



CHEMICAL INDUSTRIES (FAR EAST) LIMITED

化学工业(远东)有限公司



SUSTAINABILITY
REPORT
FY2021

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This is Chemical Industries (Far East) Limited's (CIL) fourth Sustainability Report, covering all Singapore operations of CIL as a manufacturer of basic chemicals, in particular the Sakra chlor-alkali production plant located in Jurong Island, for the financial year (FY) of 01 April 2020 to 31 March 2021.

The report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards): Core option. The GRI Standards were chosen due to their reputation as an internationally recognised standard for reporting ESG issues. This report's content and material ESG topics were defined by applying the four reporting principles established in the GRI Standards:

- **STAKEHOLDER INCLUSIVENESS**

The content and context of this report were determined through internal discussions within management and engagement with our various stakeholders. This ensures a comprehensive coverage of expectations and interests of all stakeholders.

- **SUSTAINABILITY CONTEXT**

Our business operations and performance were presented in the context of ESG landscape requirements at the local, regional and global level.

- **MATERIALITY**

The material issues disclosed in this report were identified through internal discussions within management. These selected topics were determined to have the most significant impact on our business.

- **COMPLETENESS**

This report covers various aspects of the material topics, including implications, initiatives and boundaries of datapoints, within the reporting period.

The report also references the Sustainability Accounting Standards Board (SASB) chemical sector-specific standards. The SASB Standards were chosen to incorporate better identification, management and communication of financially-material sustainability information. Readers may refer to the full GRI and SASB Indexes at the end of this report for an overview of the company's approach towards appropriate disclosure in accordance with the two standards.

While the report has not undergone external assurance, due care has gone into the disclosure of information presented in this report. We will review our policy on Sustainability Reporting assurance for future releases.

CIL values the opinions of all its stakeholders. We welcome suggestions and feedback on how we can improve our Sustainability Reporting and sustainability practices through contacting: Benjamin Lin (benjamin.lin@cil.sg).

ABOUT CHEMICAL INDUSTRIES (FAR EAST) LIMITED



2.1. OUR BOARD'S STATEMENT



(Back row, standing from left) Mr Lim Yew Tee, Mr Chua Chin Kiat, Mr Cecil Lim and Mr Lim Yew Nghee.
(Front row, seated from left) Mr Yeo Hock Chye, Mr Lim Soo Peng and Dr Wan Soon Bee.

FY2021 was a year like no other. The COVID-19 pandemic brought on unprecedented effects on the world, impacting lives, livelihoods, and businesses. This report covers a crucial period not just for us at CIL, but also for our customers, employees and the local communities we live in. As the leading chemicals manufacturer of chor-alkali products in Singapore, we leveraged products, resources and relationships to help our stakeholders navigate the crisis.

CIL'S RESPONSE TO COVID-19

At the height of the pandemic, we played an important role assisting the government's efforts in curbing the spread of the virus. We supplied 300 tons of disinfectant chemicals to the Public Utilities Board (PUB) – the statutory board in Singapore responsible for coordinating the supply of utilities to ensure clean water and waste systems across the country – and quarantine sites to prevent the transmission of the virus at hotspots, especially amongst frontline service and medical staff.

Keeping our employees safe was another of our top priorities. We provided five-piece mask sets to all employees and immediately implemented government-recommended safety protocols such as temperature screening and TraceTogether practices at our operations to ensure that our employees could continue to provide essential services in a clean environment. All frontline employees were encouraged to be vaccinated as early as possible. We provided temporary housing for foreign employees who were affected by their home country's lockdowns, as well as an allowance to support their living expenses. At present, we have arranged for medium to long-term housing options for them.

We are also happy to share that we continued to fulfil customer orders without significant disruption.

MOVING FORWARD

Amid responding to the urgent needs of the pandemic, we continue to make progress in our environmental and social sustainability journey. We share more details on the various achievements made in the section on FY2021 Highlights, and more elaborations in Chapter 4: Areas of Focus for CIL. We also look to enhance our business continuity efforts to stay resilient in the event of uncertainties. On this note, we are in the midst of sourcing for a new site on mainland Singapore with the lease of our current headquarters located in Jalan Samulun coming to an end. The new site will serve as our headquarters and as a back-up storage and continuity site. We look forward to sharing an update in the next report.

Our commitment to serving all stakeholders remains unchanged and we thank you for being our partner to address the needs of our time; we look forward to making further economic and sustainability progress as we transition to operating in the new normal.

Cecil Lim, Executive Director,
on behalf of CIL's Board

2.2. FY2021 HIGHLIGHTS



0 Reportable Incidents from the Whistleblowing Channel

No reports were registered through the whistleblowing hotline during the reporting period. We have consistently maintained this anti-corruption standard since CIL's inception in 1963.



0.4% Increase in Energy Intensity

This is due to a 20% increase in sodium hydroxide production, the primary chemical output from our production plant. We look to reduce energy usage by 5% per metric ton of sodium hydroxide produced per kilowatt-hour basis by 2022.



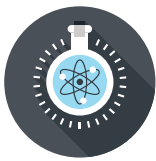
5.2% Increase in Water Savings

This is due to our continued water reduction initiatives such as recycling condensates from manufacturing processes back into plant machinery.



Amount of Chlorine Detected in Plant Boundary Remains Below Regulatory Emission Limit

This is due to the strict controls set in place to prevent chemical leaks from our operational plant into the surrounding areas to adhere to the chlorine limit set by Singapore Civil Defence Force (SCDF) of 10ppm. We have maintained this environmental standard since we built the Sakra plant in 1998.



Aerial Concentrations of Pollutant Compounds Remain Below Regulatory Emission Limits

We ensured that aerial concentrations of pollutant compounds that include hydrogen chloride, ammonia and ammonium compounds, chlorine, oxides of nitrogen, and carbon monoxide at plant exhaust points were kept within the *Emission Limits of Standards of Concentration of Air Impurities*¹.



