



CHEMICAL INDUSTRIES (FAR EAST) LIMITED

化学工业(远东)有限公司



Sustainability Report 2023

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1. ABOUT THE REPORT

This is Chemical Industries (Far East) Limited's ("CIL") sixth Sustainability Report ("Report"), which represents our continuous commitment to building a sustainable business. This report will cover all operations of CIL as a manufacturer of basic chemicals: the Sakra chlor-alkali production plant located in Jurong Island, the Samulun operations and Myanmar operations for the financial year of 01 April 2022 to 31 March 2023 ("FY2023").

This Report has been prepared in accordance with the Global Reporting Initiative Sustainability Reporting Standards ("GRI"): Core option. The GRI were chosen due to their reputation as an internationally recognised standard for reporting Environmental, Social, and Governance ("ESG") issues. 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 financial-material sustainability information. The full GRI and SASB indexes may be found at the end of this Report for an overview of CIL's approach towards appropriate disclosure in accordance with the two standards. This year, we also make reference to the Task Force on Climate-related Financial Disclosures ("TCFD") to embark on our TCFD alignment journey. Please refer to the GRI Index and SASB Index tables in this report for further information on the relevant references.

Aligning with GRI standards, the information disclosed in this report follows the reporting principle below:

- Accuracy: to report information that is correct and sufficiently detailed to allow an assessment of the organisation's impacts.
- Balance: to report information in an unbiased way and provide a fair representation of the organisation's negative and positive impacts.
- Clarity: to present information in a way that is accessible and understandable.
- Comparability: to select, compile, and report information consistently to enable an analysis of changes relative to those of other organisations.
- Completeness: to provide sufficient information to enable an assessment of the organisation's impacts during the reporting period.
- Sustainability context: to report information about its impacts in the wider context of sustainable development.
- Timeliness: to report information on a regular schedule and make it available in time for users of this information to make decisions.
- Verifiability: gather, record, compile, and analyse information in such a way that the information can be examined to establish its quality.

While this 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.

Contact Us

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: chemical.ind@cil.com.sg.

2. OUR BOARD STATEMENT

Dear Stakeholders,

We are delighted to present our sixth sustainability report, showcasing our dedication to sustainable practices and the progress we have made in achieving our sustainability goals. At CIL, we firmly believe that sustainability is crucial for our long-term success, as well as the well-being of the planet and the communities we serve. Our company acknowledges the significance of sustainability and is committed to making a positive impact on the environment, society, and economy.



Dr. Tay Kin Bee, Mr. Lim Chee San, Mr. Lim Soo Peng, Mr. Yeo Hock Chye and Mr. Lim Yew Nghee

This year at CIL, we continue to integrate sustainability at the highest governance level. Our Board of Directors (the “**Board**”) provides strategic guidance on all ESG matters and is responsible for overseeing the Group’s sustainability reporting. Sustainability has also been identified as one of the pillars of our corporate strategy set by the Board. The Board reviews and approves the material ESG topics, ensuring that we capture all emerging ESG risks and opportunities and that these factors are considered in the overall direction and monitored and managed by management. Besides, we have established a sustainability committee to achieve far-reaching sustainability impact.

Sustainability Achievements: Paving the way towards a greener future

In the past year, we have made significant strides in our sustainability journey, demonstrating our strong commitment to achieving our sustainability goals. We have obtained ISO 50001 Certification for our energy management system, a testament to our focus on efficient energy use. We are also proud to report progress in our renewable energy efforts, with the installation of solar panels underway and expected commissioning in early FY2024. As part of our energy conservation initiatives, we have started the recoating of electrodes, a step towards reducing energy consumption, and we anticipate completion by December 2023. To safeguard our employee’s health and safety, we have implemented online workplace safety and health (“**WSH**”) training for all employees, ensuring their well-being and fostering a culture of safety. These achievements reflect our commitment to sustainability and set the foundation for further progress in the future.

This year, we have embarked on the alignment of our practices with the recommendations of TCFD. We have fostered preliminary understanding of the climate-related risks and opportunities facing the industry. We have put in efforts to examine our climate related management and launched our first TCFD disclosure aligning with the four pillars of TCFD framework.

Driving Sustainability Forward: Our Future Goals and Plans

Looking ahead to the future, we remain dedicated to our sustainability journey and have set ambitious targets to achieve by FY2024. These targets serve as guideposts for our ongoing efforts and demonstrate our commitment to continuous improvement.

Our FY2024 goals include reducing greenhouse gas emissions by 1,000 tCO₂e via reduction in electricity usage which will contribute to mitigating climate change and promoting a more sustainable environment. Additionally, we aim to achieve a 4% reduction in specific energy consumption at our Sakra plant, demonstrating our commitment to energy efficiency and conservation. Furthermore, we strive to decrease

specific water consumption by 4%, reflecting our focus on responsible water management and conservation practices.

We acknowledge that these targets require significant effort and collaboration across our organisation, as well as with our partners and stakeholders. In order to achieve our sustainability goals, we have established a comprehensive sustainability strategy encompassing several key initiatives. These initiatives include implementing energy efficiency measures across our facilities and operations to significantly reduce our carbon footprint, partnering with the Singapore National Water Agency (PUB) to conduct a feasibility study on salt recovery from rejected permeates of Reverse Osmosis Desalination Plants, investing in solar panels to supplement our energy source and to meet our energy requirements, and engaging with our customers to promote sustainable practices throughout our value chain, specifically through the implementation of a 3R (Reduce, Reuse, Recycle) plan.

We are dedicated to working towards these goals, continuously improving our sustainability practices, and making a positive impact on the environment and communities we serve. Moving forward, we will continue to closely monitor our progress, ensuring transparency and accountability by reporting on our achievements and addressing any challenges in our future sustainability reports.

By working towards a more sustainable future, we believe we can create lasting value for our business, our stakeholders, our community, and the planet. We thank you for your continued support.

Independent Non-Executive Chairman

Yeo Hock Chye

On behalf of the Board of Directors

3. AT A GLANCE

3.1 COMPANY OVERVIEW

CIL has been the main producer of chlor-alkali products, encompassing chlorine, sodium hydroxide, and other chlor-alkali elements in Singapore since 1963. We supply four fundamental products: sodium hypochlorite, hydrochloric acid, chlorine, and sodium hydroxide to support major industries in Singapore, including petrochemical, pharmaceutical, electronics, and water treatment industries. We have been assisting Singapore in achieving water independence at all stages on a national level by supplying essential chemicals for the State’s water treatment process.

| | |
|--|---|
| Sodium Hypochlorite (“bleach”): Widely used for its bleaching and disinfecting properties to keep the environment clean | Hydrochloric Acid: A multipurpose raw material that is crucial for industrial processes in the food and paper industries |
| Chlorine: Used mainly for water purification to provide Singapore with clean, drinking water | Sodium Hydroxide: Highly versatile core substance used in many manufacturing processes |

CIL’s Products

CIL’s chlor-alkali production plant has been located on Jurong Island since 1998. Previously it was located at Jalan Buroh. The facility is well-known for its integration of cutting-edge technologies and is regarded as a model facility in the industry. CIL’s chlor-alkali business uses its headquarters located in Jalan Samulun for storage and as a supplementary location for its operations. CIL has supplied chemicals to eight countries.

All of CIL’s logistics operations including for delivery of our own manufactured products are managed by our subsidiary, Chem Transport Pte Ltd. With a fully integrated logistics system in place, CIL has complete control and visibility over their entire supply chain. CIL has several active subsidiaries, including Chemical Industries (Myanmar) Limited (“**CIML**”) which is the sole producer of sodium hypochlorite in Myanmar. Juta Properties Private Limited serves as CIL’s real estate division.

CIML’s sodium hypochlorite manufacturing plant is located within Thilawa Special Economic Zone, Zone A, Kyauktan, Yangon and was established in 2019. The site is approx. 1.7 hectares in size.

3.2 OUR BUSINESS

CIL will unlock future growth and ignite new opportunities through three pillars of our corporate strategy: growth, sustainability and culture. Committed to being environmentally responsible, the company will continue developing its core businesses while exploring new complementary areas of growth. Through its strategic pillars, CIL will continue striving to become the premier sustainable chemical solutions company in Southeast Asia.

4. SUSTAINABILITY AT CIL

4.1 SUSTAINABILITY GOVERNANCE

At CIL, we integrate sustainability at the highest governance level. The Board provides strategic guidance on all ESG matters and is responsible for overseeing the Group’s sustainability policy. The Board reviews and approves the material ESG topics, ensuring that we capture all emerging ESG risks and opportunities and that these factors are considered in the overall direction, monitored and managed by management.

