Climate Related Financial Risk Report

Revision May 2026

HOWMET AEROSPACE

Climate Related Financial Risk Report

Aligned with: TCFD and ISSB-S2 Disclosure

Revision May, 2026

At Howmet Aerospace, we continually reassess and revamp our environmental, social and governance programs, including those related to climate change.

Annually we prepare a review of our practices against the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and the IFRS® ISSB Sustainability Disclosure Standard S2.

This report addresses the 11 TCFD-recommended disclosures within the four categories of governance, strategy, risk management, and metrics and targets. References to IFRS S2 are located in the section headings.

GOVERNANCE: Describe the organization's governance around climate-related risks and opportunities.

Governance: a) Describe the board's oversight of climate-related risks and opportunities. IFRS_S2_6(a)

As per our Corporate Governance Guidelines, the full Howmet Aerospace Board of Directors (Board) "oversees and provides guidance to management on the Company's environmental, social and governance (ESG) programs, initiatives and objectives, including sustainability, environmental, health and safety, and human resources. The Board considers and discusses with management (a) current and emerging trends and risks and their impact on the Company and its stakeholders, (b) major global political, legislative and regulatory developments or other public policy issues that may affect the business operations or performance of the Company or are otherwise pertinent to the Company and its stakeholders, and (c) how the Company's policies and practices can address such trends, risks or issues."

Annually, the full Board reviews the outputs of our enterprise risk management (ERM) process, overseeing our management, monitoring and mitigation of enterprise risks. Climate change is built into our ERM process.

The Audit Committee of the Board of Directors oversees and guides matters of environmental, social and governance that are associated with independent assurance.

Governance: b) Describe management´s role in assessing and managing climate-related risks and opportunities. IFRS_S2_6(b)

Our Executive Leadership (EL) has responsibility for climate-related issues. These responsibilities include guiding our sustainability and climate change assessments, setting objectives, and defining and monitoring resilience strategies and mitigation plans. The EL also sets ESG disclosure strategies, which incorporate leading standards from CSRD, SASB, TCFD and the Global Reporting Initiative (GRI), as well as upcoming regulatory requirements around climate change disclosures in the jurisdictions we operate, such as California's Climate Corporate Data Accountability Act and Climate-Related Financial Risk Act.

Our Chief Administrative Officer and our Associate VP of Environment, Health and Safety (EHS) & Sustainability prepare information on climate-related topics for the EL meetings.

Our technology and commercial leadership at the segment level identify and assess opportunities related to energy and fuel efficiency of our product portfolio. Our Chief Commercial Officer reports on these opportunities to the EL.

Our Sustainability Working Committee carries out our day-to-day activities toward the achievement of sustainability and climate change management goals. This committee reports to the Associate VP of EHS & Sustainability, who reports to the Chief Administrative Officer. The committee comprises our Associate VP of EHS & Sustainability, Senior Sustainability & Chemical Compliance Manager, Director of Corporate Environmental, Senior Environmental Specialist and two ESG Analysts.

The Sustainability Working Committee acts as a knowledge hub, supports data gathering, conducts assessments, such as climate change scenario analysis and impact studies, and drives the deployment of the sustainability agenda. The committee further facilitates sustainability initiatives and coordinates internal stakeholder engagement.

STRATEGY: Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning where such information is material.

Strategy: a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term. IFRS_S2_9(a)

Our climate-related risks are summarized in Table 1, while our climate-related opportunities are found in Table 2.

Assessment periods related to climate risk are considered short term when less than 1 year, medium term when 1 to 5 years, and long term when more than 5 years and up to 15 years. Where data was available, we expanded the assessment beyond 15 years.

We have identified risks and opportunities that could have a significant financial impact on the organization through our climate change scenario analysis, our double materiality assessment, our ERM system and expert analysis from our commercial teams.

Table 1: Climate-Related Risks Identified by Howmet Aerospace Inc.