5 Work-Related Injuries Sustained

Due to the high-risk nature of some of our manufacturing processes, we reported an increase in three work-related injuries this year, as compared to the last financial year. We continue to be signatories of the *Singapore Chemical Industry Council (SCIC) Responsible Care* initiative and strive to keep injury cases to a minimum.



Presence of A Collective Agreement (CA) Endorsed by The Chemical Industries Employees' Union (CIEU)

45% of our supervisory and executive staff who have a Singaporean citizenship are eligible to subscribe to the CA, which encourages fair treatment of employees at CIL.



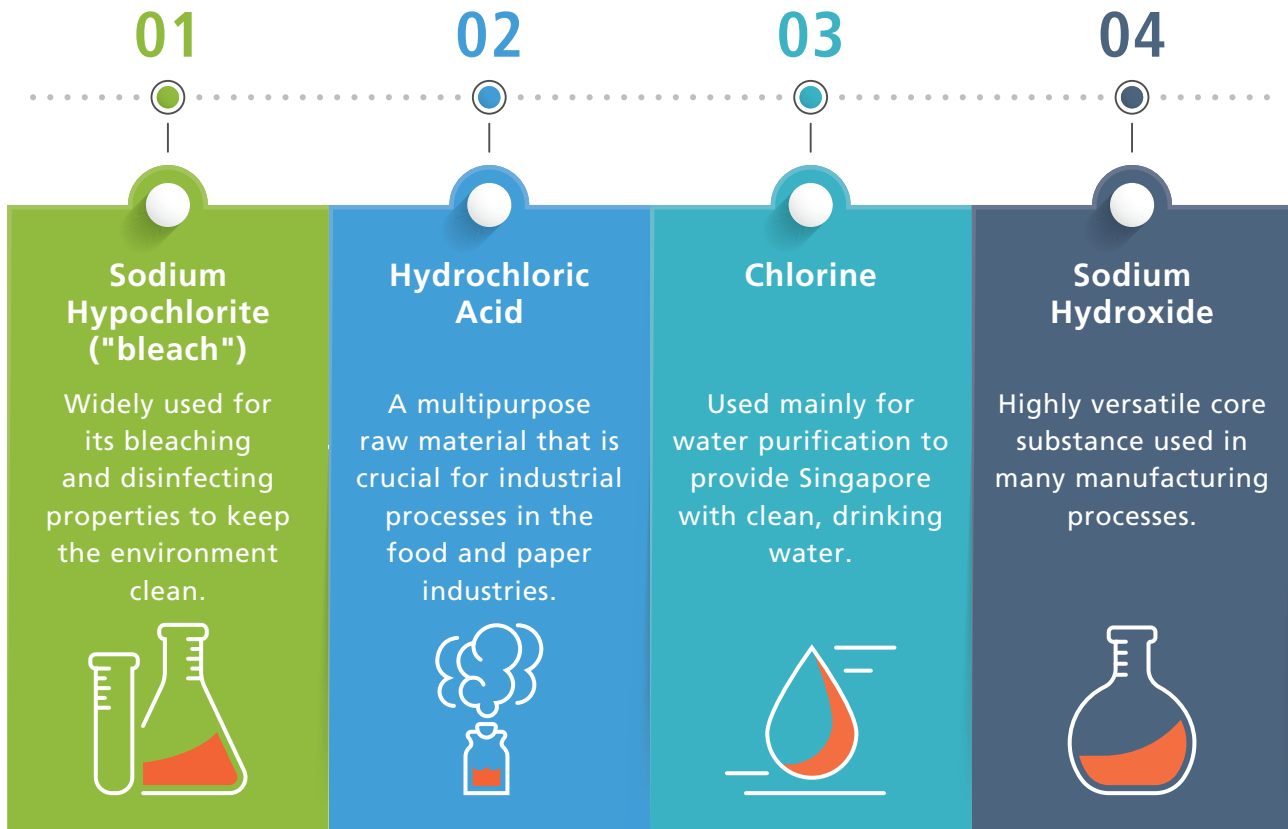
More Than 300 tons Of Disinfectant Chemicals Supplied to Communities as Part of Our COVID-19 Response

We supplied disinfectant chemicals to quarantine sites and water treatment centres in Singapore and public entities in Myanmar respectively to prevent the transmission of the virus amongst communities.

¹ As stipulated under the *Environmental Protection and Management Act (Air Impurities) Regulations, 2008* and the *Environmental Protection and Management (Air Impurities) (Amendment) Regulations, 2015*.

2.3. COMPANY OVERVIEW

Since 1963, CIL has been the sole manufacturer of chlorine, sodium hydroxide and other chlor-alkali products in Singapore. We supply four key products – sodium hypochlorite, hydrochloric acid, chlorine and sodium hydroxide – to serve our core industries of petrochemical, pharmaceutical, electronics and water-treatment. Currently, we have 127 employees at CIL.



The Sakra plant is our main chlor-alkali production plant, located in Jurong Island. It was set up in 1998 and has been showcased as an industry best-practice plant in international chlor-alkali conferences for its use of state-of-the-art technology. Our headquarters is located in Jalan Samulun on mainland Singapore and serves as a back-up storage and continuity site for the business, meaning it has been earmarked for storage of chemicals to ensure reliability of supply and continuity of business should the main production facility fail or be otherwise out of service. The Samulun HQ has been marketed as such a site.

We have a main subsidiary – Chem Transport Pte Ltd – to handle all logistics. As producers, we take great pride in having a fully integrated logistics branch that provides us full oversight, from product manufacturing to delivery, across the 14 global markets that we serve.

Our other subsidiaries include Kimia Trading Pte Ltd, Juta Properties Private Limited, Chemical Industries (Myanmar) Limited and JPI Investments Pte Ltd. They handle other aspects of our business, including real estate management and overseas business development.

2.3. COMPANY OVERVIEW

Markets Served



2.4. OUR BUSINESS PURPOSE

CIL is guided by our mission to create the best value for our stakeholders and business in the chemical manufacturing industry. We leverage three core advantages underscored with trust and quality to remain competitive and deliver innovative industrial chemical solutions in the markets that we serve.



