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Elizabeth Parr
PPC Compliance Team
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Ref: PPC Permit No.: BJ6968

Dear Elizabeth

Please find below details of the Environmental improvements conducted by **IQE Silicon Compounds Ltd.** for the period of 2020:

EMO 19.1 – Reduce amount of raw materials

Reduce paper trail by increasing the amount of electronic forms in use within the company and reducing the paper version. Microsoft Info Path which was in use is no longer supported by Microsoft so alternatives are being sourced.

Target: 5% by usage

Result: A review of all software packages was due to be completed in 2019, constraints on other projects hindered this and a review was due to take place in 2020. The review in 2020 could not take place due to a number of factors which included staff changes within IQE Group & COVID-19. A 5% reduction has been completed however due to group procedure changes to online or electronic forms for Training, Appraisal and Issue control (8D, 4D SCAR, etc).

EMO 18.2 – Efficient Energy Usage

Reduce electricity usage by lighting improvements, introduction of low power LED lighting throughout the building. In 2020 the cleanroom has been fitted with LED lighting, this will be updated again in 2021.

Target: 50% by usage

Result: Approximately 90% has been converted to LED lighting. A new DSEAR report is in progress to ensure ATEX categories correct for new LED lighting, this has delayed some areas being changed. Road lighting now identified and three exterior lights have been changed to LED as a trial. In progress: Remaning corridor, Gas Bunker, Toilets which will be addressed over 2021 with a view to changing 100% of the lighting to LED. CAPEX has been granted by IQE to cover a certain percentage of costs where operational costs will cover the rest.

EMO 18.3 – Climate Change Levy Agreement

Through a Climate Change Levy Agreement monitor and review carbon emissions trading opportunities. A review of the CCA has indicated the current UoP is unsuitable due to the product mix of 4", 6" and 8" all of which use the same amount of energy to produce, this is now making the agreement inefficient and incurring additional cost. This will be reviewed over the course of this year to determine if UoP would be better suited as Qty of Wafers processed to better reflect the efficiency.

Target: Maintain a level of 52.238 MWh per m2 of wafer production

Result: 16.62MWh per m2.

Regards

Paul Carroll
Manufacturing Manager

28th January 2020

Andrew Patterson
IQE Health Safety & Environment Engineer