Risk	Category	Financial Impact	Significant Before Mitigation Measures?	Term	Strategic Response	Practical Management Measures	Metrics Used by Howmet to Track Progress
1. Introduction of carbon price	Transitional 1. Policy Changes and market	1. Increased costs linked to CO_2 emissions from our manufacturing plants. Considering the US$250 cost per ton of CO_2 emitted in 2050 in the IEA Net Zero Emission (NZE) by 2050 Scenario (1), unmitigated cost in 2050 for 2025 Scope 1 emissions impact could be US$100 million (2). If similar cost were to apply to 2025 Scope 2 emissions, unmitigated cost in 2050 at current emission level could be US$97.5 million (3).	Yes	Long term	Focus on energy efficiency to reduce direct emissions from natural gas use and to reduce consumption of electricity, thus reducing financial exposure. Buying Renewable Energy Credits (RECs) or renewable (V)PPA. Solar energy generation on site.	Between 2021 and 2024 we implemented over 100 energy-efficiency projects with a total cost of US$28.3 million. These projects mitigated our combined Scope 1 and 2 market-based emissions. We achieved our 2024 goal. Details can be found in our 2024 ESG report. Our Energy Transition efforts resulted in our next combined Scope 1 and 2 goal for 2027: 33.6 percent, or 343,000 metric tons, absolute reduction of combined Scope 1 and Scope 2 market based global GHG emissions by 2027 from a 2019 baseline.	CO_2 Scope 1, 2 and 3 emissions. Energy consumption. Energy intensity per $ revenue + energy intensity per purchased metal CAPEX dedicated to improving energy intensity and GHG emissions/year. Reductions in GHG emissions and Energy used resulting from efficiency projects implemented in the year. Number of RECs bought & retired Renewable Energy generated on site Renewable Energy used.

Table 1: Climate-Related Risks Identified by Howmet Aerospace Inc. (Continued)

Risk	Category	Financial Impact	Significant Before Mitigation Measures?	Term	Strategic Response	Practical Management Measures	Metrics Used by Howmet to Track Progress
1. Introduction of carbon price (continued)		2. Potential price increases in energy and raw materials (virgin metals)	Yes	Medium to long term	Work with suppliers to encourage them to adapt to a carbon constrained world and mitigate potential impacts of climate change in their activities, including potential cost increases linked to carbon costs. To mitigate the costs of increased prices for virgin metals, Howmet engages with suppliers to ensure recycling is maximized.	We survey key suppliers yearly regarding their climate change activities. We continue strengthening our Scope 3 calculations and have obtained external third-party verification for our 2025 data for ten scope 3 categories. We plan to work on a Scope 3 emission-reduction goal for our suppliers. Targets were set to increase the share of recycled titanium versus sponge. Nickel/Cobalt recycling rates are at 60%. All in-house produced aluminum scrap is recycled and reused in our process to reduce the dependence on virgin metal.	Percentage of suppliers with an “outstanding,” “advanced,” “good,” “partial," or "insufficient" score in our yearly supplier sustainability surveys % of recycled input material

Table 1: Climate-Related Risks Identified by Howmet Aerospace Inc. (Continued)

Risk	Category	Financial Impact	Significant Before Mitigation Measures?	Term	Strategic Response	Practical Management Measures	Metrics Used by Howmet to Track Progress
2. Costs to transition to low-GHG emission technology	Transitional Technology	Capital investments in clean or low GHG emission technology. R&D cost of adapting process technologies. Increased operational expenses due to renewable energy	Yes	Medium to long term	Feasibility Studies including analysis of availability and timing of clean energy infrastructure, pricing of renewables Energy efficiency target to drive electrification or future hydrogen conversion of processes	The Transition Technology Working Group identifies low emission transition technologies that are applicable to our businesses and economically feasible.	CAPEX dedicated to introducing low-GHG emission technology in our operations/ OPEX dedicated to renewable energy. See more details in Strategy section.
3. Floods and wind damage linked to increased frequency and severity of weather events (storms, hurricanes)	Physical risks acute	Increased capital expenditures to prevent temporary operation stops; and increasing insurance premiums	While we estimate our risk level as low, there are a limited number of smaller facilities in Asia with higher river flood exposure. In the RCP 8.5 pathway, flood risk increases moderately. Tornado and cyclone hazard scores are low to medium and do not change in the long term.	Short term	Identify potential locations at risk and mitigate risk by capital or management actions (loss prevention investments), insurance coverage, and emergency planning	We have an ongoing program in which third party risk engineers audit exposure to flood, wind, snow, hail, fire and wind damage. The audits identify prevention and mitigation actions for individual sites and our segment leadership tracks the implementation of these actions. Our insurance program mitigates financial risks caused by severe weather. Actual severe weather impacts have been marginal.	Risk score provided by our insurance company per site CAPEX dedicated to loss prevention due to flood and wind damage/year Number of identified risks mitigated per year $ Loss due to weather impacts