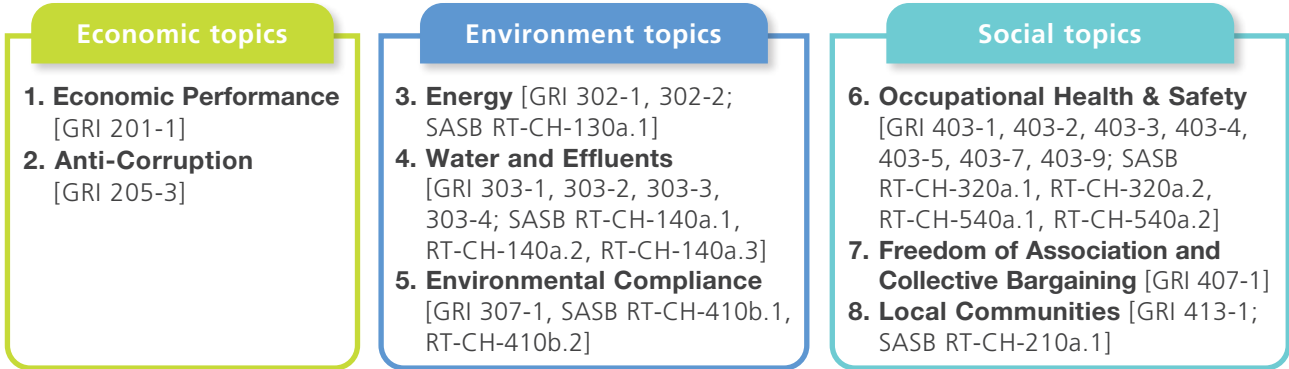
SUSTAINABILITY AT CIL



3.1. MATERIALITY PRIORITISATION

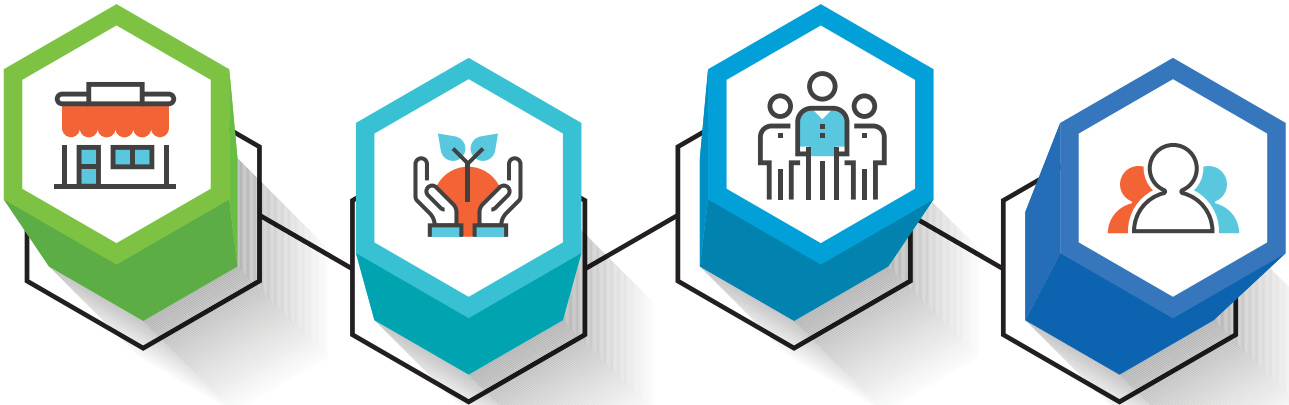
CIL conducted a materiality assessment with our Management in FY2020 to identify material ESG topics that are most significant to our business and stakeholders. Eight material topics were identified and approved by the Board for our Sustainability Report disclosures. This year, we have decided to map our disclosures to both GRI and SASB Standards in keeping with the best practices of double materiality advocated by SGX.

Each year, we will look to review these material topics to ensure their continued relevance in our fast-changing operating landscape. We confirm that the eight material topics remain relevant to our business and stakeholders in FY2021.



3.2. SUSTAINABILITY PILLARS

We place the eight material topics into four value creation pillars to effectively communicate our sustainability commitments – Marketplace, Environment, People and Community. These pillars guide our efforts in designing actions and policies to keep us on the path towards sustained business growth that delivers positive impact on the world we live in.



MARKETPLACE

Do good business

- Economic Performance
- Anti-Corruption

ENVIRONMENT

Protect the environment

- Energy
- Water and Effluents
- Environmental Compliance

PEOPLE

Invest in the well-being of our staff

- Occupational Health & Safety
- Freedom of Association and Collective Bargaining

COMMUNITY

Build better communities








- Local Communities

CIL's Sustainability Pillars

3.3. STAKEHOLDER ENGAGEMENT

CIL recognises the vital role that stakeholders play in promoting business sustainability in the long-term. We maintain strong relationships with key stakeholders through proactive two-way communication to better understand and address their concerns, thus building an impactful partnership.

We engage our stakeholders through a variety of methods. The table below lists the means of engagement specific to each stakeholder group, as well as the frequency in which they are engaged.

| STAKEHOLDERS | MODE OF ENGAGEMENT | FREQUENCY OF ENGAGEMENT |
|--|--------------------------------------|-------------------------|
|  Government and Regulators | Compliance reviews and audits | As and when needed |
| | Electronic communications | Periodically |
|  Suppliers | Supplier performance feedback | Periodically |
|  Management | Board meeting | Periodically |
| | Management meeting | Periodically |
|  Employees | Performance appraisal | At least once per year |
| | Staff meetings | Monthly |
| | One-to-one engagements | At least once per year |
|  Shareholders | Electronic communications | When CIL is contacted |
| | AGM | Annually |
|  Labour Unions | Collective agreement | Every 2 to 3 years |
|  Customers | Verbal and electronic communications | Ad-hoc or daily |

AREAS OF FOCUS FOR CIL



4.1. MARKETPLACE

Towards Sustainable Value Creation

CIL strives to balance environmental and social positivity with business success. We pursue opportunities that position us for sustainable growth while keeping our governance policies robust and updated, to guide our business decisions as an ethical and responsible company.

