



STAYING FOCUSED

Sustainability Report 2022

ICG
INTERNATIONAL
CEMENT GROUP



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About This Report

International Cement Group Ltd. (“ICG” or the “Company”, and together with its subsidiaries, the “Group”) is pleased to present our annual sustainability report which sets out our approach to managing material Economic, Environmental, Social, and Governance (“EESG”) factors. The information shared in this report has been reviewed by the Board of Directors (the “Board”) and is intended to record our sustainability efforts and inform stakeholders of our decisions and actions.

For each EESG area, we have established specific management approach and targets that will guide our progress towards becoming a more sustainable business. We have also included a range of programmes and initiatives to help us meet our objectives and targets.

BOARD STATEMENT

We are pleased to present our Sustainability Report (the “Report”) for the financial year ended 31 December 2022 (“FY2022”). The Board plays a critical role in ensuring that ICG meets its regulatory requirements and sustainability goals. The Board is responsible for setting the overall direction of corporate sustainability and appointing governing committees that can properly identify and manage sustainability-related risks and opportunities for the Group.

As such, the key material EESG factors for the Group have been identified and carefully reviewed. The Board is involved in the identification and prioritisation process of sustainability material factors. Through seeking stakeholders’ inputs, the Board develops a clear understanding of the material sustainability issues faced by the Group. While carrying out its duty, the Board reviews and takes appropriate action to address any identified material sustainability factors that may affect the organisation’s performance and long-term strategy.

As climate change continues to affect many industries, we are seeing an increased need for transparency around reporting the potential risks and opportunities associated with climate change. Impact from climate change is felt across businesses, and therefore it is important to consider how we respond to the risks and opportunities associated with the transition to a low-carbon economy.

We have started to assess our resilience and climate-related impact on the Group according to the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations to understand and communicate climate-related risks and opportunities in this Report. We hope to disclose our progress in phases and continue taking an active involvement in managing climate-related risks and opportunities in this journey.

The information provided in this Report has not been verified by an independent third party. We have relied on internal data monitoring and verification to ensure the accuracy of data and information.

REPORTING FRAMEWORK AND SCOPE

This Report has been prepared in compliance with Rule 711B of the Singapore Exchange Securities Trading Limited (the “SGX-ST”) Listing Manual Section B: Mainboard Rules and with reference to Global Reporting Initiative (“GRI”) Standards 2021. This Report is guided by TCFD recommendations.

This Report highlights information on the Group’s key operating entities as follows:

Cement Segment

- Tajikistan
 - International Manufacturing Company Chzhungtsai Mohir Cement LLC (“IMCCMC”)
 - Mohir Cement LLC (“MC”)
- Kazakhstan
 - Alacem LLP (“ALACEM”)
 - Sharcem LLP (“SHARCEM”)
 - Korcem LLP (“KORCEM”)

Aluminium Segment

- Malaysia
 - Compact Metal Industries Sdn. Bhd. (“CMISB”)
- Singapore
 - Compact Metal Industries Pte. Ltd. (“CMIPL”)
 - Integrate Private Limited (“IPL”)

FEEDBACK

We welcome feedback from all stakeholders with regard to our sustainability efforts, as this will enable us to improve our policies, systems and results. Please send your comments and suggestions to contactus@internationalcementgroup.com.

05 April 2023

Corporate Profile

ABOUT INTERNATIONAL CEMENT GROUP

International Cement Group Ltd. (the “Company”, and together with its subsidiaries, the “Group”) is a cement producer with operations in the Central Asia region.




The Group owns and operates the largest cement plant in the Khatlon region in Tajikistan, with an annual production capacity of 1.2 million metric tonnes. In addition, the Group owns and operates a grinding station in Kolkhozabad, Tajikistan, with an annual production capacity of 0.6 million metric tonnes.

In addition to its Tajikistan operations, the Group also owns and operates a cement plant in the Almaty region of Kazakhstan, with an annual production capacity of 1.2 million metric tonnes.

The Group acquired a new cement plant in the Jarminsky district in the East Kazakhstan region in November 2021. The plant, which has an annual production capacity of 1.0 million metric tonnes, commenced commercial production in August 2022.

In September 2021, the Group entered into a joint venture to build a new cement plant in the Korday district, Jambyl region in Kazakhstan, with an annual production capacity of 1.5 million metric tonnes. Construction of the new cement plant commenced in the last quarter of 2021 and is expected to be completed in mid-2024.

The Group also has an established business in manufacturing and marketing aluminum extrusions used for the construction industry in Singapore.

