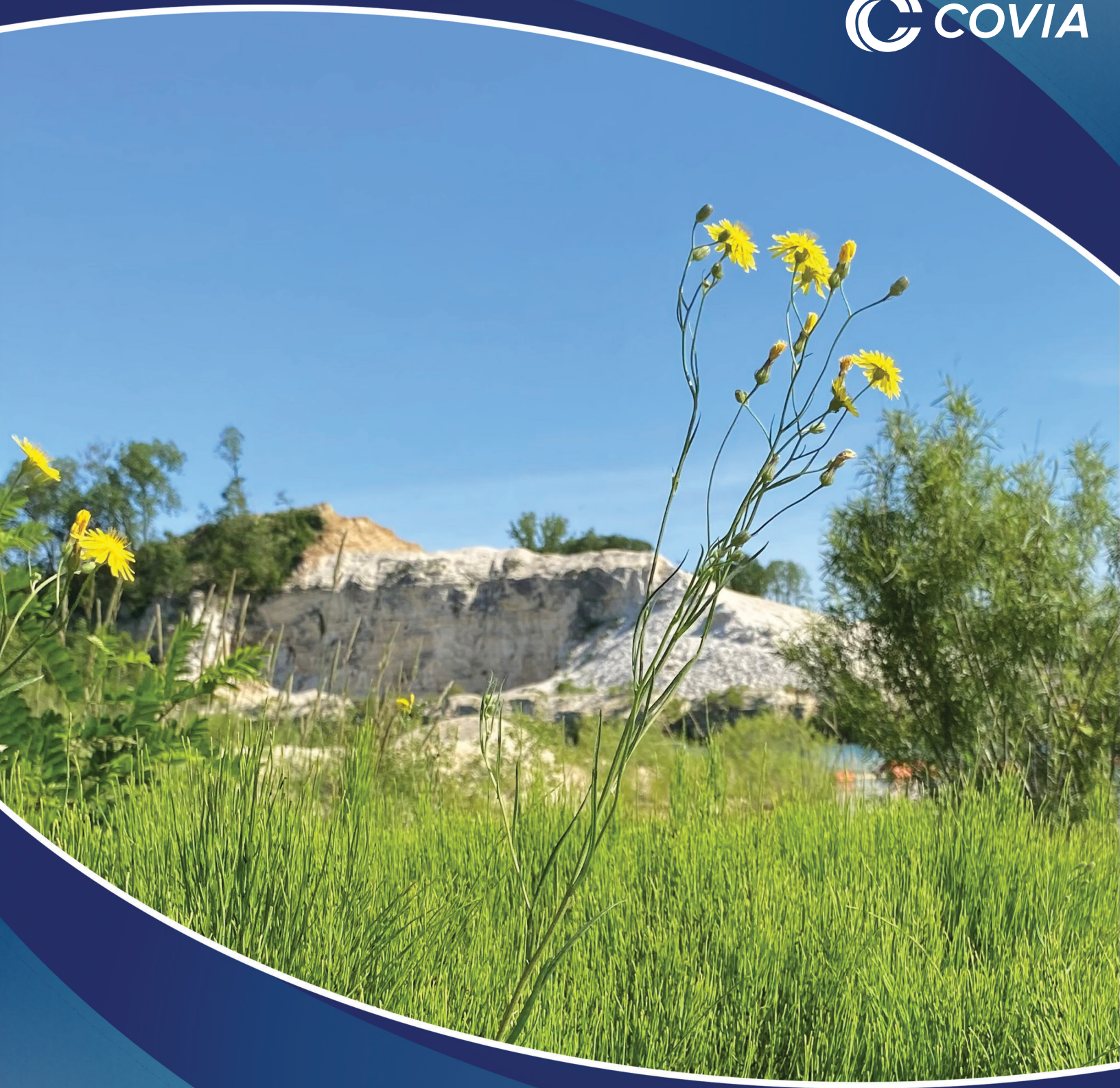
COVIA



CLIMATE RISK AND OPPORTUNITIES REPORT

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Governance

Board Oversight

The Covia Board of Managers (Board) oversees the operational performance and strategic direction of the organization with support from our Audit and Compensation Committees. The Board is the ultimate decision-making body of the company and advises our Executive Leadership Team (ELT), who is responsible for developing and executing our business strategy and objectives. Together with the Board, the ELT oversees climate risk management and is informed by our Operations Leadership Team (OLT), and the Environmental Director.