This involves consideration of two main aspects:

1. Economic Performance
2. Anti-Corruption



Creating Enduring Economic Performance

CIL aims to strengthen our economic performance year-on-year by continually offering safe and high-quality chemical products to a growing customer base. This allows us to meet the expectations of our shareholders, while simultaneously pursuing social and environmental improvements across other material aspects of our business. For detailed information regarding CIL's audited financial results for FY2021, please refer to the following sections in our 2021 Annual Report:

- Operating and Financial Review, page 3.
- Statements of Financial Position, pages 34 and 35.

Enforcing Anti-Corruption Practices

Maintaining business integrity is a key priority in CIL's corporate culture. We strive to preserve our stakeholders' confidence and trust in us through every business dealing and relationship that we possess. We take a 'zero-tolerance' approach against all forms of corruption, bribery and extortion.

We have a whistleblowing policy where internal and external persons can pass on information to our top management concerning wrongdoing. The policy encompasses protection of anonymity, where the whistle-blower's identity and interests of any kind are safeguarded without fear of reprisal, retaliation, discrimination or harassment of any kind.

In the event of a reported incident, it is treated with the highest regard and can be reported directly to the Managing Director and/or Audit Committee Chairman.



0
Reportable
incidents from our
whistleblowing
hotline

4.2. ENVIRONMENT

Being Environmentally-Conscious Manufacturers

CIL is committed to minimising our environmental footprint on the planet. As part of the chemicals manufacturing industry, we recognise that a significant portion of our environmental footprint stems from three areas in our value chain:

1. Energy
2. Water and Effluents
3. Environmental Compliance

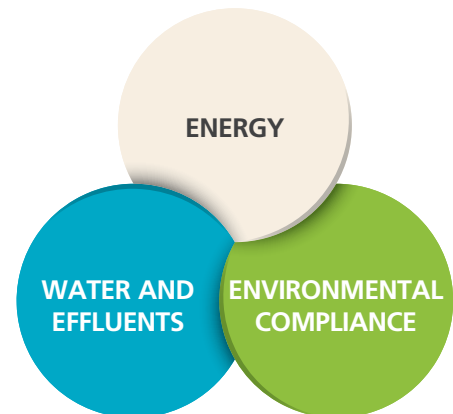
As such, we set targets across these three areas and commit to meet them consistently. We develop monitoring and assessment frameworks to review operations efficacy in meeting the targets, which also ensures accountability for remediation action to be taken if any gaps are identified.

Reducing Energy Usage

We recognise that electricity consumption from our operations can be significant. As such, we strive to ensure that our manufacturing processes are energy efficient. Our actions are guided by an Energy Policy which applies to all our facilities, business units, subsidiaries and employees. This policy is reviewed and updated every three years to maintain operational efficiency.

We strive to reduce energy usage in three ways:

- **Investing in advanced technology**
 - a. We identify and use energy-efficient electrolysers to produce two of our key chemicals – chlorine and sodium hydroxide. It boasts a low power consumption upon use and leverages a zero gap technology in the manufacturing process to further decrease overall energy use due to an increased exposure of a high-performance membrane. To ensure optimal membrane performance and hence energy consumption, we replace the membrane once every four years and recoat the electrode once every eight years. This in turn has allowed us to capture cost-savings as well.
 - b. During the year, we modified the energy utility on mechanical flow pumps to cater to different capacity loads in the manufacturing process. This allowed us to reduce our energy consumption by up to 20%.



CIL's Energy Policy

To achieve our goals of:

- Reducing energy usage by 5% per metric ton of sodium hydroxide produced per kilowatt-hour basis by 2022
- Obtaining 2% energy saving per ton of sodium hydroxide in the coming financial year as compared to the current year
- Becoming one of the most energy efficient companies in the chlor-alkali industry on kilowatt-hour per metric ton of caustic soda basis

We commit to improve energy efficiency by:

- Implementing effective energy programmes
- Establishing partnerships with the government and external organisations
- Reducing reliance on fossil fuels and instead using recyclable or recoverable energy, where possible
- Investing in cost-effective plant and material upgrades
- Educating employees about energy-savings at work and at home

4.2. ENVIRONMENT

- **Adhering to best-practice management systems and policies**
 - a. We ensure that our processes adhere to ISO9001, ISO14001 and *Singapore's Energy Conservation Act* to remain up to date with the industry best practice and latest requirements. Every year, CIL carries out one external and two internal audits, in addition to a Management Review to review objectives, goals and targets. The statutory board in Singapore responsible for improving and sustaining a clean and green environment – National Environmental Agency (NEA) – also conducts an energy audit on our operations yearly, in which we submitted the relevant data for FY2020 on 30 June 2020.
- **Engaging third-party consultants to assess and improve operational energy efficiency**
 - a. We are in the midst of working with a third-party consultant to conduct an Energy Efficiency Opportunities Assessment (EEOA) across our main operational processes to reduce our overall energy consumption by 10-15% by 2025. The assessment will focus on aspects such as energy utility, transformation, end-use systems, as well as the interactions between related systems and the breakdown of energy use within each system. These aspects account for approximately 80% of our total energy consumption at present.