We have established a sustainability committee to be responsible for reviewing and monitoring sustainability milestones and initiatives implementation.

4.2 MATERIALITY ASSESSMENT

4.2.1 Materiality Matrix

We examine our ESG topics annually to make sure they remain relevant in the ever-changing operational environment. In this financial year, we conducted an exercise to capture emerging ESG topics that are most significant to our business and stakeholders and refreshed our materiality matrix. Our evaluation process drew on a benchmarking exercise with reporting frameworks and practices of our peers. We looked at topics regularly reported by our peers within our industry, Singapore Exchange (“SGX”) requirements, and various voluntary reporting frameworks including GRI, SASB and TCFD. We have identified ten material topics. The ten material topics set out below continue to be pertinent to our business and stakeholders.

| Topics Areas | Material ESG Topics | GRI index |
|---------------|--|-----------|
| Environmental | Energy Efficiency | GRI 302 |
| Environmental | Water Consumption | GRI 303 |
| Environmental | Climate Change and Carbon Emissions | GRI 305 |
| Environmental | Waste Management | GRI 306 |
| Social | Occupational Health and Safety | GRI 403 |
| Social | Talent Development, Satisfaction and Retention | GRI 404 |
| Social | Diversity and Equal Opportunities | GRI 405 |
| Social | Community Relations | GRI 413 |
| Governance | Governance and Business Ethics | GRI 205 |
| Governance | Product Quality | GRI 416 |

Figure 1: CIL’s Material ESG Topic List

4.2.2 Stakeholder Engagement

In order to thrive in our business and contribute to society, we believe it is essential to understand and address the interests of our stakeholders. We maintain transparent and regular dialogue with our key stakeholders and conduct regular engagements, thus building impactful partnerships. At CIL, we achieve effective stakeholder engagement through various channels, as described in the below table. The table below sets out the methods of engagement specific to each stakeholder group, as well as the frequency of such engagement efforts.

| Key stakeholders | Key Topics of Concern | Forms of Engagement | Engagement Frequency |
|----------------------------------|--|---|--|
| Government and Regulators | <ul style="list-style-type: none"> Compliance with laws and regulations | <ul style="list-style-type: none"> Compliance reviews and audits Online communications Document filings Meetings and discussions Joint activities with relevant authorities Seminars/Webinars | <ul style="list-style-type: none"> As and when needed Periodically |
| Suppliers | <ul style="list-style-type: none"> Contract opportunity for supply of materials and services | <ul style="list-style-type: none"> Supplier performance feedback | <ul style="list-style-type: none"> Annually |
| Employees | <ul style="list-style-type: none"> Compensation and benefits Career development Employee well-being Occupational health and safety | <ul style="list-style-type: none"> Performance appraisals Staff meetings | <ul style="list-style-type: none"> Annually Monthly |
| Shareholders | <ul style="list-style-type: none"> Business and operations performance Business strategy and outlook | <ul style="list-style-type: none"> Annual general meeting Financial results, key financial information and business updates announcements | <ul style="list-style-type: none"> Annually |
| Labour Unions | <ul style="list-style-type: none"> Human rights protection | <ul style="list-style-type: none"> Collective agreement | <ul style="list-style-type: none"> Every 3 years |
| Customers | <ul style="list-style-type: none"> Reliability and quality of products Timeliness of customer service response | <ul style="list-style-type: none"> Face to face meetings Verbal and email communications | <ul style="list-style-type: none"> Ad-hoc or daily |
| Industry Bodies | <ul style="list-style-type: none"> Business and operations performance Research and innovation | <ul style="list-style-type: none"> Membership Industry dialogues and forums | <ul style="list-style-type: none"> Periodically |
| Media | <ul style="list-style-type: none"> Business and operations performance | <ul style="list-style-type: none"> Press releases | <ul style="list-style-type: none"> Periodically |
| Local Communities | <ul style="list-style-type: none"> Contribution to and engagement with the local community | <ul style="list-style-type: none"> Community initiatives | <ul style="list-style-type: none"> Periodically |

4.3 SUSTAINABILITY ACHIEVEMENTS IN FY2023

| Topic | FY2023 Achievement: Target and Progress | Target for FY2024 |
|------------------------------------|--|---|
| Governance and business ethics | There is no known incidence of corruption in any form within our organisation. | We remain unwavering in our commitment to maintaining zero corruption and fraud incidents across CIL's operations. We target to conduct an awareness training to employees on anti-corruption related topics. |
| Product quality | <i>NA, newly identified material topic.</i> | CIL strives to ensure full compliance with ISO9001:2015 and continue to monitor customer satisfaction. Our target is zero product rejection. |
| Climate change and carbon emission | <i>NA, newly identified material topic.</i> | CIL aims to reduce Greenhouse Gas (GHG) emissions by 1,000 tCO ₂ e by electrode recoating and energy-efficient operations. |
| Energy efficiency | Our target is to reduce specific energy consumption for sodium hydroxide production to achieve a 2% savings. We successfully reduced 1,000 tCO ₂ e GHG emissions in FY2023. Our energy consumption included approximately 325,000 L of diesel and 98,425,000 kWh for all the three sites. CIL obtained ISO50001:2018 Energy Management System in December 2022 (Please refer to Figure 4). | CIL aims to achieve a 4% energy saving per metric ton of sodium hydroxide produced in the next financial year for our plant's electricity consumption. We are actively exploring new technologies and methods to improve energy efficiency. |
| Water consumption | CIL aims to reduce the water index to 7.02 from 7.39 per metric ton of sodium hydroxide produced. In FY2023, the total water consumption was approximately 298,000 m ³ for all the three sites. | CIL aims to reduce specific water consumption by 4% in the next financial year through recycling and reusing water in the manufacturing process (water conservation program). |
| Waste management | <i>NA, newly identified material topic.</i> | CIL will continuously reduce waste water discharge as part of the water conservation program. Solid waste continues to be disposed via licensed third-party waste disposal service provider. |
| Diversity and equal opportunities | <i>NA, newly identified material topic.</i> | CIL will ensure that the selection of employees will be based solely on merit, including skills, experience, and ability to perform the job. We will continuously promote progressiveness, inclusivity, and equity in our workplace. |

| Topic | FY2023 Achievement: Target and Progress | Target for FY2024 |
|---|--|---|
| Employee training, development, and retention | CIL has improved its employee health insurance policy to enhance medical and dental benefits. CIL has implemented performance-based evaluation and compensation regimes for our employees. CIL will continuously improve employee-well-being. | We will ensure that all employees undergo annual performance appraisal, and achieve a minimum of average 8 hours of training per employee annually. We will form a recreation committee to enhance the teamwork and bonding among the employees in FY2024. |
| Occupational Health & Safety | Our target is to reduce the Lost Time Incident (“LTI”) Rate from 1.75 to 1.50. In FY2023, the LTI was 6 cases. The near miss cases captured was 8. We conducted a plant-wide inspection and are committed to continuously improve the work place safety. | CIL will strive to maintain its zero-staff injury, permanent disability or fatality record. CIL will continue to protect our employees’ health and safety and aim to perform better than FY2023’s LTI. |
| Community relations | CIL has been supporting the local community. A donation of SGD 60,000 was made by CIL to Souljourn, a new annual fundraiser for children and youth from underserved backgrounds and those in need of mental health support. We support Institutes of Higher Learning (“IHL”) by enrolling two interns in FY2023. | CIL’s objective is to be recognised as a valuable corporate citizen and make every effort to contribute meaningfully in our local communities. |

5. OUR SUSTAINABILITY PILLARS

5.1 CORPORATE GOVERNANCE

CIL strives to balance environmental and social positivity with business success. In order to make sound business decisions as an ethical and responsible firm, we actively seek opportunities that will put us in a position for sustainable growth.

5.1.1 Governance

The Board is committed to achieving high standards of corporate governance. We recognise that good corporate governance enhances accountability and protects the interests of shareholders. This is also consistent with the sustainability pillar of our corporate strategy. The Board has put in place a code of conduct and ethics to set an appropriate tone-from-the-top and desired organisational culture, and ensures proper accountability within the group. The current Board comprises five directors of whom three are Independent Directors. Please refer to the Annual Report FY2023 for the management approach on Board Diversity.

5.1.2 Business Ethics and Anti-Corruption

Maintaining business integrity is a top priority for CIL and we are committed to complying with all relevant anti-corruption laws to avoid criminal penalties and reputational harm. Our corporate culture emphasises the importance of preserving the trust and confidence of our stakeholders in all business dealings and relationships.