Our Board meets at least quarterly to assess the company's financial and operational performance and evaluate progress against strategic plans. During these meetings, the Board reviews and discusses progress against corporate responsibility goals and initiatives, including the company's management of climate-related risks and opportunities.

Management's Role

The iterative and integrated approach of assessing and managing climate-related risks and opportunities is a responsibility shared by the ELT, OLT, and the Environmental Director. The Environmental Director leads the company's environmental sustainability initiatives and holds ultimate responsibility over climate-related risk management activities. The Environmental Director presents regularly to the OLT on the company's Corporate Responsibility policies and programs, including updates on how climate-related risks and opportunities are identified, assessed and prioritized. The Environmental Director reports to the Vice President, Environmental, Health and Safety (EHS), who ensures climate considerations are integrated into the ELT and Board's strategic vision for the company as communicated to team members and external stakeholders.

The Environmental Director is supported by five subcommittees that are organized around the company's 2030 Goals that relate to corporate responsibility. Each of the five subcommittees is cross-functional in nature and oversees topics that pertain to climate-related risks and opportunities. As we look toward 2030, these subcommittees will play a more active role in ensuring we are making progress against stated goals and considering climate-related risks and opportunities in the process.

Corporate Sustainability Governance

Board of Managers	Serves as the ultimate decision-making body of the company and has final oversight of climate-related issues
Executive Leadership Team (ELT)	Assumes responsibility for developing and executing the business strategy and objectives and expediting activities to ensure successful management of climate-related risks and opportunities
Operations Leadership Team (OLT)	Assumes responsibility for overseeing the implementation of climate risk and opportunity strategies, ensuring alignment with organizational goals, and driving the integration of corporate responsibility practices
Director of Environmental	Responsible for leading and enhancing the company's approach to climate-related risk and opportunity management
Corporate Responsibility Subcommittees	Composed of cross-functional individuals that are responsible for day-to-day identification and management of climate-related risks and opportunities through their respective roles and department activities

Strategy

Risk Identification

Climate issues have been considered within our business strategy for many years with our commitment to accelerating sustainability progress and performance further demonstrated in the development of our 2030 Goals. Many of these goals are directly related to and dependent on the company's management of climate-related risks and opportunities, and therefore, we saw it critical to conduct a formal climate-related risk assessment, including scenario analysis. This initiative, conducted in 2024, involved members of the OLT, Environmental Director, FP&A, Risk, and Strategic Marketing functions to identify the climate-related risks and opportunities most impactful to our operations and customers. This took the form of stakeholder interviews and culminated in two workshops where physical risks, transition risks, and opportunities were identified and prioritized as those most material to Covia over the short-, medium-, and long-term. For the purposes of the analysis, we defined short-term as present day to 2030, the year set forth by our Goals That Inspire, medium-term as 2030-2040, and long-term as 2050, as a societally recognized milestone year.

In our assessments, we considered acute and physical risks as well as transition risks including existing and proposed regulation, legal risks, market risks, technology risks, and reputational risk. We also analyzed climate-related opportunities associated with expansion into new markets, brand reputation, and access to tax credits and incentives.

We relied on both internal and external expertise to identify and assess the risks and opportunities posed by climate change, including:

- Collaboration from the ELT, whose leadership and expertise spans all functions of the company;
- Participation from the OLT, Environmental Director, FP&A, Risk, and Strategic Marketing in workshop discussions and risk scoring activities;
- Third-party consultants providing guidance on potential risks and opportunities;
- Physical climate models demonstrating the likelihood and impact of specific risks on each of our sites;
- Existing and proposed legislation that may impact the company's products and/or operations,
- ISSB guidelines and recommendations on potential risks and opportunities; and
- Existing environmental risk register protocols and previously identified risks and opportunities managed through our Enterprise Risk Management (ERM) function.