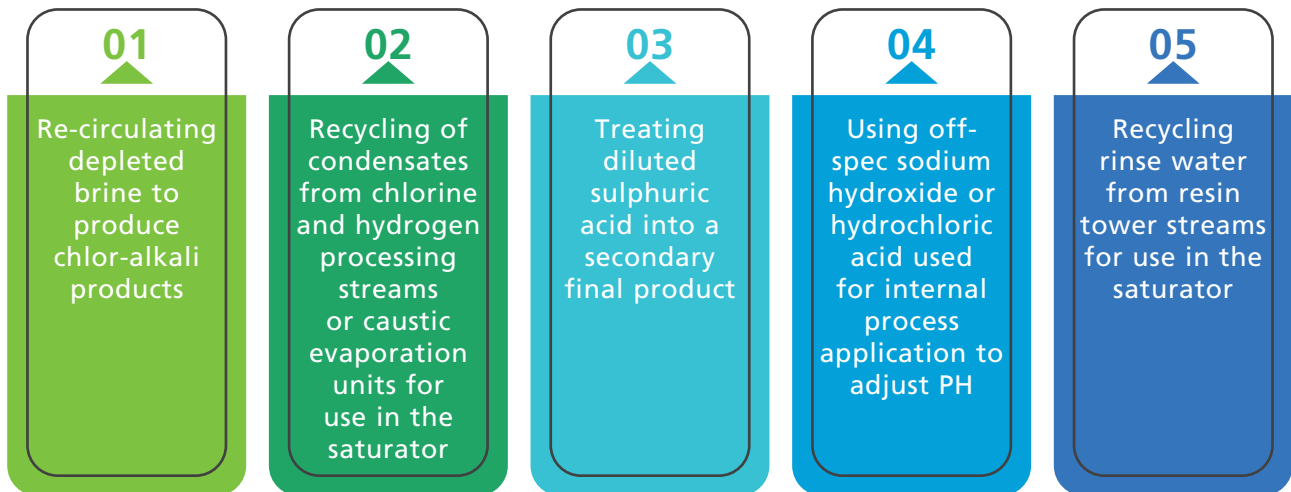
In FY2021, our total energy consumption amounted to **105,441,438 kWh**, while our energy intensity ratio measured **2.55 per ton of sodium hydroxide**. While this represents a **0.4% increase** in energy intensity as compared to FY2020, it was despite a 20% increase in sodium hydroxide production, a key chemical output from our production plant. We strive to obtain a 2% energy saving per ton of sodium hydroxide produced in the coming financial year, as compared to the current year.



4.2. ENVIRONMENT

Enabling Water Efficiency

Water is a critical raw material in our manufacturing process, especially in the production of chlor-alkali. We utilise three types of water at our manufacturing plants – demi water, raw water and NEWater. They leave our operations in one of two ways, either as part of products or as wastewater. Where possible, wastewater is recycled and reused in various process applications across our production chain. These include:



We are currently also looking into water savings projects to treat our wastewater into NEWater or demi water, to be reused in our manufacturing processes.

Annually, we carry out one external and two internal audits, as well as a Management Review. We also submit the relevant water data required to the Public Utilities Board (PUB) – the statutory board in Singapore responsible for coordinating the supply of utilities – to assess our plant’s water efficacy.

In FY2021, our total water withdrawal from third parties amounted to **309,742 m³**, while our water discharge measured **24,269 m³**. This represents a **5.2% increase** in water savings as compared to FY2020 and is a result of our continued water reduction initiatives such as recycling condensates from manufacturing processes back into plant machinery. We strive to obtain a 3% water savings per ton of sodium hydroxide produced in the coming financial year, as compared to the current year.

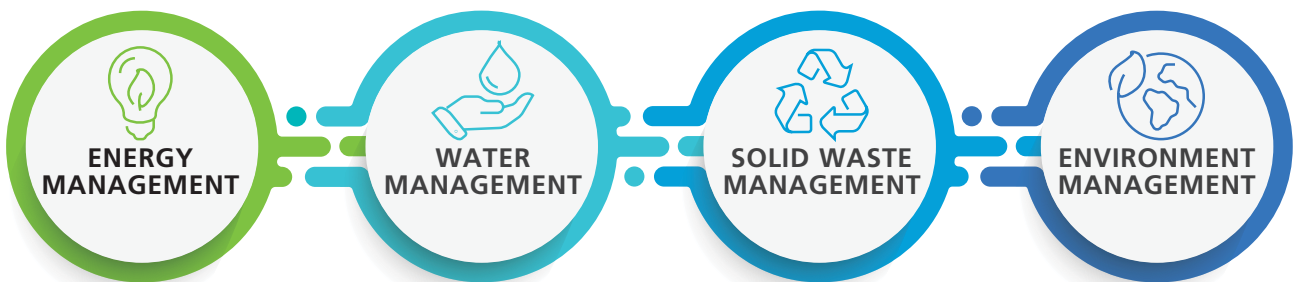
4.2. ENVIRONMENT

Increasing Environmental Compliance

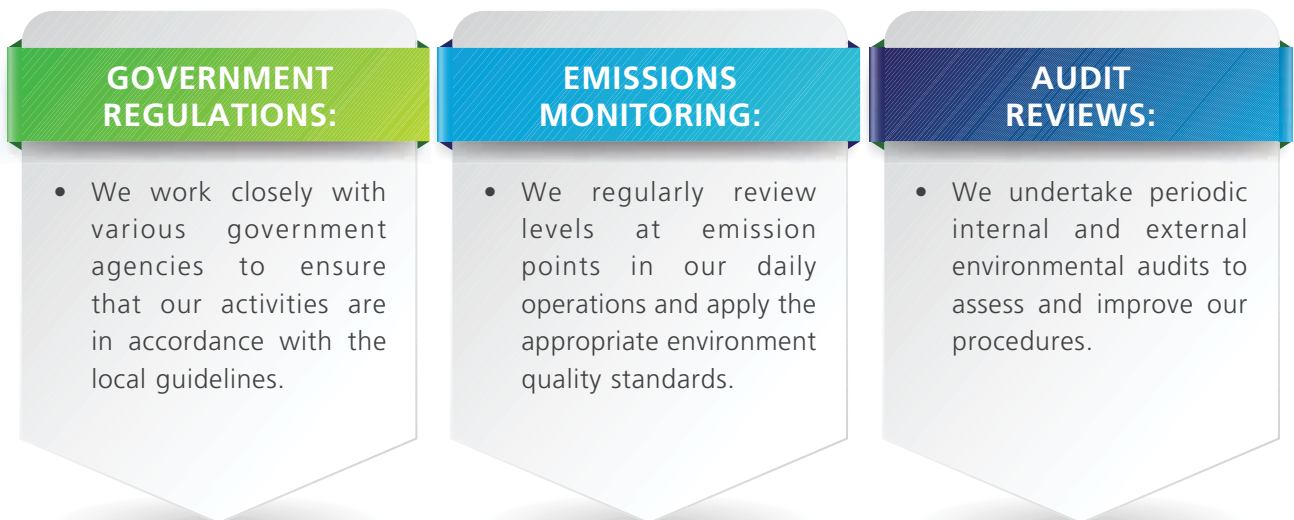
We understand the nature of the chemicals involved in our production processes and the adverse effects they potentially have on the environment. As such, we take proactive action to minimise and, if possible, prevent any negative impact on the environment that surrounds our plant.