Table 1: Climate-Related Risks Identified by Howmet Aerospace Inc. (Continued)

Risk	Category	Financial Impact	Significant Before Mitigation Measures?	Term	Strategic Response	Practical Management Measures	Metrics Used by Howmet to Track Progress
4. Sea level rise	Physical risks chronic	No material impact identified given the location of our manufacturing sites. While there might be potential supply chain impacts, our initial focus is on the impacts in our own operations	No	Long term	Identify site-specific potential impacts to determine actions needed	We upgraded our risk analysis in 2025. Sea-level rise zones are modeled based on high-resolution elevation data and sea-level rise projections from climate models (IPCC) across four scenarios. We utilized risk of flooding data from 100-year storm surge (30m resolution). We also evaluated compounding effects of multiple perils.	Score assigned in evaluation
5. Increased temperatures wildfire risk and a linked decrease in water availability	Physical risks chronic	Increased costs linked to increased cooling needs. Increased water cost or lost income due to temporary operation stop	Heatwaves and wildfires due to increased temperature are not considered significant for our operations. Water availability could limit production in very extreme cases	Medium to long term	Company heat stress prevention program Our insurance program monitors wildfire risk Reduce water consumption	Identification of site-based water reduction projects, delivering an improvement in water intensity versus the 2019 baseline. Progress towards this goal achieved in 2025 is detailed in the “Water” section of our 2025 ESG report.	Number of heat stress incidents Total water withdrawal Water intensity by revenue CAPEX and expenses dedicated to water use reduction Total water withdrawal from locations in high and severe water scarcity areas. See Appendix A for additional detail on water scarcity.

[1] *https://www.iea.org/reports/global-energy-and-climate-model/macro-drivers#prices*
[2] *Example cost estimate of US$100 million obtained by multiplying our Scope 1 emissions in 2025 (0.40 million metric tons of CO2e) by US$ 250 per ton of CO2e.*
[3] *Example cost estimate of US$97.5 million obtained by multiplying our Scope 2 emissions in 2025 (0.39 million metric tons of CO2e) by US$ 250 per ton of CO2e.*

Table 2: Climate Related Opportunities Identified by Howmet Aerospace Inc.

Opportunities	Category	Financial Impact	Term	Strategic Response	Metrics Used by Howmet
Commitment by the aviation industry to reduce emissions, which is driving the need for more fuel-efficient engines and lighter aircraft	Products	Increased revenue from increased product content on the next-generation aerospace engines and lighter aircraft	Short, medium and long term	Development of innovative lightweight and fuel-efficient aviation components.	Revenue by product stream
Incentives in commercial road transportation to increase fuel efficiency per ton of payload	Products	Increased revenue from increased aluminum wheel and wheel covers content on truck tractors, trailers, buses, and other commercial transportation	Short and medium term	Increased manufacturing and commercialization efforts: Aluminum wheels have significant potential in upward market penetration in the global heavy truck market. Alcoa Wheel covers were launched in the NA and EU market. Product innovation focus that will increase freight efficiency by reducing the weight of aluminum wheels. Our lightest wheel is 45 % lighter than steel wheels, allowing increased fuel efficiency per ton of payload.	Increased aluminum wheel content on truck tractors, trailers, buses and other commercial transportation
Manufacture of fasteners used in renewable energy, including windmills and solar panels	Products	Increased revenue through increased market penetration of these product lines	Short and medium term	Product innovations that support lower installation costs, operations and maintenance (O&M) costs and therefore reduce the overall costs for renewables.	Revenue by product stream

Table 2: Climate Related Opportunities Identified by Howmet Aerospace Inc. (Continued)