OUR BRANDS		
		
Alacem	Sharcem	Мохир цемент
Existing Plant	Location	Annual Production Capacity
TAJIKISTAN		
● 1 Cement Plant - IMCCMC	Yovon District, Khatlon Region	1.2 mil MT
● 1 Grinding Station - MC	Kolkhozabad, Khatlon Region	0.6 mil MT
◆ 1 Drywall (Gypsum Plasterboard) Plant* - MI	Yovon District, Khatlon Region	30 mil m ²
KAZAKHSTAN		
★ Central Asia Headquarters	Almaty City	–
● 1 Cement Plant - Alacem	Sary-Ozek, Almaty Region	1.2 mil MT
● 1 Cement Plant - Sharcem	Jarminsky District, East Kazakhstan Region	1.0 mil MT
● 1 Cement Plant* - Korcem	Korday District, Jambyl Region	1.5 mil MT

* Upcoming Development

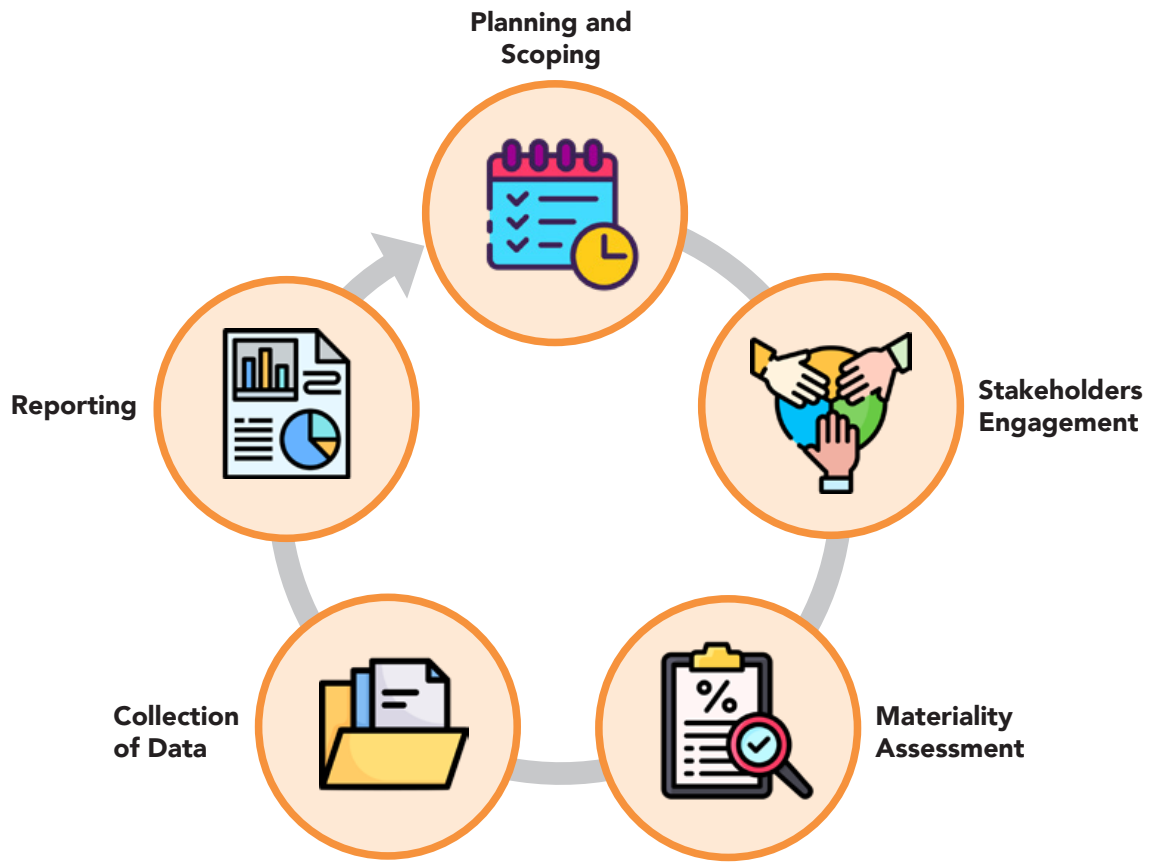


MALAYSIA
SINGAPORE
 Corporate Headquarters

- ★ HEADQUARTERS
- CEMENT SEGMENT
- ▲ ALUMINIUM SEGMENT
- ◆ OTHERS SEGMENT

Sustainability Approach

OUR SUSTAINABILITY APPROACH



STAKEHOLDER ENGAGEMENT CHANNELS

An important starting point in our sustainability journey is to engage our stakeholders and identify material factors relevant to our business. By understanding the interests of different groups of stakeholders, we develop a well-rounded sustainability strategy incorporating their feedback. In FY2022, we conducted a stakeholder

engagement and materiality assessment. Online surveys were circulated to the stakeholders including, but not limited to, customers, suppliers, investors and employees who provided valuable feedback and helped us to identify key topics and concerns, and address areas that needed improvement.