Driving industry-wide change

CIL represents the Singapore Manufacturing Federation as part of the Environment and Resources Standards Committee (ERSC) in an on-going nationwide discussion and policymaking effort to spearhead several technical initiatives to increase environmentally beneficial impact in the areas of:



Pushing organisation-wide change

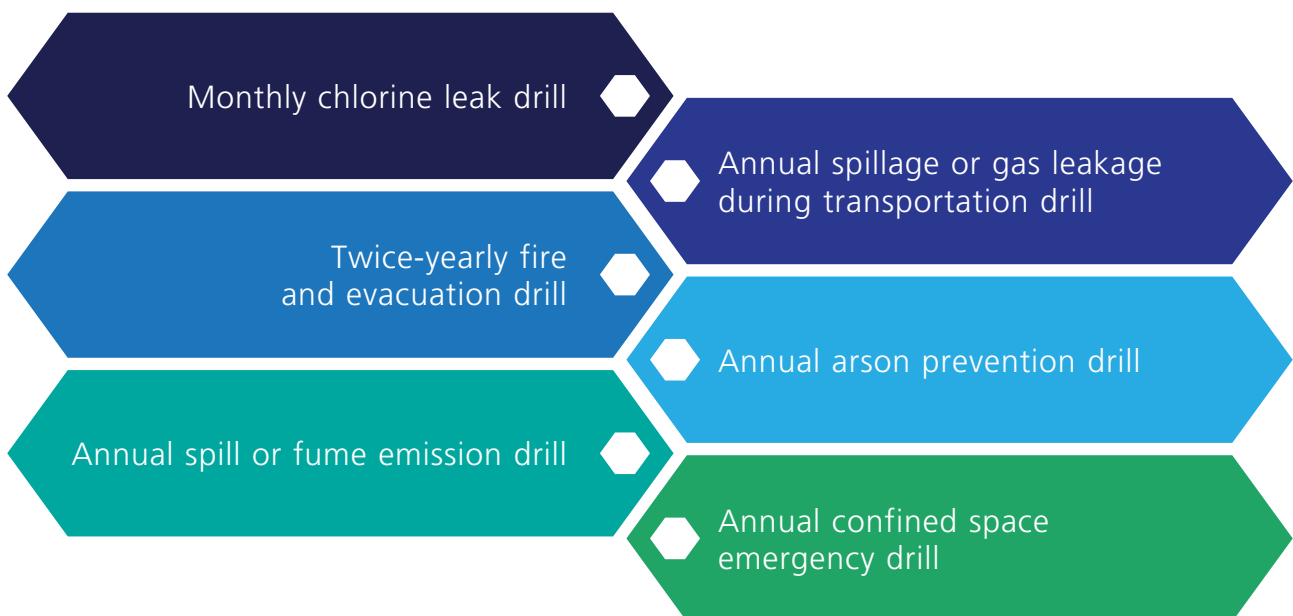


4.2. ENVIRONMENT

In April 2020, we conducted source emission monitoring across seven emission points in our manufacturing systems. This involved testing for aerial traces of pollutant compounds such as hydrogen chloride, ammonia and ammonium compounds, chlorine, oxides of nitrogen and carbon monoxide, where results showed that the concentration of these compounds were within the *Emission Limits of Standards of Concentration of Air Impurities*, as stipulated under the *Environmental Protection and Management Act (Air Impurities) Regulations, 2008* and the *Environmental Protection and Management (Air Impurities) (Amendment) Regulations, 2015*.

As of FY2021, testing also revealed that the amount of chlorine detected in our plant boundaries was below regulation limits set by Singapore Civil Defence Force (SCDF) at our perimeter fencing. The chlorine detectors are owned by us, and results are reported to SCDF to ensure the amount is below 10ppm. To share our progress from FY2020, we have since installed a new chlorine scrubber to better enclose the chlorine filling station and prevent leaks. We are also in the midst of upgrading the hydrochloric acid scrubbing system to better cater to the increased production capacity in our plant.

Across the year, we also conduct several environmental safety drills. These include:



Since our Sakra plant was built in 1998, we have consistently kept the amount of chlorine detected in plant boundaries below regulation limits

4.3. PEOPLE

A People-First Focus

CIL's greatest asset is our people, key to our long-term growth and success. We are committed to building a workplace that is safe, fair and engaging for our employees. Our people-first strategy focuses on two aspects in particular:

1. Occupational Health and Safety
2. Freedom of Association and Collective Bargaining

Protecting Our Employees

We adopt a zero-tolerance policy on safety lapses as the health and safety of our employees is a top priority at CIL.

We govern Occupational Health and Safety (OHS) matters at CIL through the *Singapore Standard (SS) 506 Part 3*, which adheres to the standard required by the *Code of Practice on Safety Management System* specific to the chemical industry. These management policies are communicated to all internal and external personnel, taking into account their roles, responsibilities, accountability and authority. The policies are reviewed periodically to assure continued relevance to CIL's operations. Before the commencement of new work, risk reviews are conducted for staff safety as well as for quality assurance.

We are also a signatory to the *Singapore Chemical Industry Council (SCIC) Responsible Care* initiative, which requires us to make annual submissions of our health, safety and environment (HSE) information for industry monitoring and benchmarking. This encourages us to assess and update our policies regularly to keep in line with industry best practices. In addition, we carry out and submit safety audits every two years according to government regulations.

All OHS procedures are monitored and documented, from process parameters to results attained. Management teams will carry out evaluation assessments and make any adjustments, if necessary.



Keeping Our Employees Safe During COVID-19

As the pandemic continues, we ensure that we continue to implement tight controls and sound operating procedures to safeguard the health and wellness of our employees, in accordance with guidance from the Singapore government.