To uphold our commitment to anti-corruption practices, we prohibit our employees from accepting bribes, gifts, or other benefits from external parties, and engaging in criminal activities, fraud, or other forms of dishonesty. To ensure that any concerns related to potential violations of our policies are raised and handled appropriately, we have established both internal and external whistleblowing policies and a 'zero-tolerance' approach towards all forms of corruption, bribery, and extortion.

We are pleased to report that in FY2023, there were no known incidence of corruption in any form within our organisation. We did not need to dismiss or discipline any employee or terminate any business partners for corruption-related violations during this period. We plan to conduct an awareness training for the employees relating to the anti-corruption topics in FY2024.

5.1.3 Product Quality

CIL's relationship with our customers is built on a collaborative and sustainable approach, delivering products to meet their needs and adding value to their business. This aligns with our vision to be the preferred chlor-alkali products supplier.

CIL always stays ahead of customers' expectations to build long-term loyalty and trust. Regular collaboration and dialogue with customers allow us to identify their needs. We strive to increase customers' satisfaction by meeting their needs, providing quality products at competitive prices, timely delivery and efficient services. We align with ISO 9001:2015 standards to establish our quality management system (Please refer to Figure 2: ISO9001:2015 Certificate). We have formulated a Quality & Environmental Management Procedure to define the authorisation of delivery and prevention of late delivery as well as the prevention of damaged, deteriorated or wrong products being delivered to customers. We outline our quality assurance system in the Quality &

Environmental Management Manual to ensure that all quality and regulatory requirements are recognised and maintained at all times.



Figure 2: ISO 9001:2015 Certificate

There was zero incidence of non-compliance with regulations concerning the health and safety impacts of products and services within the reporting period.

5.2 CLIMATE CHANGE AND ENVIRONMENTAL MANAGEMENT

CIL recognises the urgency and importance of addressing the challenge of climate change. Our commitment to sustainability has always been a top priority, and we are constantly working towards minimising our environmental footprint while maximising our positive impact on society.

5.2.1 TCFD Disclosure

This year marks a significant milestone for CIL as we embark on our journey of alignment with the recommendations of TCFD. By adopting TCFD disclosure, CIL is demonstrating its commitment to addressing climate change and taking proactive steps to manage the associated risks and opportunities. This move not only enhances CIL’s credibility as a responsible corporate citizen but also helps to build trust and confidence with its stakeholders. CIL is looking forward to leveraging the TCFD framework to enhance its climate-related reporting and drive sustainable growth in the years to come.

| Four Pillars | CIL’s Approach |
|--------------|--|
| Governance | <p>CIL has established a transparent governance system for climate change and works to execute and disclose relevant strategies. The Board is responsible for the ESG strategy where climate risk management falls under it. The Board oversees the strategic direction and policies taking these considerations into account. The Sustainability Committee is responsible for considering material ESG factors including climate change risks and making recommendations to the board regarding such matters.</p> |
| Strategy | <p>CIL recognises the urgent need to address climate change and is committed to reducing its carbon footprint. The following outlines CIL’s first-phase summary of its climate transition plan to reduce the environmental impact and transition to a low-carbon future. CIL strives to provide a more comprehensive and detailed plan in the coming year.</p> <p>Establish the carbon inventory</p> <ol style="list-style-type: none"> 1. Conduct carbon profiling: We aim to understand the current Scope 1 and Scope 2 carbon emissions inventory. During the reporting period, CIL has conducted scope 1 and 2 carbon footprint assessment across the organisation, (please refer to the metrics and targets section for more details). CIL plans to expand to collect scope 3 emissions data in the future. We will collect the relevant emissions data and identify the hot spots and most relevant categories for the scope 3 carbon emissions across the whole value chain. We will also continuously monitor and improve our low-carbon performance in the long run. 2. Automate the environmental data (especially energy and carbon data) collection: CIL is assessing the feasibility to launch a new digital platform to manage carbon data more accurately. This new digital platform will function to collect and measure carbon footprint and enable capturing the environmental data near real-time and more accurately to track its performance. <p>Capacity Building</p> <ol style="list-style-type: none"> 1. Engage external and internal stakeholders: witnessing the increasing regulations on ESG and climate change risk management, CIL plans to invest in capacity building to keep the management abreast of these developments. This financial year, we have engaged with a third-party consultant to conduct an internal TCFD training for the senior management to raise awareness of climate change and encourage their participation along this journey. |

| Four Pillars | CIL's Approach |
|----------------------|--|
| Strategy (Continued) | <p>Carbon Targets Setting</p> <ol style="list-style-type: none"> In past years, CIL has determined energy to be one of the key material topics and setting targets. We deeply understand that climate change is a broader topic and tackling this issue requires a holistic strategy and top-down organisation-wide initiatives. CIL is exploring the possibility of emission reduction from electricity reduction. We are also in the midst of setting long term emission targets that align with the Paris Agreement's goal of limiting global warming to 1.5 °C and the Singapore Green Plan 2030 by outlining various initiatives to adopt sustainable practices and technologies. <p>Optimise Existing Structure for Renewable Energy</p> <ol style="list-style-type: none"> CIL has invested in solar technology and has installed solar panels in its facilities in Singapore. These panels generate clean energy that is used to power the company's operations, complementing existing non-renewable sources of energy. CIL's solar initiatives is a testament to its commitment to sustainability and to creating a greener future for the planet. (Refer to the Energy Consumption section for more details). <p>Investment in New Technologies</p> <ol style="list-style-type: none"> Greener technology is the pathway for us to transition to a low-carbon economy. CIL is constantly exploring new technologies that could further reduce energy consumption. <p>Climate Risks Scenario Analysis</p> <ol style="list-style-type: none"> Scenario analysis: We aim to conduct comprehensive scenario analysis to assess the potential impact of climate-related risks and opportunities on our business under different scenarios. We are working to identify the scope of our analysis, develop a set of plausible scenarios, assess the impact of those selected scenarios, and quantify the financial impact. We aim to complete this process in FY2026 and will regularly provide updates on our progress. |
| Risk Management | <p>TCFD recommends organisations to evaluate and disclose the material climate-related risks and opportunities that are most pertinent to their business activities. The Task Force divided climate-related risks into two major categories: (1) risks related to the transition to a low-carbon economy and (2) risks related to the physical impacts of climate change. In FY2023, aligning with categories of climate-related risks determined by TCFD, we conducted preliminary research to equip us with the knowledge of how climate change might inhibit our business and gained a preliminary understanding of the key risks we are facing.</p> |