Opportunities	Category	Financial Impact	Term	Strategic Response	Metrics Used by Howmet
Increased resource efficiency and decreased dependence on virgin materials that have a higher carbon footprint than recycled ones	Energy, water, and material efficiency	Reduced operating costs from reduced consumption of natural gas, electricity, water, and virgin materials	Short and medium term	Operational changes to improve energy and water efficiency (non-capital). Capital investments in energy and water efficiency that will reduce operating expenditures. Program to increase procurement of lower emissions recycled materials. A focus on improving the circular management of our residuals and wastes (diversion from disposal).	Savings in natural gas, electricity, and water per year CAPEX invested in efficiency projects/year, % recycled material input Circular material management % of residuals.
Green financing	Access to capital	Beneficial rates for accessing capital through sustainability-linked bonds	Medium and long term	Review of potential available options.	NA

Strategy: b) Describe the impact of climate-related risks and opportunities in the organization´s business, strategy and financial planning. IFRS_S2_9(b-d),10,14

Our climate strategy is based on three levers – product sustainability, energy management and supply chain management. While the paragraph below provides an overview of each of the levers, a summary of the impacts of climate-related risks and strategic opportunities can be seen in Tables 1 and 2 in columns "Strategic Response" and "Practical Management Measures." Financial impacts of the climate-related risks and opportunities identified are also listed in Tables 1 and 2 of this document, addressing revenues, operating costs, CAPEX and access to capital.

Product Sustainability

Through our products, we support our customers' efforts to reduce their GHG footprint and position themselves for market success in an increasingly carbon-constrained environment.
Products that our customers manufacture from our advanced materials and technologies consume less energy and emit fewer GHGs than those produced from heavier materials or legacy technologies. As a result, GHG emissions avoided by using our products are substantial relative to the emissions generated in the manufacturing of these materials. This represents a key commercial opportunity. Further details can be found in the "Products" section of the Howmet ESG Report.

Energy Management, Associated Scope 1 and 2 Emissions, and Transition to a Low-Carbon Economy

The second strategic lever is to improve the resilience of our operations in a carbon-constrained environment by reducing our direct and indirect emissions. Our approach includes improvements in energy efficiency, electrification and changing to lower and zero emission energy. Reducing Scope 1 and 2 emissions mitigates the risk of increased costs linked to various existing and potential carbon pricing schemes.

We seek to align our direct and indirect emissions with the goals of the Paris Agreement. This means that our target framework, pace of emission contraction and ultimate goal of net zero will be based on science and proven technologies.

Our objective is to develop a credible and realistic transition plan that we have divided into near-, medium- and long-term phases focusing on 2024, 2027, 2030 and 2050, respectively. Our efforts target our own operations, covering Scope 1 and 2 emissions, which are annually assured by an independent 3rd party.

Back in 2021, we set our first near-term goal that aligned with the 1.5°C pathway. We executed on more than 100 energy-saving projects that represented an investment of US$28.3 million. These projects reduced our energy intensity and reduced the GHG footprint of our operations by 21.5 percent by end of 2024 from our 2019 baseline. The Howmet 2024 ESG report includes a comprehensive overview on how we achieved the targets.

Table 3 - 2024 Scope 1 and 2 Goal

Year	First Near-Term Goal	Plan	CAPEX*	Actual
2019-2024	21. 5 percent combined Scope 1 and 2 GHG emission contraction by 2024 versus a 2019 baseline, covering all of our Scope 1 and 2 based emissions	103 energy efficiency projects	US$28.3 million	By 12/31/2024 achieved 21.7 percent reduction from 2019 baseline

**Related to full project spending including Incremental Measure Cost (IMC) for energy efficiency*

Our Transition Technology Workgroup, which consists of the energy and technology leads of each of our businesses, has identified opportunities to further reduce emissions from our operations. The group has created a plan that is both economically achievable and realistic. The outcomes of this exercise resulted in a goal that covers a second three-year period that ends in 2027.

Current Goal Period

Howmet commits to 33.6 percent, or 343,000 metric tons, absolute reduction of combined Scope 1 and Scope 2 global GHG emissions by 2027 from a 2019 baseline.

Table 4 - 2027 Scope 1 and 2 Goal

Year	Current Goal Period	Plan	Cost*
2025-2027	Howmet commits to 33.6 percent, or 343,000 metric tons, absolute reduction of combined Scope 1 and Scope 2 market based global GHG emissions by 2027 from a 2019 baseline.	Combined energy efficiency efforts and transition to low carbon intensity power sources.	US$ 43 million

** Related to the full project costs including Incremental Measure Cost (IMC) for energy efficiency*

For this next goal period, the targeted reductions are aligned with science-based net zero 2050 target scenarios. This requires our Scope 1 and Scope 2 GHG emissions to be 33.6 percent – 343,000 metric tons – below our 2019 emissions by the end of 2027.