- We provided all employees a five-piece mask set soon after the legal requirement of wearing a mask was enforced by the government.
- We subsidised hotel accommodation for 18 of our foreign staff for three months following the announcement of Singapore's circuit breaker and provided a small allowance to support their living costs. At present, we continue to subsidise medium to long-term housing options for the same group of foreign staff.

4.3. PEOPLE

An overview of CIL's key OHS targets and policies:

Safety Regulation Briefings:

100% completion rate for employees, contractors and subcontractors on yearly basis

Emergency Response Plans:

100% completion rate for supervisors, foremen and process technicians on a yearly basis

Safe Work Procedures:

100% completion rate for staff on a yearly basis

Relevant Risk Assessment:

100% completion rate for staff on a yearly basis

Tool Box Briefing:

At least 1 briefing a week across all plant operations

We also involve employees as part of our solution to improve health and safety standards at the workplace. Through a consultative approach, our Environmental Health and Safety (EHS) personnel engages with employees to collect ideas and feedback on suggested improvements through avenues such as feedback forms. These suggestions are evaluated by a Workplace Safety and Health (WSH) committee at monthly meetings and will be implemented, if applicable. Additionally, employees are encouraged to report potential work-related hazards or incidents. In the event an incident is reported, an investigation team will be formed to investigate the hazard and its related risks, with preventive action taken to stop recurrence.

In FY2021, the number and rate of work-related injuries measured **5** and **3.9 per 200,000 hours worked** respectively, across the **256,189 hours** worked by all employees. These injuries were chemical splash related and none were fatal.

Concurrently, we also place emphasis on the physical and mental well-being of our people. We provide staff access to select non-occupational medical and

healthcare services such as company clinics or health insurance. Onsite health screenings, health coaching sessions and sports activities – such as our annual Corporate Steps Challenge – are also available.



4.3. PEOPLE

Advocating for Freedom of Association and Collective Bargaining

Upholding fair and open employment is key to CIL, having been an early adopter of Unions since 12 Oct 1982. We negotiate with the Chemical Industries Employees' Union (CIEU) in developing a Collective Agreement (CA) for collective bargaining biennially, which is submitted to the Industrial Arbitration Court (IAC) in Singapore. The CA is essential in maintaining that employees at CIL are treated fairly and incentivises the company to keep abreast of the latest developments in the industry relating to employee matters. It also brings greater access to grievance solutions and benefits for involved employees. As of May 2019, 45% of our supervisory and executive staff who have a Singaporean citizenship are eligible to subscribe to the CA. We place emphasis on two aspects of the CA:

Clause 38: Workplace Safety and Health

- Provision and maintenance of protective devices, equipment, and clothing for the safety and health of its employees shall be furnished whenever deemed necessary.
- In co-operation with the Union, CIL will establish a Skills Training Committee in accordance with the Workplace Safety and Health Act.



01

Clause 44: Skills Training

- Skills training will be conducted for employees to update their skills and raise their level of productivity.
- In co-operation with the Union, CIL will establish a Skills Training Committee to plan and promote skills training programmes.
- CIL will take into account employees' training and courses completed when considering their performance assessment as part of their career advancement.



02

4.4. COMMUNITY

CIL believes in giving back to the communities in which we live, work and grow with. We look to leverage our strengths and capabilities and mobilise varied levels of support to best serve the interests of communities in the markets we operate in.

Supporting Singapore in The Fight Against COVID-19

We supplied more than 300 tons of disinfectant chemicals to the Singapore government to curb the spread of COVID-19 in the community. We increased production of sodium hypochlorite and chlorine to support PUB in ensuring that the country's waste and water systems were free of the virus. We also supplied the chemicals to quarantine sites, to prevent the transmission of the virus at potential hotspots and amongst service and medical frontliners.

Elevating Standards of Living in Myanmar

We continue to uphold our commitment to employ local talents in the countries we operate in as a solution to raising the standards of living. At present, local employees in Chemical Industries (Myanmar) Limited constitute 97% of the workforce. Chemical Industries (Myanmar) Limited began operations in 2019 alongside the Myanmar-Japan Thilawa Development (MJTD) – a Myanmar-Japan joint venture company that operates in the Thilawa Special Economic Zone (SEZ).

In support of the country's fight against COVID-19, we also provided sodium hypochlorite to public entities such as the Myanmar Fire Services Department and Yangon Community Service, to disinfect their facilities.



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| | 102-48 Restatements of information | NA | NA |
| | 102-49 Changes in reporting | NA | NA |
| | 102-50 Reporting period | About the Report | Pg 2 |
| | 102-51 Date of most recent report | About the Report | Pg 2 |
| | 102-52 Reporting cycle | About the Report | Pg 2 |
| | 102-53 Contact point for questions regarding the report | About the Report | Pg 2 |
| | 102-54 Claims of reporting in accordance with the GRI Standards | About the Report | Pg 2 |
| | 102-55 GRI content index | GRI Index | Pg 22 |
| | 102-56 External assurance | About the Report | Pg 2 |
| GRI 103: MANAGEMENT APPROACH | 103-1 Explanation of the material topic and its Boundary | Our Board's Statement | Pg 4 Pg 12 |
| | 103-2 The management approach and its components | Marketplace Environment People Community | Pg 13 Pg 18 Pg 21 |
| | 103-3 Evaluation of the management approach | | |
| GRI 201: ECONOMIC PERFORMANCE | 201-1 Direct economic value generated and distributed | Marketplace | Pg 12 |
| GRI 205: ANTI-CORRUPTION | 205-3 Confirmed incidents of corruption and actions taken | Marketplace | Pg 12 |
| GRI 302: ENERGY | 302-1 Energy consumption within the organisation | Environment | Pg 14 |
| | 302-2 Energy intensity | Environment | Pg 14 |
| GRI 303: WATER AND EFFLUENTS | 303-1 Interactions with water as a shared resource | Environment | Pg 15 |
| | 303-2 Management of water discharge-related impacts | Environment | Pg 15 |
| | 303-3 Water withdrawal | Environment | Pg 15 |
| | 303-4 Water discharge | Environment | Pg 15 |