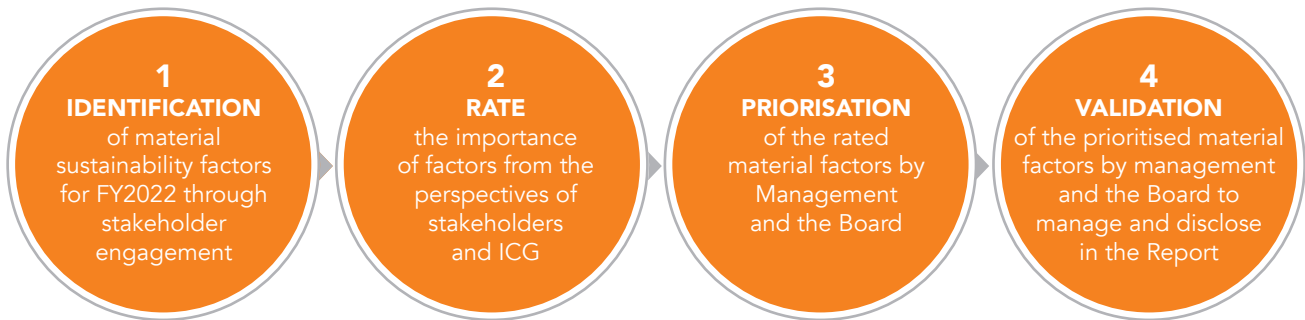
Based on the feedback received, key topics and concerns were as follows:

Stakeholders	Key Topics and Concerns	Communication Channel	Actions Taken
Key management and employees	<ul style="list-style-type: none"> • Employees' rights and interests • Capability enhancement • Broad choices of career development • Sense of belonging and identity • Sharing outcomes of corporate development 	<ul style="list-style-type: none"> • Online survey • Open dialogue • Team bonding 	<ul style="list-style-type: none"> • Safeguarding employees' legal rights and interests • Providing fair opportunities and platforms for work, learning and promotion • Supporting career plans • Fulfilling individual values • Creating a happy environment
Customers	<ul style="list-style-type: none"> • High-quality products • High-quality services • Protection of rights and interests • Timely delivery 	<ul style="list-style-type: none"> • Online survey • Company website • Customer survey • Market feedback 	<ul style="list-style-type: none"> • Providing high-quality raw materials • Adapting technological innovation • Developing customer service system • Providing customer satisfaction survey
Suppliers and service providers	<ul style="list-style-type: none"> • Products and services • Fair business conduct • Honest transactions • Timely performance of contracts • Win-win by cooperation • Compliance with regulations • Comparable pricings 	<ul style="list-style-type: none"> • Online survey • Company website • Face-to-face meetups • Annual review • Contracts and agreements • Assessment for approved vendors 	<ul style="list-style-type: none"> • Exploring new areas for cooperation • Ensuring responsible procurement • Disclosing procurement information • Enhancing common beliefs
Investors/regulators	<ul style="list-style-type: none"> • Honesty and integrity • Regulated operations • Profitability 	<ul style="list-style-type: none"> • Online survey • Company website • Group annual report • Annual general meeting with investors 	<ul style="list-style-type: none"> • Ensuring compliance with laws and regulations

Sustainability Approach (Cont'd)

APPROACH TO MATERIALITY ASSESSMENT

We conducted stakeholder engagement and materiality assessment in FY2022 based on the guidance set out in SGX Practice Note 7.6 Sustainability Reporting Guide and GRI Standards 2021. Our methodology covered the following phases:



From this exercise, the following sustainability materials factors of EESG for our FY2022 Report were identified:



Economic

ECONOMIC PERFORMANCE

We believe that sustainable business practices are essential for achieving long-term success. Our approach to sustainable economic performance is centered around creating value for our stakeholders. We strive to maximise returns by maintaining financial discipline, strengthening our sustainability practices, reducing sustainability-related risks, managing our reputation and engaging stakeholders to ensure a well-rounded sustainability strategy.

ANTI-CORRUPTION

We firmly believe that acting with integrity is essential to achieve our sustainability objectives. By adhering to ethical business conduct, we can build trust and credibility with our stakeholders.

In our dealings with customers, we ensure that our employees strictly uphold the Group's policy on anti-corruption/bribery. We also ask some of our suppliers through a supplier questionnaire on whether they have anti-corruption clauses with their upstream suppliers. Meanwhile, the Group formulates directives and regulations, conducts anti-commercial bribery trainings, executes anti-commercial bribery commitment letters and takes a number of other measures targeting the risk of commercial bribery, to ensure that its business activities are carried out on the premise of lawfulness and compliance.