We expect to achieve these reductions through a combination of ongoing energy-efficiency initiatives at our facilities and a transition to lower-carbon power sources. We have identified US$43 million in capital investments that are projected to reduce annual emissions by approximately 69,000 metric tons of CO_2e. Additional opportunities are currently being assessed and quantified.

As the cost of carbon is expected to rise, we will include this aspect in the evaluations of new projects and capital expenditures to ensure our investments are sustainable.

In the medium term, starting from 2030, we believe that a further reduction of carbon emissions is achievable but represents a more significant challenge. This is because we will be dependent on technological developments that we can apply in our facilities, the costs projection of renewable energy sources and improvement in the energy infrastructure in the communities where we operate.

We continue to analyze technological opportunities, feasibility, and costs, and to update our strategy for achieving a medium-term climate goal that seeks continued alignment with the Paris Agreement.
In the long term (by 2050 at the latest), our operations need to transform toward carbon neutral and transition from a dependency on natural gas and a carbon-rich electricity grid to achieve the targets set in the Paris Agreement. We believe that clean energy, including hydrogen fuel, has potential, but its use in our industry is in the early stages with significant technological acceleration and maturation needed.

Our research and development (R&D) teams will play an essential role in developing, selecting, and implementing the technologies of tomorrow that will support our GHG ambitions. We will need to manage dependencies on R&D results, affordable clean energy and supporting infrastructure as part of our plan to achieve the climate goals. We expect to detail and communicate our long-term plan as we progress through our analysis.

Supply Chain Management

The third strategic lever is related to suppliers. We request that our suppliers drive GHG reductions into their processes and practices, helping us build a more resilient supply base and leverage supplier experience to achieve our climate-related goals.

Since our most significant indirect emissions are related to the purchases of primary metals, it is important that we use suppliers that are focused on energy efficiency, renewable energy and advanced technologies to minimize their GHG impact and, in turn, our Scope 3 emissions. Indirectly, this approach also addresses the potential cost increases linked to potential or actual regulatory actions (carbon pricing) in the raw materials supply chain. In 2025 we reached out to our largest suppliers of metal to gather specific information on the GHG footprint, recycled versus primary metal, and smelter origin. Several of our largest suppliers have committed to the Aluminum Stewardship Initiative (ASI) and are certified against the Performance Standard which sets minimum expectations on ESG performance including climate. Our largest supplier has a high level of recycled content and is sourcing the remaining primary metal from hydro powered smelters.
We are working toward setting a goal for Scope 3 GHG emissions. We believe that the quality, assurance, and specificity of Scope 3 data has not yet achieved the level of maturity that justifies a credible target.

As we have done for the last years, we obtained third-party limited assurance on Scope 1,2 and ten of our Scope 3 categories, water withdrawal and hazardous waste generated, for our 2025 data as published in our

2025 ESG report. Although our GHG target is not independently assured, the underlying data to measure progress is independently assured.

Strategy: c) Describe the resilience of the organization´s strategy, taking into consideration different climate-related scenarios, including a 2ºC or lower scenario. IFRS_S2_9(d-e),14,15,16,22s

To further understand the impact that climate change could have on our business, we performed a high-level climate change scenario analysis in 2020 and a more refined analysis in 2025 for both physical risks and risks related to policies linked to the transition to a low-carbon economy.

In 2025, for physical risks, we considered a worst-case scenario with no policy mitigation actions and a middle-of-the-road scenario to screen worst-case impacts. For risks related to the transition to a low-carbon economy, such as changing policies, we used the International Energy Agency NZE scenario (Net Zero Emissions by 2050).

NZE is consistent with limiting the global temperature rise to 1.5 °C (with at least a 50% probability)

Carbon Pricing Pathway for Transitional Risk

In the NZE scenario, society acts rapidly to limit GHG emissions. Policies, such as a forecasted carbon price of US$250 per ton of emissions by 2050, are implemented to discourage GHG emissions.