Scenario Alignment

We conducted scenario analysis utilizing three Representative Concentration Pathways (RCPs) identified by the Intergovernmental Panel on Climate Change to consider the impact of climate change on Covia's business. These are the Orderly, Disorderly, and Hot House World scenarios. These scenarios respectively highlight the difference in expected climate responses if the world adopts an approach of aggressive climate mitigation, moderate climate mitigation, or climate inaction:

Orderly Scenario | RCP 2.6 | Mitigation Scenario: RCP 2.6 is likely to keep global temperature rise below 2°C by 2100. In RCP2.6 warming scenario, carbon dioxide emissions start declining immediately and reach zero by 2100, methane emissions are halved by 2100, and negative carbon dioxide emissions average 2 gigatons per year.

Disorderly Scenario | RCP 4.5 | Stabilization Scenario: RCP 4.5 is likely to keep global temperature rise between 2°C and 3°C by 2100. In this warming scenario, carbon dioxide emissions start declining by approximately 2045 and reach roughly half of the levels of 2050 by 2100. Methane emissions stop increasing by 2040 and represent about 75% of 2040 levels by 2100 while negative carbon dioxide emissions average 2 gigatons per year.

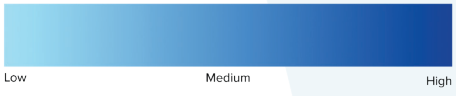
Hot House World Scenario | RCP 8.5 | Adaptation Scenario: In RCP 8.5, emissions continue to rise, and warming is estimated to reach 4.3°C by 2100. This is commonly viewed as either a "worst-case" or "inaction" scenario.

We analyzed nine acute physical risks (heat wave, severe storm, extreme precipitation, drought, river flood, cold stress, wildfire, landslide, cold stress, and coastal flooding) and two chronic physical risks (precipitation change, temperature change) across all three scenarios. For each of the climate-related transition risks and opportunities, we modeled the likelihood and impact under the Orderly and Hot House World scenarios and discussed how the material risks and opportunities may change under the different scenarios.

The tables below highlight the potential risks and opportunities identified through our analysis. Note that we have modeled the Orderly and Hot House World scenarios in these tables to highlight the differences between the two scenarios. Most climate science predictions suggest that the fully realized scenario will likely fall between the two more extreme scenarios.

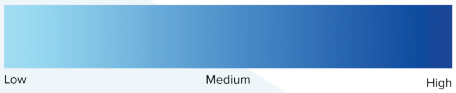
Physical Risks

Type	Risk	Potential Impact to Covia	Impacted Departments	Scemario	Likelihood Impact in the		
					Short-Term	Medium-Term	Long-Term
Acute	Wildfire	Wildfires may damage/destroy company assets and, also pose increased health and safety risk for Covia employees due to potential air quality concerns.	Environmental, Safety & Health	Orderly			
				Hot House World			
Acute	Heat Wave	Elevated temperatures may compromise employee safety and reduce productivity, specifically in regions where high levels of heat stress are predicted; may decrease water availability thereby reducing production allowances.	Environmental, Safety & Health, Operations	Orderly			
				Hot House World			
Acute	River Flood	River flooding may require temporary shutdown of mining processes, lowering production volumes and increasing labor production costs for employees working overtime (if plants are not running at 100% capacity already).	Environmental, Operations	Orderly			
				Hot House World			
Acute	Extreme Precipitation	Extreme precipitation may cause temporary shutdown of mining processes, thereby minimizing production and causing labor production costs for employees working overtime (if plants are not running at 100% capacity).	Environmental, Operations	Orderly			
				Hot House World			
Acute	Severe Storm	Severe weather events, including hurricanes, could jeopardize Covia's infrastructure; damaged infrastructure will decrease production rates, accelerate depreciation charges, and may increase insurance premiums.	Environmental, Finance, Operations	Orderly			
				Hot House World			
Acute	Drought	Drought conditions may lower the availability of water, increasing cost per ton of production as water deliveries may be required, or the investment in new low/no water technologies.	Enviornmental, Innovation, Procurement	Orderly			
				Hot House World			
Chronic	Temperature Change	A long-term shift in temperatures may increase cost per ton over time; sustained high temperatures may pose a threat to the health and safety of Covia employees.	Enviornmetnal, Finance, Safety & Health, Operations	Orderly			
				Hot House World			
Chronic	Precipitatin Change	A long-term shift in precipitation may increase cost per ton over time; an increase in the magnitude and frequency of precipitation will increase downtime, lowering production volumes.	Environmental, Finance, Operations	Orderly			
				Hot House World			