| Four Pillars | CIL's Approach | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--|---|--|--|--|-------|--------|---------|--|--|---|-------|-------|---------|--|--|--|-------|--------|--|------------------------|-------|--|------------------------|-------|
| <p>Risk Management (Continued)</p> | <p>Physical risks More frequent extreme weather events are a key climate-related risk facing chemical companies. Extreme weather events such as typhoons, may happen at one of our operations in Myanmar, could lead to damage to numerous chemical plants and water treatment plants. Without proper extreme events disaster preparedness, it might cause explosions and chemical spills, releasing toxic substances into the air, water, and soil impacting the communities. Besides, the risk of more intense precipitation and flooding can induce infrastructure damage and production downtime, which might lead to lost revenue and increased costs for repair and replacement. The damage to critical infrastructure can also impact the supply chain and disrupt the transport of raw materials and finished products, leading to potential production delays and increased costs.</p> <p>For the chemicals industry, and in light of the geography of our operation, rising temperatures would be key risks to be monitored. Under the increased temperatures, an increase in demand for cooling to maintain the functioning of plants and technical centres might arise, which further adds to energy consumption and magnify the carbon footprint.</p> <p>Transition risks We understand that risks and opportunities are hidden behind transition risks. The increasingly stringent climate reporting disclosure would require CIL to invest more in adopting the new reporting framework and implement relevant policies, and internal data systems, while evolving carbon pricing policies could increase the cost of doing business for CIL from direct and indirect emissions and negatively impact the gross revenue. Besides, the technology and market risks resulting from the increasing investment in low-carbon transition may also increase operational expenditure and capital loss.</p> <p>Within our ERM, we have identified regulatory non-compliance as a key risk factor and under which we have specified internal control measures to manage risks related to water and waste management. We have ensured that the solid waste / waste water quality meets the regulatory requirements before discharging or disposal. We will continuously monitor the climate change-related risks and ensure the long-term strategy is in place. For our first step to tackling climate change, we have established measures to minimise our carbon emissions by reducing energy consumption in our daily operations. Moving forward, we plan to take a further approach to fully adopt TCFD recommendations on climate risk management.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| <p>Metrics and Targets</p> | <p>Considering the nature of our business, at this initial stage, we monitor fuel consumption, electricity consumption, scope 1 and scope 2 emissions as key metrics. During the reporting year, CIL has generated 4,503 tonnes of scope 1 carbon emissions and 40,176 tonnes of scope 2 carbon emissions. We will further extend to track and monitor the scope 3 carbon emissions performance in the future.</p> <table border="1" data-bbox="437 1608 1439 1910"> <thead> <tr> <th colspan="3">Emission (GRI 305-1, 305-2, 305-3, 305-4)</th> </tr> </thead> <tbody> <tr> <td>Total Scope 1, 2 GHG emissions (tCO2e)</td> <td>tCO2e</td> <td>44,679</td> </tr> <tr> <td colspan="3">Scope 1</td> </tr> <tr> <td><i>Total direct (Scope 1) GHG emissions</i></td> <td>tCO2e</td> <td>4,503</td> </tr> <tr> <td colspan="3">Scope 2</td> </tr> <tr> <td><i>Total location-based indirect (Scope 2) GHG emissions</i></td> <td>tCO2e</td> <td>40,176</td> </tr> <tr> <td>GHG emission intensity by production (Sakra)</td> <td>tCO2e/MT of Production</td> <td>0.122</td> </tr> <tr> <td>GHG emission intensity by production (Myanmar)</td> <td>tCO2e/MT of Production</td> <td>0.059</td> </tr> </tbody> </table> | Emission (GRI 305-1, 305-2, 305-3, 305-4) | | | Total Scope 1, 2 GHG emissions (tCO2e) | tCO2e | 44,679 | Scope 1 | | | <i>Total direct (Scope 1) GHG emissions</i> | tCO2e | 4,503 | Scope 2 | | | <i>Total location-based indirect (Scope 2) GHG emissions</i> | tCO2e | 40,176 | GHG emission intensity by production (Sakra) | tCO2e/MT of Production | 0.122 | GHG emission intensity by production (Myanmar) | tCO2e/MT of Production | 0.059 |
| Emission (GRI 305-1, 305-2, 305-3, 305-4) | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Scope 1, 2 GHG emissions (tCO2e) | tCO2e | 44,679 | | | | | | | | | | | | | | | | | | | | | | | |
| Scope 1 | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Total direct (Scope 1) GHG emissions</i> | tCO2e | 4,503 | | | | | | | | | | | | | | | | | | | | | | | |
| Scope 2 | | | | | | | | | | | | | | | | | | | | | | | | | |
| <i>Total location-based indirect (Scope 2) GHG emissions</i> | tCO2e | 40,176 | | | | | | | | | | | | | | | | | | | | | | | |
| GHG emission intensity by production (Sakra) | tCO2e/MT of Production | 0.122 | | | | | | | | | | | | | | | | | | | | | | | |
| GHG emission intensity by production (Myanmar) | tCO2e/MT of Production | 0.059 | | | | | | | | | | | | | | | | | | | | | | | |

5.2.2 Environmental Management System

As a chemical manufacturer, we understand our responsibility to reduce our environmental footprint on the planet and mitigate the negative impact posed by climate change. CIL is committed to contributing to the global environment by proactively engaging in industry-wide policymaking and leading technical initiatives in energy, carbon emissions, water, solid waste, and environmental management.

As part of our commitment to sustainability, we ensure that all activities within our organisation comply with local government regulations and adhere to sound management principles in alignment with ISO9001 and ISO14001.

At CIL, we continuously monitor our manufacturing systems for pollutant compounds such as hydrogen chloride, ammonia and ammonium compounds, chlorine, oxides of nitrogen, and carbon monoxide. Our testing results indicate that the concentration of these compounds is 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.

In FY2023, we continued our commitment to environmental stewardship by building enclosures for the chlorine filling station and chlorine container storage areas to prevent potential chlorine leaks into the environment. We are pleased to report that the amount of chlorine detected within our plant boundaries remains below the limits set by the SCDF at our perimeter fencing. Furthermore, we have installed chlorine detectors to ensure proper monitoring and reporting of results to the SCDF to confirm that amounts remain below 10 ppm. We are also in the process of upgrading our hydrochloric acid scrubbing system to improve emission efficiency and accommodate higher hydrochloric acid storage capacity.



Figure 3: ISO 14001:2015 Certificate

5.2.3 Energy Consumption

CIL is committed to ensuring energy-efficient manufacturing throughout its operations. To achieve this, the company adheres to a comprehensive Energy Policy regularly reviews and updates it to maintain operational efficiency. CIL also ensures that its processes comply with ISO9001, ISO14001, and Singapore’s Energy Conservation Act 2012, in addition to carrying out annual external and internal audits and a management review to review objectives, goals, and targets.

In FY2023, we obtained the ISO50001 Certification (Please refer to Figure 4) on 12 December 2022 led by a committee which comprised members from our relevant departments.



Figure 4: ISO5001:2018 Certificate

Advanced technology

We use energy-efficient, zero-gap technology on electrolyzers to produce two of our key chemicals – chlorine and sodium hydroxide, which feature low power consumption in the manufacturing process.

Recoating and re-membraning

CIL replaces the membrane and recoats the electrode periodically to ensure optimal membrane performance and capture cost savings. We commenced recoating and re-membraning in this reporting year to reduce specific energy consumption which will lead to a reduction of 4% in energy consumption. The project is implemented in phases and targeted to be completed by December 2023. We also continuously operate at lower current density by the selection of high efficiency or low power consumption membranes and reconfiguration of the number of electrolyser elements to optimise energy consumption.

Optimise energy consumption

Assessing and improving operational energy efficiency

CIL has upgraded aged equipment with energy efficient equipment, such as Air Compressor, Chiller and Cooling Tower, across its main operational processes.

Explore renewable energy

As part of its energy initiatives, CIL has invested in solar technology and has installed solar panels in its facilities in Singapore. These panels generate clean energy that is used to power the company's operations, reducing its reliance on non-renewable sources of energy. CIL's solar initiative is a testament to its commitment to sustainability and to creating a greener future for the planet.

The historical trend of electricity consumption is shown in Figure 5.

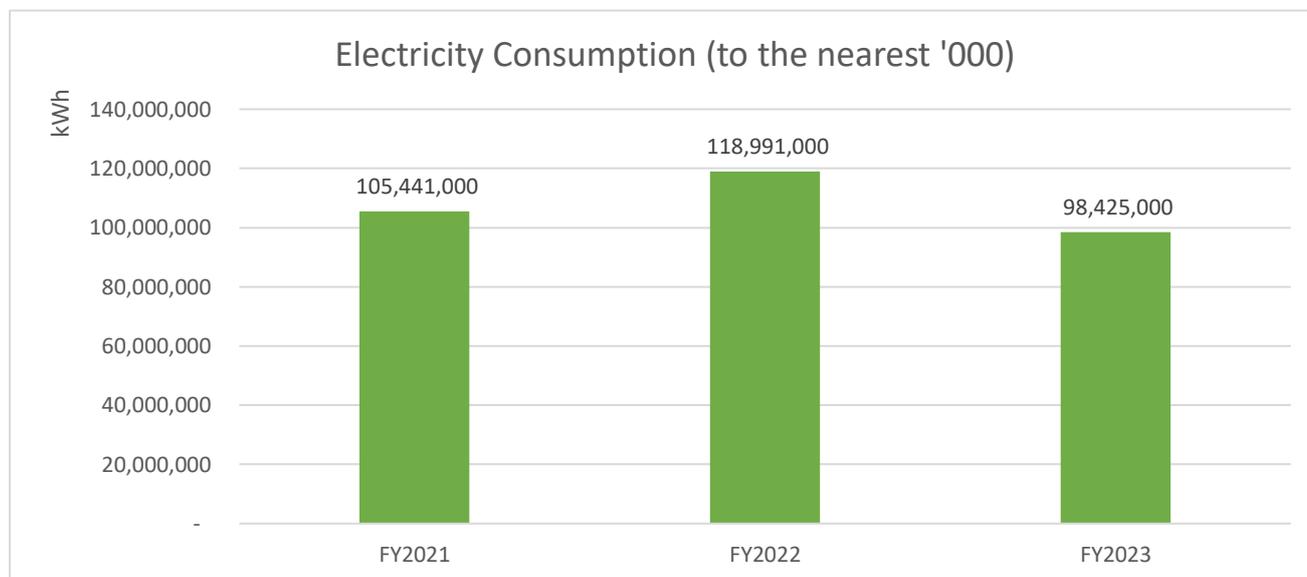


Figure 5: Electricity Consumption

5.2.4 Water Efficiency

Water is a crucial component in our manufacturing process, particularly in the production of chlor-alkali. Our manufacturing facilities employ three types of water, demineralised water, raw water, and NEWater. Demineralised water has played a significant impact to the operations and hence, we will focus on demineralised water reduction in FY2024.