The main impacts identified in this transition scenario are associated with projected carbon pricing schemes in key developed countries, driving increases in both manufacturing costs due to natural gas-related CO_2 emissions and the cost of energy and raw materials. Our analysis considered various market growth scenarios and mitigation strategies to understand the financial impact associated with our direct carbon emissions. Key mitigation strategies are energy-efficiency objectives in the near term that include operational improvements, equipment upgrades, process design changes and renewable energy. We prioritized energy efficiency as a critical lever to cut Scope 1 + 2 emissions across all sites. This focus underpins the initial steps of our transition plan, detailed in Strategy Disclosure b) under “Energy Management, Scope 1 & 2 Emissions, and the Shift to a Low-Carbon Economy. ”

Electrification and Hydrogen conversion Pathway for Transitional Risk

The NZE scenario (Net Zero Emissions by 2050) is a pathway developed by the International Energy Agency (IEA) to achieve net-zero CO_2 emissions in the global energy sector by 2050, consistent with keeping global temperature rise below 1.5°C. This normative scenario relies on a massive deployment of clean energy technologies and energy efficiency measures, without relying on offsets from outside the energy sector, to reach its goals. In 2025 we estimated the costs associated with this scenario broken down in 3 steps. Each of the steps are fundamental building blocks of our plan for transition.

- 2022-2033 Zero Emission Electricity. In baseline year 2019 Scope 2 represented 56% of our Scope 1&2 emissions and electricity was predominantly sourced from the grid. Starting in 2022, Howmet initiated action to decarbonize the electricity consumption by a combinations of on-site solar, renewable energy contracts with our utility suppliers and the use of renewable energy credits. In the NZE scenario, we expect that by 2032 all of Howmet’s operations will be sourced with zero-GHG electricity at annual premiums that are expected to trend lower as more zero GHG electricity becomes available at our markets.

- 2030-2045 Electrification and transition to hydrogen power in manufacturing. In the NZE scenario, industry will be incentivized to transition its energy consumption to renewable sources. This could be achieved by taxing of emissions through an emission trading scheme (ETS) or taxing of fossil fuels. To understand the impact for Howmet, we completed a study to estimate the capital and operational expenses to replace the natural gas combustion systems with electrical or hydrogen powered equivalents. Estimations were completed for the capital needs to modify and or replace combustion/heating systems and for operational expenses coming from the increased use of electricity and hydrogen. Estimates for capital needs on an annual basis over this timeframe would be less than 1% of 2024 revenue; costs would be significantly reduced under a scenario in which Howmet pursues burner replacement and retrofit only. Operational expenses could also increase due to increased costs for electricity or hydrogen.

- It is important to note that natural gas is significantly cheaper per kilojoule (kJ) than electricity, with a recent DOE report indicating natural gas is about 3.3 to 3.5 times more affordable. Green Hydrogen is about 2.5 to 3 times the price of electricity per kJ[1]. In the NZE scenario hydrogen costs are projected in the range of $1-3 per kg by 2050 and around $4 in 2040. This scenario is significantly more favorable due to the lower costs for fuel. It is worth noting that hydrogen infrastructures are currently not in development around our main production facilities. Our strategy and in particular the timing for electrification and hydrogen conversion will be informed by policy changes linked to hydrogen costs and availability.

- 2033-2045 Renewable Gas. Sustainable fuel sources and alternative technologies for heating are not available at scale nor is there a clear line of sight due to changing priorities of renewable energy infrastructure projects in the countries Howmet operates. In the NZE scenario we foresee a need to change to renewable natural gas (RNG) for an unknown volume and period until the energy infrastructure is in place to fully enable hydrogen conversion and electrification. Based on 2025 pricing, our annual exposure would increase in a scenario where electrification and or hydrogen conversion is unsuccessful.

With the capital and operating expense items described above in the Electrification and Hydrogen conversion pathway, Howmet would seek to pass a portion of these costs through to customers as revenue contracts are negotiated in the coming years.

Physical Risk

In 2025, we enhanced our scenario analysis to identify and quantify our climate-related risks using the most current climate change models. External expertise was added to complement the team. This Physical Risk Assessment is part of a broader climate study that identifies and quantifies material physical risks to inform loss scenarios and improve site resilience.