GLOBAL REPORTING INITIATIVE CONTENT INDEX

| | GRI Disclosure | Section of Report | Page Reference & Remarks |
|--|--|-------------------|--------------------------|
| GRI 307: ENVIRONMENTAL COMPLIANCE | 307-1 Non-compliance with environmental laws and regulations | Environment | Pg 16 |
| GRI 403: OCCUPATIONAL HEALTH AND SAFETY | 403-1 Occupational health and safety management system | People | Pg 18 - 19 |
| | 403-2 Hazard identification, risk assessment, and incident investigation | People | Pg 19 |
| | 403-3 Occupational health services | People | Pg 19 |
| | 403-4 Worker participations, consultation, and communication on occupational health and safety | People | Pg 18 - 19 |
| | 403-5 Worker training on occupational health and safety | People | Pg 19 |
| | 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | People | Pg 18 - 19 |
| | 403-9 Work-related injuries | People | Pg 19 |
| GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | People | Pg 20 |
| GRI 413: LOCAL COMMUNITIES | 413-1 Operations with local community engagement, impact assessments, and developmental programs | Community | Pg 21 |

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX



SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

| Topic | SASB Code | Accounting Metric | Response |
|--------------------------|--------------|--|---|
| Greenhouse Gas Emissions | RT-CH-110a.1 | Gross global Scope 1 emissions, percentage covered under emissions-limiting regulations | CIL does not measure these metrics at present. |
| | RT-CH-110a.2 | Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets | CIL does not report on the specified strategy or plan at present. |
| Air Quality | RT-CH-120a.1 | Air emissions of the following pollutants: (1) NOX (excluding N2O), (2) SOX, (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs) | <p>CIL does not measure total air emissions for the pollutants listed.</p> <p>However, concentration of NOX emissions (excluding N2O): 50mg/Nm3.</p> <p>The concentration of NOX is within the limits of Emission Limits of Standards of Concentration of Air Impurities¹.</p> <p>CIL does not measure the rest of the metrics at present.</p> |
| Energy Management | RT-CH-130a.1 | <ol style="list-style-type: none"> 1) Total energy consumed 2) Percentage grid electricity 3) Percentage renewable 4) Total self-generated energy | <ol style="list-style-type: none"> 1) Total energy consumed: 379,588 GJ (105,441 MWh) 2) Percentage grid electricity: 100% <p>CIL does not use any renewable energy nor self-generated energy at present.</p> |
| Water Management | RT-CH-140a.1 | <ol style="list-style-type: none"> 1) Total water withdrawn 2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | <ol style="list-style-type: none"> 1) Total water withdrawn: 309,745m3. <p>CIL does not report the rest of the metrics at present.</p> |
| | RT-CH-140a.2 | Number of incidents of non-compliance associated with water quality permits, standards, and regulations | CIL reports 0 water-related incidents of non-compliance in FY2021. |
| | RT-CH-140a.3 | Description of water management risks and discussion of strategies and practices to mitigate those risks | This section is aligned with disclosures in Areas of Focus – Environment (pg 16). |

¹ As stipulated under the *Environmental Protection and Management Act (Air Impurities) Regulations, 2008* and the *Environmental Protection and Management (Air Impurities) (Amendment) Regulations, 2015*.

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

| Topic | SASB Code | Accounting Metric | Response |
|---|--------------|--|---|
| Hazardous Waste Management | RT-CH-150a.1 | Amount of hazardous waste generated, percentage recycled | CIL does not report this information at present. |
| Community Relations | RT-CH-210a.1 | Discussion of engagement processes to manage risks and opportunities associated with community interests | This section is aligned to disclosures in Areas of Focus – Community (pg 21). |
| Workforce Health & Safety | RT-CH-320a.1 | 1) Total recordable incident rate (TRIR) 2) Fatality rate for (a) direct employees and (b) contract employees | 1) Total recordable incident rate (TRIR): 3.90 2) Fatality rate: 0 |
| | RT-CH-320a.2 | Description of efforts to assess, monitor, and reduce exposure of employees and contract workers to long-term (chronic) health risks | This section is aligned to disclosures in Areas of Focus – People (pg 18 – 19). |
| Product Design for Use-phase Efficiency | RT-CH-410a.1 | Revenue from products designed for use-phase resource efficiency | CIL does not manufacture products designed for use-phase resource efficiency. |
| Safety & Environmental Stewardship of Chemicals | RT-CH-410b.1 | 1) Percentage of products that contain Globally Harmonized System of Classification and Labeling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances 2) Percentage of such products that have undergone a hazard assessment | 1) 100% CIL does not report the rest of the metrics at present. |
| | RT-CH-410b.2 | Discussion of strategy to (1) manage chemicals of concern and (2) develop alternatives with reduced human and/or environmental impact | CIL is looking to conduct Environmental Impact Assessments (EIA) across our chemical production lines. These will be commissioned by NEA for the next financial year, FY2022. |
| Genetically Modified Organisms | RT-CH-410c.1 | Percentage of products by revenue that contain genetically modified organisms (GMOs) | This is not applicable. |
| Management of the Legal & Regulatory Environment | RT-CH-530a.1 | Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry | This section is aligned to disclosures in Areas of Focus – Environment and People (pg 16 – 17 and 18 – 19). |

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

| Topic | SASB Code | Accounting Metric | Response |
|--|--------------|--|---|
| Operational Safety, Emergency Preparedness & Response | RT-CH-540a.1 | Process Safety Incidents Count (PSIC), Process Safety Total Incident Rate (PSTIR), and Process Safety Incident Severity Rate (PSISR) | CIL reports the value of 0 for PSIC, PSTIR and PSISR. |
| | RT-CH-540a.2 | Number of transport incidents | CIL reports 0 transport incidents in FY2021. |

| SASB Code | Activity Metric | Response |
|-------------|----------------------------------|---|
| RT-CH-000.A | Production by reportable segment | CIL does not report this metric at present. |



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