Our manufacturing sites employ various methods to achieve this, including the following:

- Recirculating depleted brine to manufacture chlor-alkali products;
- Reusing condensates from chlorine and hydrogen processing streams or caustic evaporation units in the saturator;
- Repurposing rinse water from resin tower streams after the regeneration cycle for use in the saturator; and
- Reusing process waste water in Myanmar facility.

In our continual pursuit of water conservation, we are actively exploring projects aimed at treating our wastewater and transforming it into NEWater or demineralised water, which can be reused in our manufacturing operations.

CIL conducts an annual management review and undergoes external and internal audits. In addition, we provide our water data to the Public Utilities Board (“PUB”), the Singapore Statutory Board that manages utility supply, to evaluate our plant's water efficiency.

In FY2023, the total water consumption was approximately 298,000 m³ (Please refer to Figure 6). We will continuously drive more efficient water consumption initiatives. Besides, the total discharged process wastewater for the reporting year was 41,754 m³ for all the three facilities.

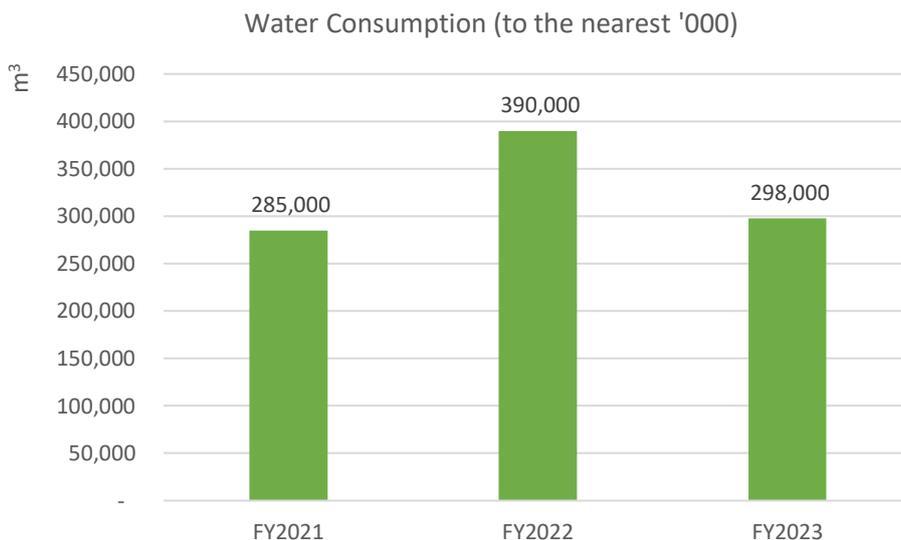


Figure 6: Water Consumption

5.2.5 Waste Management

Waste management is a critical aspect of CIL’s sustainability journey. CIL recognises the importance of responsible waste disposal and has implemented various measures to manage its waste efficiently. This includes complying with relevant regulations and standards, ensuring all the solid waste is disposed of by the licensed waste collector, segregating waste streams for proper disposal, and implementing a recycling and reuse program wherever possible.

CIL regularly monitors its waste management performance, and takes corrective action where necessary to continuously improve its practices. By prioritising sustainable waste management, CIL aims to minimise its environmental impact while maintaining a high level of operational efficiency.

Throughout the reporting year, CIL produced approximately 138 tons of solid waste as a result of its operations at Sakra and Samulun facilities, while Myanmar produced approximately 2 tons of solid waste.

5.2.6 Transforming the Industry

CIL is an active member of the Singapore Manufacturing Federation and Singapore Chemical Industry Council (“SCIC”). As part of our commitment to environmental sustainability, we actively participate in nationwide discussions to spearhead technical initiatives that increase environmental benefits in areas such as energy management, water management, solid waste management, and environmental management.

With regard to government regulations, we maintain a close working relationship with various government agencies to ensure our activities align with local guidelines. We also regularly review emission levels at our operation’s emission points and adhere to appropriate environmental quality standards. Additionally, we conduct both internal and external environmental audits on a periodic basis to assess and enhance our procedures.

5.3 OUR HUMAN CAPITAL

We believe people are our most important asset in achieving long-term growth and success. We are dedicated to ensuring a safe and secure working environment for all our employees.

5.3.1 Employment

CIL’s continuous growth and success depend greatly on our talent’s dedication and willingness. We strive to provide a happy, conducive, and safe workplace. In addition, CIL adheres to the fair employment guidelines set forth by the Tripartite Alliance for Fair and Progressive Employment Practices (“**TAFEP**”), ensuring that selection is based on merit and equal opportunity for all.

CIL’s management concepts and human resource policies in relation to employee benefits, compensation, training and development are covered in the employee handbook.

As of March 31st, 2023, in Singapore, CIL has given direct employment to 164 persons, comprising 128 males and 36 females (Please refer to Figure 7). The total number of employees below 30 years old is 21, between 30 to 50 is 82 and above 50 is 61. In Myanmar, the employees’ diversity profile is shown in Figure 8 with a total headcount of 38.

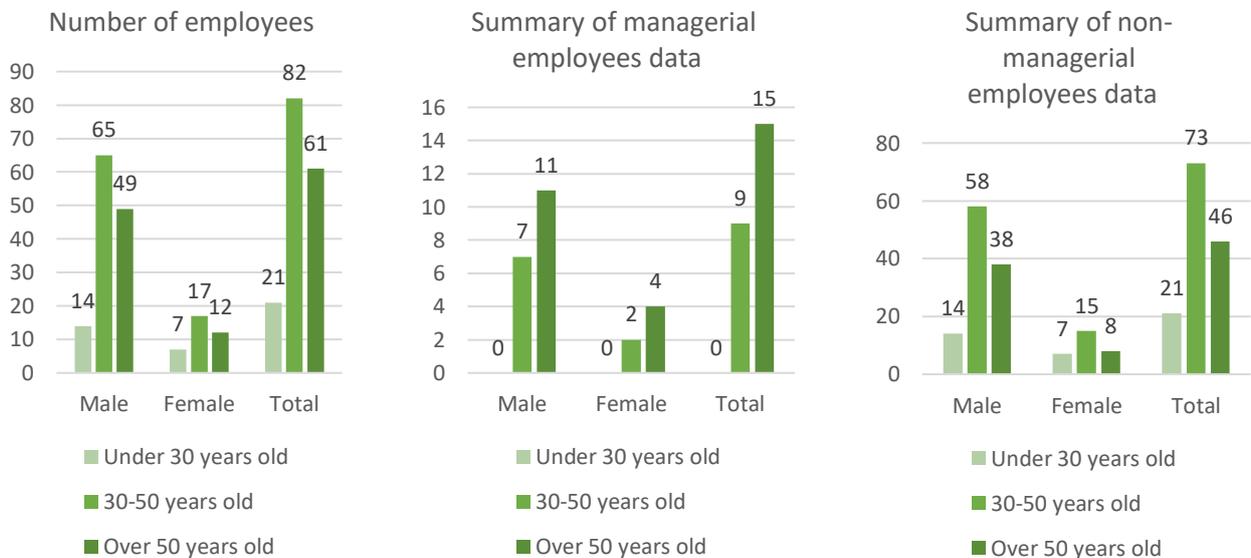


Figure 7: Employees’ Diversity for Singapore Offices



Figure 8: Employees' Diversity for Myanmar Office

5.3.2 Diversity and Equal Opportunities

CIL believes that diversity and equal opportunities are crucial for the success and sustainability of our organisation. We uphold a culture of respect for diversity and eliminate any form of unlawful discrimination based on personal characteristics such as gender, race, ethnicity, religion, nationality, sexual orientation, marital status, political affiliation, or disability in our hiring and employment practices.

CIL has established a Code of Conduct that guides our employees' conduct and aligns with our core values to promote a strong and unique corporate identity. Following the Code of Fair Employment Practices and Fair Recruitment Practices, we firmly believe that the selection of employees should be based solely on merit, including skills, experience, and ability to perform the job. To this end, we will continuously implement advanced human resource management practices that promote progressiveness, inclusivity, and equity in our workplace.