The analysis was developed to identify, assess, and quantify (where plausible) the most material physical climate risks and to identify an initial set of strategic risk reduction strategies for adaptation and risk mitigation.

The assessment included 90 assets including all of our manufacturing facilities. The analysis covered:
- Asset-by-asset susceptibility analysis
- Four-time horizons considered: 2025 (current), 2030-40, 2040-50, and beyond 2050
- 12 current climate natural hazards, 5 future chronic stressors, and 11 environmental metrics.
- Three climate scenarios: RCP2.6 / SSP1 (mitigated), RCP4.5 / SSP3 (intermediate), and RCP8.5 / SSP5 (business as usual scenario)

With respect to Acute Hazards, flooding is the most significant peril for Howmet. Eight assets have exposure due to their proximity to a river flood plain under current climate conditions and are expected to experience an increased flood intensity in future scenarios. While other facilities benefit from robust levee systems, they remain potentially vulnerable to tail-risk events involving levee breaches or overtopping. The 1% annual flood loss (one in hundred years) is forecasted to rise by 2050 but remains at less than 1% of (2024) revenue. Howmet maintains a robust loss prevention program that identifies and mitigates severe weather vulnerabilities by adapting our facilities. Annual spend on severe weather mitigation actions has been less than 1% of CAPEX.

The most relevant chronic risks to Howmet are heat, precipitation, drought, cold stress, and fire weather hazard. In a long-term time horizon (~2050), Howmet's incremental impacts from these chronic hazards are projected to increase moderately in the most negative scenario with global temperatures increasing 4 degrees Celsius.

The physical scenario analysis indicates that our facilities currently are not significantly exposed to acute or chronic climate risk. Also, no dramatic change in physical risks at our locations is expected between 2025 to 2050.
While the focus of both the physical and transition scenario analyses was limited to Howmet owned operations, the outcomes validate our strategic direction and comparatively low risk for our primary business locations.

1 The estimations were based on 2024 energy consumption, 2024 electricity prices and the assumption of energy supply security

No material impact was recorded in 2019-2024 due to climate risk mitigation or adaptation activities or the impacts of weather-related events.

RISK MANAGEMENT: Disclose how the organization identifies, assesses, and manages climate-related risks.

Risk Management: a) Describe the organization´s processes for identifying and assessing climate-related risks. IFRS S2_25

We integrate the identification, assessment and management of climate-related risks into our double materiality assessment and our companywide ERM process. Each identified risk is assigned a subject matter expert (SME) that revisits and evaluates the risk twice a year as per a set of criteria. Potential new risks may be identified via biannual leadership discussions or may come from other committees and escalated to ERM.

Climate-related transition risks and assessments are completed by our Sustainability Working Committee supported by 3rd party technical experts. Current climate-related physical risks are identified as part of our external loss prevention audits, which is a process carried out by our insurance company. The Sustainability Working Committee assesses mid to long term climate risks linked to potential acute and chronic effects of climate change. These assessments were initiated in 2020 and repeated in 2025.

Risk Management: b) Describe the organization´s process for managing climate-related risks.

We address all identified risks. We address lower risk and medium risks at the segment/business unit level, while key company risks have management plans that are periodically reviewed by the company-wide Risk Management Team. This team comprises of members from our legal, financial, EHS, sustainability, human resources, operations and commercial teams.

The Risk Management Team contacts the SMEs biannually to revisit current risk status, discuss potential rating changes and explore additional risks that might have been identified. Risk owners develop and own risk management plans and are responsible for their implementation. The Risk Management Team reviews the status of the management plans and progress against them. Executive Leadership is involved in the review of the risks periodically, and the Board is briefed on the risks at least annually.

At the operational level, climate related targets are embedded in business plans and progress is reviewed quarterly by the C-suite in Quarterly Business Reviews.

Risk Management: c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization´s overall risk management.

The previous two risk management related disclosures (items a and b above) address in detail how climate-related risks are identified, assessed and managed as part of our ERM process.

METRICS & TARGETS: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Metrics & Targets:

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

The metrics we are using to assess climate-related risks and opportunities are listed in Tables 1 and 2 in this document, under the column "Metrics Used by Howmet to Track Progress."