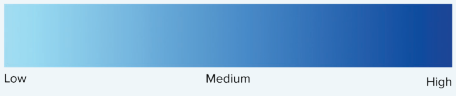
Transition Risks

Risk	Potential Impact to Covia	Impacted Departments	Scemario	Likelihood Impact in the		
				Short-Term	Medium-Term	Long-Term
Reputation	Inadequate assessment of climate-related risks and lack of sustainable mitigation strategies could harm the company's reputation relative to its peers, which may result in the loss of contracts to competitors.	Sales & Marketing	Orderly			
			Hot House World			
Customer Demands	Customer demand for sustainability disclosure and advancement may put revenue from key customers at risk, which may result in the loss of contracts to competitors.	Sales & Marketing	Orderly			
			Hot House World			
Electricity Costs	A nationwide push towards electrification may cause electricity demand to exceed supply, suggesting increased electricity costs; the introduction of renewable electricity supply to the grid may increase transmission and transportation costs for utility providers also, thereby driving up the cost of electricity.	Finance, Operations, Procurement	Orderly			
			Hot House World			
Carbon Tax	A regulated carbon price (e.g., a carbon tax) may result in an increase in Covia's operating expenses; these costs may or may not be possible to pass through to customers.	Finance, Operations	Orderly			
			Hot House World			
Regulatory Reporting	Expansion of climate reporting requirements in Covia's operational boundary could result in a major increase in Covia's legal spend and expose the company to potential penalties for noncompliance.	Finance, Operations	Orderly			
			Hot House World			
Market Risk	A global shift toward renewable energy may impact demand for Covia's products; in the event of decreased demand, Covia may be required to idle or stop production at some of its plant locations.	Innovation, Operations, Sales & Marketing	Orderly			
			Hot House World			



Opportunities

Opportunities	Potential Impact to Covia	Impacted Departments	Scemario	Likelihood Impact in the		
				Short-Term	Medium-Term	Long-Term
Brand Reputation	Covia's perception as a sustainable, climate-conscious brand could positively increase brand reputation and potentially lower its cost of capital.	Environmental, Sales & Marketing	Orderly			
			Hot House World			
Access to Markets	Climate considerations present an opportunity for Covia to expand into new markets, attract new customers and access new revenue streams.	Innovation, Sales & Marketing	Orderly			
			Hot House World			
Tax Incentives	Covia may qualify for potential tax credits and incentives, supported by governments globally that allocating funds to support transition technologies.	Finance, Operations	Orderly			
			Hot House World			



Business Integration

We understand that failure to respond to the climate-related risks identified during scenario analysis may pose operational, financial, and reputational risks to the business. Simultaneously, we recognize the opportunities available to generate new products, apply for financial incentives, and position the company as a leader in climate risk mitigation activities. As such, we intend to undertake a range of activities to ensure that these considerations are factored into the business strategy and financial planning.