5.3.3 Employees Training and Development

Talents are our greatest asset enabling our business to thrive and grow sustainably. We are committed to nurturing their growth and development to achieve exceptional results. Our Human Resource ("HR") policy is designed to provide ongoing opportunities for our employees to receive training and development throughout their careers with us.

CIL conducts an annual performance appraisal review for each employee in the first quarter of each calendar year. This review will provide individual feedback to employees on their job performance. Completed training is a key element being considered in employee performance assessment to ensure all employees are equipped with the necessary skillsets and stay competitive.

In FY2023, we recorded an average hour of external training of 3.27 hours for each employee per year. For the non-management level, the total number of training hours were 415 hours and 57 hours for male and female, respectively (Please refer to Figure 9). For FY2024, we will extend it to capture the training hours for both external and internal training.

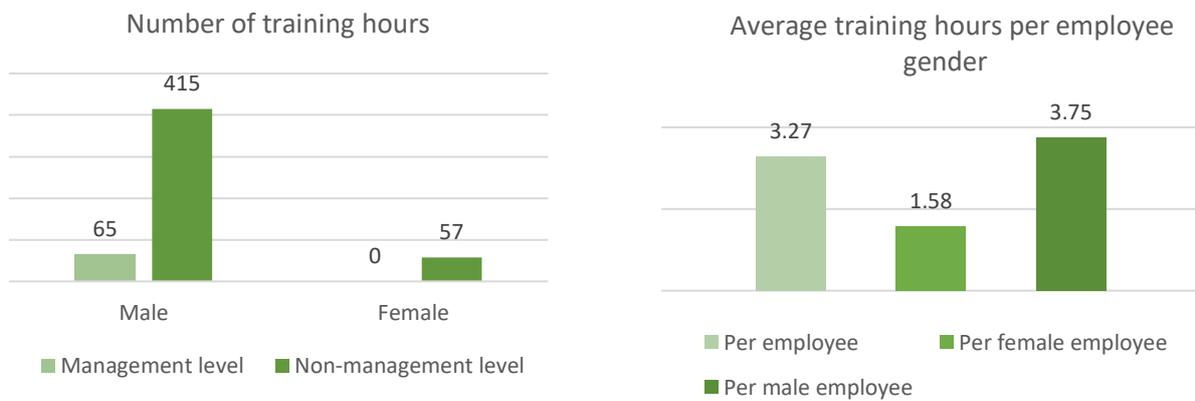


Figure 9: Employees' Training Hours

5.3.4 Employee Retention

CIL recognises the importance of providing its employees with work-life balance benefits.

CIL provides our employees with a comprehensive benefits package that includes coverage under schemes such as medical benefits. CIL also adheres to the labour laws and adopts the Tripartite Guidelines on Fair Employment Practices to provide fair wages to employees of all categories. On top of this, we recognise the importance of a smooth transition for new employees, hence, we provide a comprehensive orientation process for the new employees.

The company complies with the Employment Act 1968 and the Child Development Co-Savings Act 2021, which mandates that female employees who have been employed for not less than 90 days are entitled to 16 or 12 weeks of maternity leave. Furthermore, male employees with at least three months of service are entitled to one week of paternity leave under the Child Development Co-Savings Act 2021. In addition, CIL offers shared parental leave, subject to mutual agreement between the company and the employees. However, in FY2023, no shared parental leave was taken by our employees. Offering these benefits enhance employee retention, and we are committed to providing our employees with the support they need to thrive both personally and professionally.

We conduct an annual salary review each year to ensure the remuneration is as competitive in relation to the market. We understand the importance of festive seasons, and to support our employees during these times, we offer salary advances of up to two weeks' basic salary to those who apply.

During FY2023, 40 new employees were recruited in Singapore offices (Please refer to Figure 10), translating to an employee hire rate of 24.4%.



Figure 10: Employees hired for both Singapore offices categorised by gender and age groups

5.4 OCCUPATIONAL HEALTH AND SAFETY

At CIL, we prioritise the well-being and safety of our employees. In line with this commitment, we ensure our employees a safe and secure working environment. To achieve this, we have a strict zero tolerance policy towards any safety breaches or violations, reflecting our unwavering commitment to maintaining a high safety standard across all our operations.

WSH at CIL is governed by the Workplace Safety & Health Act 2006 and aligned with SGX WSH CORE Guidelines in our operations. These documents define our policies, regulations, risk assessment, and communication activities and serve as a basis for training on safe handling and sampling of chemicals. We review and revise policies to align with industry standards and undergo annual audits by the Ministry of Manpower's ("MOM's") Major Hazard Department ("MHD") to maintain compliance with safety regulations and aligns with top industry standard.

CIL complies with the Workplace Safety and Health (Major Hazard Installations) Regulations 2017 and has established a system for Major Hazard Installations ("MHI") that guarantees safety, health, and environmental protection. CIL follows regulations outlined in the Workplace Safety and Health Act 2006, Environmental Protection and Management Act 1999 ("EPMA"), and Fire Safety Act 1993 ("FSA"). We also have Safety and Health Management Procedures ("CIL-SHP") to guide safety and health implementation in our operations. We evaluate suggestions for improvement at monthly WSH committee meetings and encourage employees to report potential hazards or incidents. If an incident is reported, we investigate and take preventive measures to ensure it does not happen again.

To highlight our dedication to responsible chemical management, CIL submits annual Health, Safety, and Environmental ("HSE") reports, and is a signatory to the SCIC Responsible Care initiative.

5.4.1 Hazards and Risks Assessment

CIL implements WSH measures proactively by identifying and addressing potential hazards and risks according to SS 651:2019 and SGX WSH CORE guidelines. Our occupational health and safety management system covers all workers, activities, and workplaces. We monitor and document WSH procedures from process parameters to results and conduct risk reviews before work commencement for staff safety and quality assurance. Our risk management approach prioritises the hierarchy of controls to prevent, eliminate, minimise, and control hazards. We ensure safety compliance with plant, equipment, and substances used in our operations, conduct risk assessments, and prevent process safety-related incidents. Our performance is continuously monitored and measured, and progress is reported to stakeholders.

The four principles adhered to by WSH: C O R E

| C | O | R | E |
|--|--|--|--|
| Clarity in identifying the Officers and BOD members who have WSH responsibilities. | Organisation Culture where leaders set the tone for WSH. | Review WSH management systems to ensure they are highly effective. | Empower workers to actively engage in WSH. |

At CIL, we prioritise workplace safety and involve employees in enhancing health and safety standards. Our Environmental Health and Safety (“EHS”) team collaborates with employees to gather suggestions for safety improvements through feedback channels such as toolbox sessions, WSH Committee meetings, and external parties such as Sakra Island Community Awareness and Responsible Care. Suggestions are evaluated at monthly meetings conducted within the WSH committee and implemented if deemed appropriate. We encourage employees to report any work-related hazards, which will be immediately investigated and preventive measures taken.

5.4.2 Health and Safety Training

We provide staff access to select non-occupational medical and healthcare services with a panel of doctors on our health insurance policy. In addition, we implemented online monthly safety training for the employees to encourage workplace safety and prevent injury.



In place protection (IPP) Drill Exercise



Chlorine drill exercise



Fire drill exercise

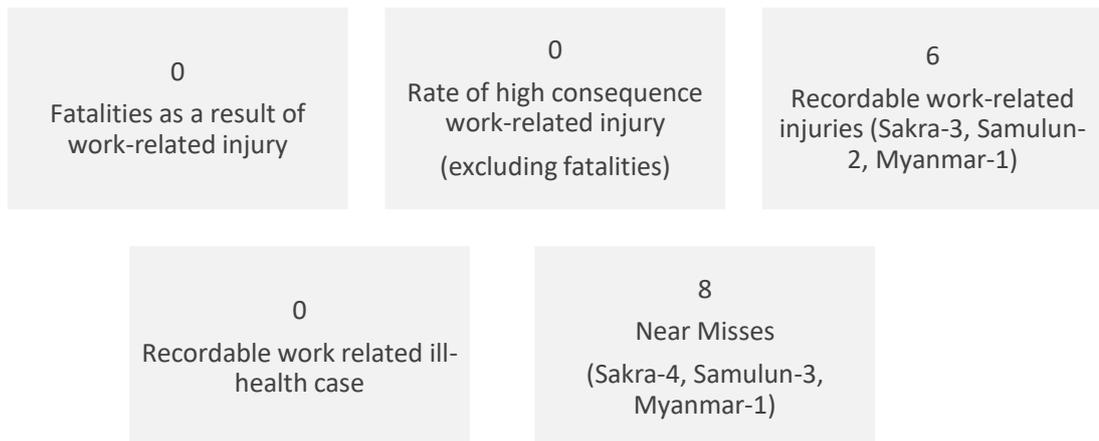


Figure 11: CIL's Occupational Health and Safety Performance

In FY2023, CIL experienced six Lost Time Injuries (LTIs) across its operations. Although no work-related fatalities or high-consequence injuries were recorded during the same period, there were six incidents of work-related injuries.

