



IQE Silicon Compounds
Beech House
Cypress Drive
St Mellons
Cardiff
CF3 0LW

T. +44 (0)29 2083 7500 F. +44 (0)29 2083 7501
www.iqesilicon.com E. info@iqesilicon.com

Elizabeth Parr
PPC Compliance Team
Natural Resources Wales
Rivers House
St.Mellons Business Park
Cardiff
CF3 0EY

13th January 2022.

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 2021:

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.

The monitoring & measuring of the scheme is now controlled by Evantage who took over in 2021, they have set the CCA targets, a new agreement was also entered into in 2021 to extend IQE's participation in the agreement.

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

Result: 16.62MWh per m2.

Achilles ISO 14064-1

In 2021 IQE have engaged with Achilles to gain accreditation to the ISO standard 14064-1. The standard document 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. It's IQE's aim to gain the accreditation in 2022.

EMO021-1-2 - DI Plant Efficiency and Increase in Energy Efficiency.

To upgrade site DI Plant equipment. To reduce water consumption by 25% and reduce electricity consumption by 75%. These targets are for the DI Plant equipment only. CAPEX has been requested after specific pump had been identified.

EMO21-1-1 - NEW ABATEMENT SYSTEM.

To reduce emissions to air and to use resources in a more efficient manner. The Semian SBW 200-CE-EPI wet/burn/wet scrubber system has been identified as a replacement to the current wet scrubbers and cleansorb resin bed scrubber. Minor technical variation on current permit has been submitted for approval.

Regards

Paul Carroll
Manufacturing Manager

Andrew Patterson
IQE Health Safety & Environment Engineer