Physcial Risks

We assessed the exposure and vulnerability of each Covia site through comprehensive scenario analysis using both historical data and future projections. Findings from the scenario analysis proved that our diversified portfolio footprint provides a natural layer of insulation against acute physical risks and suggest that many of these risks are best managed on a site-level. Conversely, chronic physical risks present a risk to the portfolio, while their impacts may be more severe in certain regions. The impact and likelihood of both acute and chronic risks is expected to be more severe under the Hot House World scenario and we have factored this into our go-forward business strategy.

Some of the measures we have taken – or plan to take – to effectively manage the likelihood and impact of physical risks include:

- Enhancing our water management practices to ensure efficient use and conservation of water resources, especially in areas prone to drought or water scarcity;
- Investing in renewable energy sources and energy efficiency measures to reduce our greenhouse gas emissions and lower our operational costs, especially in areas with high electricity prices or frequent power outages;
- Implementing disaster preparedness and emergency response plans to protect our team members, assets, and communities from the impacts of extreme weather events, such as storms, floods, and wildfires;
- Diversifying our product portfolio and customer base to reduce our dependence on specific markets or regions that may be adversely affected by climate change; and
- Engaging with our suppliers, customers, regulators, and stakeholders to identify and address potential climate-related issues and opportunities along our value chain.

Transition Risks

Scenario analysis suggests that nearly all identified transition risks present a similar threat to the business. The consistent risk rating implies that transition risks can be managed similarly across the organization by improving Covia's sustainability performance, disclosure, and positioning.

We are receiving more frequent requests for sustainability data, including lifecycle analyses (LCAs). These are resource-intensive exercises given the breadth of products available at each site. We anticipate these demands increasing over the short- and medium-term.

The impact and likelihood of transition risks will be greater and accelerated under the orderly scenario where there is an aggressive and widespread societal shift toward a low-carbon economy.

Following the strategic separation of our Energy business,1 Covia is excited to explore innovative avenues for diversifying and expanding our Industrial market presence. Our extensive product portfolio serves a wide range of everyday applications, and we are committed to delivering high-quality, high-performance, innovative solutions across various sectors, including foundry, building products, ceramics, coatings and polymers, water filtration, glass, and sports and recreation.

This has resulted in a more resilient business that is insulated from transition risks, and able to shift production to serve the industrial market applications depending on demand.

More details can be found in our 2024 Corporate Responsibility Report.

We are committed to addressing and managing the impact of transition risks on Covia's business through the following activities:

- Prioritizing energy efficiency across our sites and exploring opportunities to procure renewable energy to effectively reduce our greenhouse gas emissions and lower our exposure to carbon pricing and electricity costs;
- Monitoring and assessing technology solutions and trends that could impact our business and decrease our carbon footprint, such as self-driving front-end loaders that reduce fuel usage and idle time;
- Collaborating with our suppliers and customers to develop partnerships that leverage our strengths and capabilities and support the transition to a low-carbon economy, such as dry line product;
- Developing a thoughtful, transparent and proactive approach to emerging climate regulation; and
- Exploring digital tools for monitoring emissions across our operations, including the planned implementation of a procurement tool, which will calculate Scope 1 and Scope 2 greenhouse gas emissions monthly, providing actionable insights to reduce emissions and manage potential carbon pricing exposure.

Opportunities

We have always viewed innovation as a key growth driver in our business. We continue to invest in resources and capabilities to ensure that we stay in front of emerging markets in minerals and material performance. We recognize significant potential in advancing low-carbon product offerings to unlock new revenue streams and attract customers. For more information on our innovation and product development activities, see the Product and Process Innovation Section of the Corporate Responsibility Report.

Our Strategic Marketing team, in collaboration with our Environmental Director, plays an integral role in positioning Covia as a sustainable business and ensuring stakeholder engagement. One of our Goals That Inspire was developed in effort to continue driving efforts to enhance perception of Covia as a sustainable and equitable company by both internal and external stakeholders.

Additionally, the adoption of digital tools, such as AI-driven resource management and predictive maintenance, represents an opportunity for us to drive greater operational efficiency. These technologies can optimize resource allocation and reduce downtime. For instance, predictive maintenance can help prevent equipment failures, minimizing disruptions and associated costs. Aligning with these advanced digital solutions better positions Covia to meet evolving customer expectations, particularly in a market increasingly focused on sustainability and innovation.

