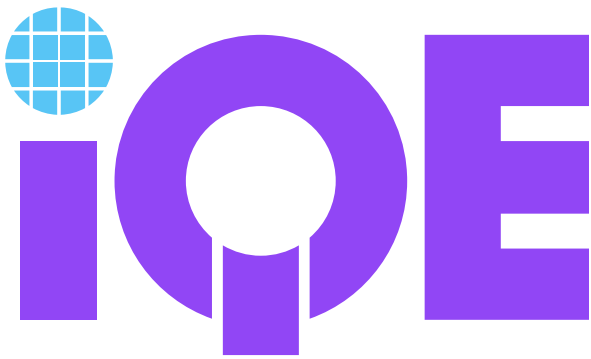




IQE Newport performance review 2022.
Environmental Operating Permit
EPR/AB3893FZ

January 24 2023

2022

Prepared on behalf of IQE Silicon Compounds.
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Group HSE Manager UK and Asia.

Introduction

This report has been prepared for Natural Resources Wales “*the regulator*” in line with the requirements of IQE Silicon Compounds “*the operator*” environmental operating permit EPR/AB3893FZ to satisfy permit condition 4.2.2.

General Information

This is the fourth report submitted by IQE since the issue of the operating permit by the regulator on 28/02/2019 and the first report after our recent rebranding which is reflected with our new logo on the front page above.

During 2022 IQE sites across South Wales have engaged with Achilles to gain accreditation to ISO 14064-1. The standard specifies principles and requirements at the organization level for the quantification and reporting of greenhouse gas (GHG) emissions and removals. It includes requirements for the design, development, management, reporting and verification of an organization's GHG inventory. In April 2022 IQE group had the GHG inventory accredited to ISO 14064-1. In June 2022 IQE group also committed to Net Zero with the goal of becoming carbon neutral across our operations by 2050. This is in accordance with the Science Based Targets initiative (SBTi).

On the 6th May 2022 IQE submitted in accordance with its permit requirements its four yearly report this was submitted to the NRW via e-mail.

VCSEL demand continued to grow in the South Wales businesses throughout the period ending 2022. Since the start-up of the Epi Mega-Foundry in Newport in late 2017, the continued plan for migration of the VCSEL product from St.Mellons to Newport was key in order to meet the growing customer demands.

Six out of our 10 x MOCVD reactors were constantly running volume production throughout 2022, with the remaining 4 reactors heavily utilised for R&D, To date, this is the only volume-manufacturing process at IQE Newport, with arsine emissions the only point of interest.

IQE are exploring the possibility of facilitating Phosphine in NP but that will likely be late 2023/early 2024.

Monitoring Results (Condition 4.2.2 (a))

As per conditions of the permit IQE Silicon Compounds Newport has no requirement to publish any monitoring data for site on an annual basis. The only requirement, which has been met, was initial emissions to air reporting.

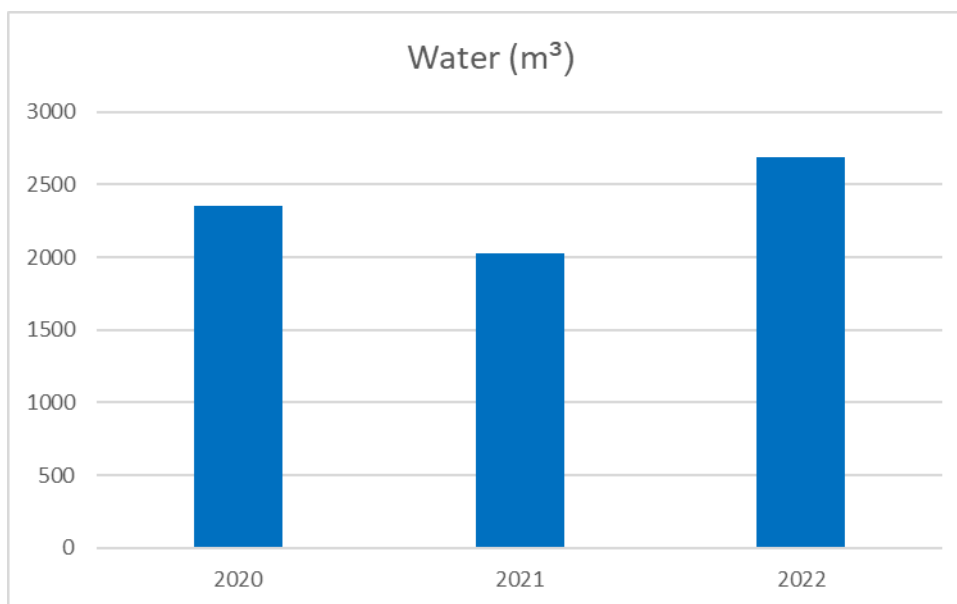
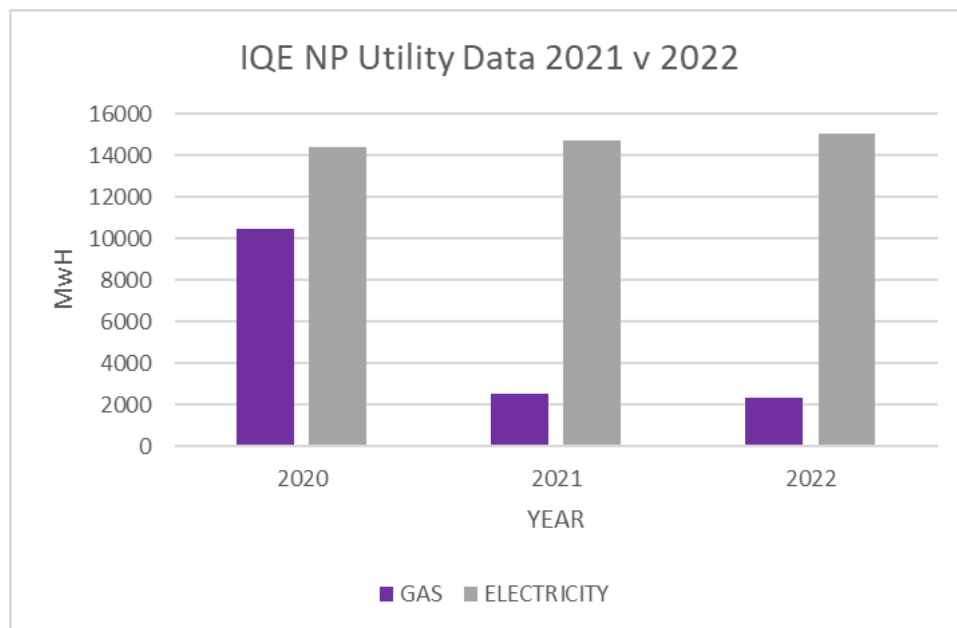
Annual reports of energy and water usage are required to be made on an annual basis, for year ending 2022 this has been done using NRW forms E1 for energy usage and W1 for annual water consumption. As per direction of the NRW Performance Form 1 has also been compiled for 2022 and submitted.

As per permit conditions IQE Silicon Compounds Newport will in the future when the second stack is commissioned and further reactors come on line have the emissions to air monitored via an MCERTS company.

In 2022 following permit condition 1.2.1.B IQE NP submitted its four yearly report detailing opportunities to increase energy efficiency, opportunities to improve the efficiency of raw material & water use. IQE also detailed in the report the efforts being made to reduce waste and its impact on the environment.

Annual Comparison

The following data tables show the comparison in utility & water usage at IQE Silicon Compounds Newport 2020 v 2021 v 2022.



All water consumption figures are shown in m3.