In the context of workers who are not employees but whose work and workplace are under CIL, the total number and rate of recordable work-related injuries recorded for FY2023 is 1, due to injury caused by contact with chemicals.

5.5 COMMUNITY

As a company, CIL respects the trust placed in us by the communities, hence, we believe in giving back to the communities where we live, work and grow. We look to leverage our strengths and capabilities to best serve communities' interests in the markets we operate in. We strive to be recognised as a valuable corporate citizen and make every effort to operate responsibly in our local communities.

Local Communities Development Programme

CIL commemorated its 60th anniversary, as we celebrated our journey over the past 60 years, we also want to do something for our community by caring for the less fortunate amongst us. We hope that our donation will touch the lives of the less privileged. CIL marked its 60th anniversary with a donation of S\$60,000 to Souljourn, a fundraiser for the Singapore Association of Mental Health (SAMH) and The Business Times Budding Artist Fund (BT BAF) managed by TRCL, a not-for-profit arts and culture charity. CIL supports SAMH's aims to reintegrate persons with mental health issues back into society through a comprehensive range of mental health services, which include rehabilitative, outreach and creative and also supports SAMH's vision to promote mental wellness for all and its commitment to improve the lives of and promote acceptance and respect for, persons with mental health issues and improve the mental resilience of the community. TRCL provides arts education to financially disadvantaged children and youth. CIL supports TRCL's commitment in addressing the social divide through creative and artistic intervention for the underserved to build a more resilient Singapore community.



The cake-cutting ceremony was joined by Dr. Tay Kin Bee, Mr. Lim Chee San, Mr. Lim Soo Peng (Emeritus Chairman), Mr. Yeo Hock Chye, Mr. Lim Yew Nghee (from left to right)



CIL's donation to Souljourn for the benefits of our local communities.

6. CIL'S JOURNEY OF SUSTAINABILITY

At CIL, we are deeply committed to shaping a sustainable future and recognise the significance of taking decisive action to reduce our environmental impact and drive positive social change.

Short-Term Sustainability Vision

Our short-term sustainability vision centres around immediate actions that we can undertake to diminish our environmental footprint and enhance community well-being. Within the next year, we have set the following goals:

- CIL is committed to achieving 4% energy saving per metric ton of sodium hydroxide produced and reducing 1,000 tCO₂e of GHG emissions by electrode recoating and energy-efficient operation.
- CIL is committed to maintaining zero corruption and fraud incidents across CIL's operations. We target to conduct an awareness training to employees on anti-corruption related topics.
- CIL strives to ensure full compliance with ISO9001:2015 and continue to monitor customer satisfaction. CIL will continue to reuse water in our manufacturing process via water-saving initiatives.
- CIL will strive to maintain its zero-staff injury, permanent disability or fatality record. CIL will continue to protect our employees' health and safety and aim to perform better than FY2023's Loss Time Incident.
- CIL will ensure to be recognised as a valuable corporate citizen and make every effort to operate responsibly in our local communities.

Mid-Term Sustainability Vision

Building upon the foundation of our short-term goals, our mid-term sustainability vision entails further advancements towards our sustainability objectives. Over the course of the next two to three years, we strive to achieve the following goals:

- Embrace circularity throughout our operations and services for circularity and adopting circular business models to ensure resource optimisation and minimise waste generation.
- Promote diversity, equity, and inclusion within our organisation and across our value chain, while also making significant investments in community development programs.

Long-Term Sustainability Vision

Our long-term sustainability vision represents our commitment to creating lasting, positive impact and driving systemic change towards a more sustainable future. Over the next five years and beyond, we aspire to achieve the following goals:

- Foster a circular economy by embedding circular principles in our manufacturing processes, and supply chain management, thus minimising waste generation and maximising resource efficiency.
- Act as a catalyst for positive social change by championing diversity, equity, and inclusion across all aspects of our operations, while actively engaging in community development initiatives.
- Collaborate with stakeholders and policymakers to advocate for sustainability-focused policies and regulations, driving systemic change and fostering a supportive environment for sustainable practices.

As we progress on our sustainability journey, we remain committed to tracking our advancements, reporting transparently on our achievements, and addressing challenges along the way. By working hand in hand with our stakeholders, we are confident in our ability to drive meaningful change and shape a more sustainable future for all.

7. GLOBAL REPORTING INITIATIVE (GRI) INDEX

| GRI Index | GRI Standard | Disclosure | Page number(s) and/ or Remark(s) |
|--|--------------|---|---|
| GRI 2: General Disclosures 2021 | 2-1 | Organizational details | Pg 4 |
| | 2-2 | Entities included in the organization's sustainability reporting | Pg 4 |
| | 2-3 | Reporting period, frequency and contact point | Pg 4 |
| | 2-4 | Restatements of information | Pg 4 |
| | 2-5 | External assurance | Pg 4 |
| | 2-6 | Activities, value chain and other business relationships | Pg 7 |
| | 2-7 | Employees | Pg 21 |
| | 2-8 | Workers who are not employees | Pg 26. We continuously monitor health and safety of workers who are not employees but whose work and workplace are under CIL. |
| | 2-9 | Governance structure and composition | Pg 8, AR 2022 Pg 6, and AR2023 |
| | 2-10 | Nomination and selection of the highest governance body | AR2023 |
| | 2-11 | Chair of the highest governance body | Pg 8 |
| | 2-12 | Role of the highest governance body in overseeing the management of impacts | Pg 14 |
| | 2-13 | Delegation of responsibility for managing impacts | Pg 14 |
| | 2-14 | Role of the highest governance body in sustainability reporting | Pg 8 |
| | 2-15 | Conflicts of interest | AR2023 |
| | 2-16 | Communication of critical concerns | AR 2022 Pg 17, and AR2023 |
| | 2-17 | Collective knowledge of the highest governance body | AR2023 |
| | 2-18 | Evaluation of the performance of the highest governance body | AR 2022 Pg 12, and AR2023 |
| | 2-19 | Remuneration policies | AR 2022 Pg 14, and AR2023 |
| | 2-20 | Process to determine remuneration | AR2023 |
| | 2-21 | Annual total compensation ratio | AR 2022 Pg 14, and AR2023 |
| | 2-22 | Statement on sustainable development strategy | Pg 5, 6 |
| | 2-23 | Policy commitments | Pg 12, 18 |
| | 2-24 | Embedding policy commitments | Pg 12, 18 |
| | 2-25 | Processes to remediate negative impacts | AR 2022 Pg 18, and AR2023 |
| | 2-26 | Mechanisms for seeking advice and raising concerns | AR 2022 Pg 17 , and AR2023 |
| | 2-27 | Compliance with laws and regulations | Pg 12 |
| | 2-28 | Membership associations | AR2023 |
| | 2-29 | Approach to stakeholder engagement | Pg 9 |
| | 2-30 | Collective bargaining agreements | Pg 9, and SR 2022 Pg 11, 30 |
| GRI 3: Material Topics 2021 | 3-1 | Process to determine material topics | Pg 8 |
| | 3-2 | List of material topics | Pg 8 |
| | 3-3 | Management of material topics | Pg 8 |
| GRI 205: Anti-Corruption 2016 | 3-3 | Management of material topics | Pg 10, 12 |
| | 205-1 | Operations assessed for risks related to corruption | Pg 10, 12 |
| | 205-2 | Communication and training about anti-corruption policies and procedures | Pg 13, the training is planned to be conducted in FY2024. |