Our FP&A Team regularly assesses the applicability of tax credits and incentives on a local, state, and federal level to ensure Covia is rewarded for its commitment to climate-change mitigation activities. To ensure government funding opportunities are fully realized, tax assessments are regularly conducted prior to M&A activities, site expansion activities, or major capital expenditure projects.

Resilience

While there are material risks presented by both the Hot House World scenario and the Disorderly scenario, we believe that our business is well-suited to address and adapt to them. Covia's diverse product portfolio, multi-industry customer base, robust risk management, and commitment to innovation equip the company to adeptly navigate climate-related risks and opportunities.

The findings gained from the scenario analysis activities further exemplify the importance of progressing towards our Goals That Inspire. We will continue to monitor the material climate-related risks and opportunities and adjust our mitigation strategies to ensure business resiliency.

Risk Management

Risk Identification and Assessment

Covia has a comprehensive Enterprise Risk Management (ERM) function which seeks to identify, assess, prioritize, monitor, and mitigate risks across Covia's business. Covia's Environmental Department, along with the OLT, and the Environmental Director, is tasked with identifying and assessing climate-related risks and opportunities for the business. These participating stakeholders synthesize a variety of considerations including, but not limited to, existing and emerging regulatory requirements, the competitive technology market as it relates to low carbon technologies, site-specific climate model predictions for transition and physical risks, climate-related disclosures and commitments from customers to assign a rating for each physical risk, transition risk, and climate-related opportunity.

Each risk and opportunity is analyzed on a 0-4 scale based on:

a. **Likelihood:** the probability the risk/opportunity will be realized, and
b. **Impact:** how Covia's business operations are affected if the risk/opportunity is realized.

The likelihood and impact ratings are delineated in the tables below.

LIKELIHOOD Assessment

Rating	Indicator	Description
0	Very unlikey	Risk/opportunity has an extremely low chance of occurring
1	Unlikely	Risk/opportunity has a relatively low chance of occurring
2	Likely	Risk/opportunity is likely to occur half of the time
3	Very Likely	Risk/opportunity is very likely to present itself
4	Near Certain	Risk/opportunity is almost certain to occur

IMPACT Assessment

Rating	Indicator	Description
0	Not applicable	Risk/opportunity not applicable; will not impact business
1	Low	If realized, the risk/opportunity is expected to have a low impact ($) to the company; costs/revenue impact is expected to be low; production will not be largely impacted; customer sentiment is unlikely to shift
2	Moderate	If realized, the risk/opportunity is expected to have a moderate ($$) impact to the company; costs/revenue impact is noticeable but not high; production is impacted on a moderate scale
3	High	If realized, the risk/opportunity is expected to have a high ($$$) impact to the company; costs/revenue impact is high; production is noticeably impacted; customer sentiment is largely impacted
4	Material	If realized, the risk/opportunity is expected to have a substantial impact ($$$$) to the company; costs/revenue impact is material; production impact is widespread and significant; customer sentiment shifts are obvious and widespread

These ratings systems are used to consider the portfolio-wide likelihood and impact of each risk and opportunity, but the likelihood and impact assessments can also be leveraged to identify and assess site-specific risks and opportunities.

Process for Managing Risks

The risk assessment process results in an aggregated climate risk score for each physical and transition risk (and climate opportunity). Risks with the highest overall impact and likelihood ratings are assigned a high priority, risks with average likelihood and impact ratings are assigned medium priority, and risks recording low impact and likelihood ratings are deemed low priority. From there, each risk is assigned one of three risk management actions:

- **Risk Retention**—For low likelihood, low impact events, Covia typically chooses to accept these risks and/or implement low-cost activities to lessen the severity of impact if the risk is realized.
- **Risk Avoidance/Transfer**— For events deemed relatively high impact and likelihood, Covia typically looks to avoid or transfer liability of these risks to insulate the business against their impact if they are realized.
- **Risk Reduction**—When our rating represents a relatively high impact or likelihood and events can be actively controlled for, Covia can enact strategic activities to reduce the severity of the impact or the likelihood that the risk is realized.