While we are not disclosing all internally used metrics to assess climate risks and opportunities, Table 3 below lists the metrics we are disclosing and the related objectives. These are grouped as per the seven categories of cross-industry climate-related metrics identified in the TCFD 2021 guidance document on "Metrics, Targets and Transition Plans."

Further information on our GHG and water objectives and on how we are performing against them can be found in the annual Howmet ESG Report.

Table 5: Climate-Related Metrics and Targets as per the seven categories for Cross-Industry Metrics in the 2021 TCFD guidance on "Metrics, Targets and Transition Plans"
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Cross-Industry Metric Category	Metric	Target	Location of Information
GHG Emissions	Absolute Scope 1, 2 (location and market based) and 3 emissions GHG intensity (Scope 1 and 2 both location and market based) by revenue Scope 1 and 2 (both market and location based) emissions by segment/ business unit and by region Reduction of GHG emissions by year Total energy use Energy intensity by revenue Energy intensity per segment/business unit Energy Intensity per metric ton of metal procured Progress versus GHG goals	Completed goal: Combined Scope 1 and 2 GHG emission reduction by 21.5 percent by 2024 versus a 2019 baseline, covering 100 percent of Scope 1 and 2 emissions. 2027 Goal: Howmet commits to 33.6 percent, or 343,000 metric tons, absolute reduction of combined Scope 1 and Scope 2 market based global GHG emissions by 2027 from a 2019 baseline. The Transition Technology Workgroup to support the 2030 strategy to build next term climate goals that seeks to align with the Paris Agreement.	a) Howmet ESG Report and b) Disclosure on Strategy in this report
GHG Emissions	Percentage of suppliers with sustainability programs considered as outstanding, advanced, good, partial or insufficient	Continue working with our supply base to increase supplier resilience	Howmet ESG Report

Cross-Industry Metric Category	Metric	Target	Location of Information
Physical Risks	Total water withdrawal, and discharge Water withdrawal by source Total water withdrawn in water-stressed areas Water withdrawal by source in water-stressed areas Progress versus 2027 goal	Achieved the goal to reduce our revenue-based water intensity by 8.6 percent by the end of 2024 versus a 2019 baseline. Current goal is to reduce our revenue based water intensity by 19 percent by 2027 versus 2019. Goal of 0 percent water withdrawal increase from high or severe water-scarce areas in 2027 versus 2019 baseline.	Table 1 and disclosure c) on Strategy in this report and Howmet ESG Report
Climate-Related opportunities	Revenue by segment and description of opportunities		Annual Report and Table 2 in this report
Capital Deployment	CAPEX for energy-efficiency and water-efficiency projects	Deploy CAPEX needed to achieve energy- and water-intensity reduction goals.	Table 1 in this report
Internal Carbon Prices		We are considering establishing an internal carbon price associated with capital expenditures	CDP disclosure
Remuneration	Our Compensation Committee can assign 20 percent of the weight of our incentive compensation target to achieving strategic goals. In 2025, ESG performance was among one of the factors considered.	See the 2024 and 2025 Proxy Statement for all factors considered.	2026 Proxy Statement

Appendix A: Physical Risk – Additional Details

Table 6: Howmet operations that are in high and very high water scarcity areas as defined by the World Wildlife Fund's Water Risk Filter (2021) Tool and the World Resource Institute's Aqueduct tool.

Location	Water Scarcity Classification
Acuna, Mexico	Extremely High
Carson, California	Very High
City of Industry, California	Very High
Fontana, California	High
Fullerton, California	Very High
Monterrey, Mexico	High
Casablanca, Morocco	High
Rancho Cucamonga, California	High
Simi Valley, California	Very High
Torrance, California	Very High
Tucson, Arizona	High

The Water Risk Filter risk category of water scarcity is a comprehensive and robust metric as it integrates a total of seven best available and peer-reviewed datasets covering different aspects of scarcity as well as different modelling approaches: aridity index, water depletion, baseline water stress, blue water scarcity, available water remaining, drought frequency probability, and projected change in drought occurrence.

The Aqueduct tool measures the ratio of total water demand to available renewable surface and groundwater supplies. Water demand includes domestic, industrial irrigation, and livestock consumptive and non-consumptive uses. Available renewable water supplies include the impact of upstream consumptive water users and large dams on downstream water availability.