| | | | |
|---|-------|---|--|
| | 205-3 | Confirmed incidents of corruption and actions taken | Pg 12 |
| GRI 302: Energy 2016 | 3-3 | Management of material topics | Pg 10, 18 |
| | 302-1 | Energy consumption within the organization | Pg 18 |
| | 302-2 | Energy consumption outside of the organization | We will collect the relevant emissions data and identify the hot spots and most relevant categories for the scope 3 carbon emissions across the whole value chain. |
| | 302-3 | Energy intensity | We did not disclose this figure due to confidentiality constraints |
| | 302-4 | Reduction of energy consumption | Pg 18 |
| | 302-5 | Reductions in energy requirements of products and services | Pg 18-19 |
| GRI 303: Water and Effluents 2018 | 3-3 | Management of material topics | Pg 10, 19 |
| | 303-1 | Interactions with water as a shared resource | Pg 19 |
| | 303-2 | Management of water discharge-related impacts | Pg 19-20 |
| | 303-3 | Water withdrawal | Pg 19-20, 32 |
| | 303-4 | Water discharge | Pg 19-20 |
| | 303-5 | Water consumption | Pg 19-20 |
| GRI 305: Emissions 2016 | 3-3 | Management of material topics | Pg 10, 17 |
| | 305-1 | Direct (Scope 1) GHG emissions | Pg 16 |
| | 305-2 | Energy indirect (Scope 2) GHG emissions | Pg 16 |
| | 305-4 | GHG emissions intensity | Pg 16 |
| | 305-5 | Reduction of GHG emissions | Pg 14 |
| | 305-6 | Emissions of ozone-depleting substances (ODS) | Pg 17 |
| | 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | Information unavailable |
| GRI 306: Waste 2020 | 3-3 | Management of material topics | Pg 10, 20 |
| | 306-1 | Waste generation and significant waste-related impacts | Pg 20 |
| | 306-2 | Management of significant waste-related impacts | Pg 20 |
| | 306-3 | Waste generated | Pg 20 |
| | 306-5 | Waste directed to disposal | Pg 20 |
| GRI 401: Employment 2016 | 3-3 | Management of material topics | Pg 21 |
| | 401-1 | New employee hires and employee turnover | Pg 24 |
| | 401-2 | Benefits provided to full-time employees that are not provided to temporary or parttime employees | Pg 23 |
| | 401-3 | Parental leave | Pg 23 |
| GRI 403: Occupational Health and Safety 2018 | 3-3 | Management of material topics | Pg 11, 24 |
| | 403-1 | Occupational health and safety management system | Pg 24 |
| | 403-2 | Hazard identification, risk assessment, and incident investigation | Pg 25 |
| | 403-3 | Occupational health services | Pg 25-26 |
| | 403-4 | Worker participation, consultation, and communication on occupational health and safety | Pg 25 |
| | 403-5 | Worker training on occupational health and safety | Pg 25 |
| | 403-6 | Promotion of worker health | Pg 25 |
| | 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Pg 25 |
| | 403-8 | Workers covered by an occupational health and safety management system | Pg 26 |
| | 403-9 | Work-related injuries | Pg 26 |

| | | | |
|--|--------|---|--|
| | 403-10 | Work-related ill health | Pg 26 |
| GRI 404: Training and Education 2018 | 3-3 | Management of material topics | Pg 11 |
| | 404-1 | Average hours of training per year per employee | Pg 23 |
| | 404-2 | Programs for upgrading employee skills and transition assistance programs | Pg 23 |
| | 404-3 | Percentage of employees receiving regular performance and career development reviews | Pg 23 |
| GRI 405: Diversity and Equal Opportunity 2016 | 3-3 | Management of material topics | Pg 10, 22, AR 2022 Pg 9 |
| | 405-1 | Diversity of governance bodies and employees | Pg 12, 21-22 |
| | 405-2 | Ratio of basic salary and remuneration of women to men | We did not disclose this figure due to confidentiality constraints |
| GRI 413: Local Communities 2016 | 3-3 | Management of material topics | Pg 11, 27 |
| | 413-1 | Operations with local community engagement, impact assessments, and development programs | Pg 27 |
| | 413-2 | Operations with significant actual and potential negative impacts on local communities | Pg 27 |
| GRI 416: Customer Health and Safety 2016 | 3-3 | Management of material topics | Pg 10, 12 |
| | 416-1 | Assessment of the health and safety impacts of product and service categories | Pg 12, 13 |
| | 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Pg 13 |

8. SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

| Topic | SASB Code | Accounting Metric | Response | GRI Standard | Location of Disclosure |
|--------------------------|--------------|--|--|---|------------------------|
| Greenhouse Gas Emissions | RT-CH-110a.1 | Gross global Scope 1 emission, percentage covered under emissions-limiting regulations | 1) Scope 1 emissions: 4,503 t CO2e | GRI 305 - 1 | Pg 16 |
| | 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 | This section is aligned with disclosures in Our Sustainability Focus - Environment (Pg 14-16). | GRI 103 GRI 305 - 1 | Pg 14-16 |
| Air Quality | RT-CH-120a.1 | Air emissions of the following pollutants: (1) NOx (excluding N ₂ O) (2) SOx (3) volatile organic compounds (VOCs), and (4) hazardous air pollutants (HAPs) | The concentration of NOX emissions (excluding N ₂ O): Less than 10 mg/Nm ³ from Exhaust from Lab & Lab ICP. The concentration of NOX is within the limits of Emission Limits of Standards of Concentration of Air Impurities. CIL does not measure the rest of the metrics at present. | GRI 305 - 7 | N/A |
| Energy Management | RT-CH-130a.1 | 1) Total energy consumed 2) Percentage grid electricity 3) Percentage renewable 4) Total self-generated energy | 1) Total energy consumed: approximately 325,000 L of diesel and 98,425,000 kWh of electricity 2) Percentage grid electricity: 100% 3) N.A. 4) N.A. as CIL did not use any renewable energy or self-generated energy in FY2023. | GRI 302 | Pg 18-19 |
| Water Management | RT-CH-140a.1 | 1) Total water withdrawn 2) Total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress | 1) Total water withdrawn approximately: 339,000 m ³ . 2) Total water consumed: approximately 298,000 m ³ . | GRI 303 – 3 GRI 303 – 4 GRI 303 - 5 | Pg 19-20 |
| | RT-CH-140a.2 | Number of incidents of non-compliance associated with water quality | CIL reports 0 water-related incidents of non-compliance in FY2023. | GRI 303 - 2 | Pg 19-20 |

| | | | | | |
|---|--------------|---|---|---|----------|
| | | permits, standards, and regulations | | | |
| | 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 Our Sustainability Focus - Environment. | GRI 303 - 2 | Pg 19-20 |
| Hazardous Waste Management | RT-CH-150a.1 | Amount of hazardous waste generated; percentage recycled | CIL generated approx. 138 tons of hazardous waste in FY2023, 2 tons from Myanmar operation. 0% of the waste was recycled in the reporting year. | GRI 306 - 3 | Pg 20 |
| Community Relations | RT-CH-210a.1 | Discussion of engagement processes to manage risks and opportunities associated with community interests | This section is aligned with disclosures in Our Sustainability Focus– Community. | GRI 413 - 1 | Pg 27 |
| 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) TRIR: 2.2 2) Fatality rate: 0 | GRI 403 -9 | Pg 24-26 |
| | 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 with disclosures in Our Sustainability Focus – People. | GRI 403 – 1 GRI 403 – 2 GRI 403 – 3 | Pg 24-26 |
| 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. | N/A | N/A |
| Safety & Environmental Stewardship of Chemicals | RT-CH-410b.1 | 1) Percentage of products that contain Globally Harmonized System of Classification and Labelling of Chemicals (GHS) Category 1 and 2 Health and Environmental Hazardous Substances 2) Percentage of such products that have undergone a | 1) 100% CIL does not report the rest of the metrics at present. | N/A | Pg 13 |

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|---|--------------|--|--|-----------------------|----------|
| | | hazard assessment | | | |
| | 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 conducting Environmental Impact Assessments (EIA) for all new activities and reviewing the routine activities on a yearly basis across our chemical production lines. | GRI 103 GRI 307 -1 | Pg 17 |
| Genetically Modified Organisms | RT-CH-410c.1 | Percentage of products by revenue that contain genetically modified organisms (GMOs) | This is not applicable. | N/A | N/A |
| 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. | GRI 103 | Pg 17-27 |
| 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) | PSIC was reported to be 0 and PSTIR and PSISR is not available. | GRI 403 | Pg 24-26 |
| | RT-CH-540a.2 | Number of transport incidents | CIL reports 1 transport incident in FY2023. | GRI 403 | Pg 24-26 |

| SASB Code | Activity Metric | Response | GRI Standard | Location of Disclosure |
|-------------|----------------------------------|---|--------------|------------------------|
| RT-CH-000.A | Production by reportable segment | CIL does not report this metric at present. | N/A | N/A |