Specific responsibility for managing each of the identified risks is assigned to members of the Corporate Responsibility Committee and elevated to the ELT and Board of Managers as needed. The climate risk ratings are reviewed annually alongside the environmental risk register results.

Integration into Risk Management

Our commitment to sustainability and successful management of climate-related risks and opportunities is demonstrated by the integration of these considerations into our existing risk management processes.

Each business unit and department within our operating segments has its own processes to manage the dynamic and specialized nature of risks and their associated impact. Each business unit appoints an individual to oversee the risk management process. This process begins with risk identification, which may involve brainstorming sessions, workshops, interviews with key personnel, review of historical data, and/or an analysis of industry trends. Once risks are identified, each department assesses and prioritizes the risks based on their likelihood and potential impact and consequently assigns appropriate risk mitigation actions. Department risk leads are responsible for monitoring the effectiveness of risk controls, tracking changes in risk exposure over time, and communicating across departments, as necessary. Risk management is an iterative process at Covia, in which each department regularly reviews and updates their risk indicators based on changes in the operating environment.

Climate-related risks are considered within each department's risk management process, consistent with the approach described above. The tables in the Risk Identification section discuss how various climate-related risks may impact different Covia departments. For example, the finance, operations, and procurement teams would all be responsible for assessing and monitoring the risk of rising electricity costs for their departments. Risk mitigation and transfer activities would be outlined by each respective team. As necessary, the teams will come together to discuss shared risk items and determine the best approach to manage the risk.

By following this process, Covia ensures that climate-related risks are effectively identified, assessed, mitigated and monitored within their respective areas of responsibility.

Metrics & Target

Climate-Related Approach

Covia is committed to meeting or exceeding environmental compliance requirements by creating a high level of environmental awareness among team members, proactively managing environmental risks, promoting more efficient use of resources, encouraging wildlife and habitat conservation, maintaining strong stakeholder relationships, and protecting the land where we operate. We commit to conducting business as a responsible corporate citizen by striving to:

- Conform with applicable environmental requirements and industry standards;
- Understand potential impacts to the environment and minimize risks and liabilities;
- Operate sustainably; and
- Be good stewards of the land under our care.

Scope 1 and 2 Emissions

In 2024, we completed collection of Scope 1 and Scope 2 emission data across our global operations for the prior year. We calculated a value of **118,076 metric tons CO2e** from Scope 1 emissions and **115,812 mt CO2e** Scope 2.

With uniform data collection in place and baseline metrics established, we have started the process to establish practical objectives and targets to advance our environmental performance across relevant areas. We will regularly evaluate our environmental programs, methods, objectives, and targets and will seek to align our approaches with changes in the business and industry best practices, as well as the expectations of our valued stakeholders.

Climate-Related Goals an Targets

Through our 2030 Goals That Inspire, we have established aggressive commitments with targeted and measurable metrics, which will require innovation, collaboration, and problem-solving from everyone in the organization. Our strategy is designed to not only meet the needs of stakeholders today, but to ensure a sustainable future for generations to come. Our environmental stewardship goals are as follows:

- Reduce greenhouse gas emissions by 20% on a per ton basis;
- Protect essential water supply by reporting consumption at all sites and recycling 90% of water within water-stressed areas;
- Implement a conservation biodiversity initiative at all sites with 50% of our mining and processing sites achieving and maintaining Wildlife Habitat Council certification (now, Tandem Global);
- Develop a conservation plan for 100% of our mining and processing sites that have a species-at-risk present; and
- Improve ratio of land rehabilitated to land disturbed.

Additional details around our emissions metrics and targets are disclosed in the Energy Efficiency and Emissions section of our Corporate Responsibility Report.