In FY2022, the Group was not involved in any litigation cases concerning corruption, bribery, blackmailing, fraud and money laundering (FY2021: nil).

For detailed financial results of our Economic Performance, please refer to the following sections in our FY2022 Annual Report:

- Financial Highlights, page 4
- Operational and Financial Review, pages 16 - 28
- Financial Statements, pages 55 - 118

Whistleblowing Policy

Our whistleblowing policy provides a mechanism for employees and external parties to report concerns over alleged wrongful acts. This policy is posted in various locations within the Group's premises so that employees are well aware of it. Employees can expose fraudulent practices by reporting to management via phone calls, fax, emails and WeChat. Anonymous protection is provided to whistle-blowers.

We achieved the target set last year. There were no whistleblowing cases in FY2022 (FY2021: nil).

We target to maintain zero incidents of corruption. We will regularly review our policies on whistleblowing and anti-corruption.



Environment

We understand the importance of taking care of our planet and we are dedicated to doing our part in creating a better future for all. We are committed to supporting initiatives that promote environmental sustainability for each identified material factor in this Report.

EFFLUENTS AND WASTE

Due to our business nature, there are effluents generated from the production process. We monitor effluents continuously to ensure compliance with government regulations.

CEMENT

Type of Waste	FY2021	FY2022	Disposal Method
Waste rock	5,000 kg	5,200 kg	During the limestone mining process, waste rocks were recycled and blended into the raw materials for cement production.
Waste hydrochloric acid	23 litres	26 litres	We neutralised waste hydrochloric acid to a pH level of between 6 to 8 before discharging it into the sewage treatment system. Subsequently, a small amount of filtered residue together with empty hydrochloric acid bottles were incinerated in a preheater. On-site and laboratory employees jointly supervised the disposal process.
Hydrochloric acid bottles	54 kg	60 kg	
Waste water	2,050,000 litres	2,580,000 litres	Waste water was filtered and treated before being used to irrigate the greenery in our cement plants.
Scrap iron	400,000 kg	25,000 kg	We carried out repairs by reusing scrap iron to reduce damage to the environment.
On-site domestic waste	199,000 kg	301,200 kg	We used waste management companies which collected and transported waste to a waste treatment facility.
Construction waste	305,000 kg	180,000 kg	We made use of construction waste as raw material and reused it for other construction projects.

In addition, cooling water used for production equipment was fully recovered and recycled after the cooling tower and treatment. There was no loss of water resources throughout the production process. Water generated from the production process was filtered and treated before recycling in the production process and irrigating the plant area, and there was no sewage discharge. Wood, paper, plastic packaging materials, refractory materials,

equipment components and other packaging materials, as well as combustible waste generated in the production area were burned in the high-temperature rotary kiln to increase the heat required for calcination. Construction waste, testing cement blocks and replacement refractory brick castables were added as mixtures to cement ingredients to realise and utilise waste effectively.

RECYCLING OF FLY ASH FOR ENVIRONMENTAL BENEFITS

Fly ash is a coal combustion product, a by-product of pulverised coal incineration in the process that generates electricity. During FY2022, we purchased 40,351 tonnes (FY2021: 82,000 tonnes) of fly ash waste produced by nearby power plants and used them as raw materials which reduced the amount of clinkers utilised in the clinker-to-cement production process. This not only solved the problem of environmental pollution caused by the disposal of fly ash waste by these power plants, but also contributed to energy savings and the reduction of other materials required for production.

RECYCLING OF SLAG FOR ECONOMIC AND ENVIRONMENTAL BENEFITS

Slag is a by-product of smelting ores and used metals. During FY2022, we purchased 83,186 tonnes (FY2021: 106,109 tonnes) of slag produced by local smelting companies and used them as raw materials which reduced the amount of iron ore utilised in the raw meal production process. This not only reduced the cost of production of raw meals, but also contributed to the recycling of unwanted slag generated by local smelting companies and the reduction of other materials required for production.

ALUMINIUM

Type of Waste	FY2021	FY2022	Disposal Method
Sludge	60 kg	188 kg	Sludge was sent to a waste management centre which has an incineration plant, a solidification plant, a physical and chemical plant, and a secured landfill and clinic waste treatment centre. Sludge from the coating division was disposed by an authorised collector twice a year.
Waste water	12,720 litres	4,800 litres	Water used for surface preparation was treated by qualified waste water consultants. Treated water sample was tested in a laboratory to ensure compliance with environmental requirements before discharging it into the public water system. The Group reused the treated water as water curtain which evaporates during the coating process.

The Group has also established policies and procedures for handling other solid and liquid waste generated:

- Waste generated must not be stored more than 6 months, or 20 tonnes in the designated area.
- Waste should be packed with suitable packaging to prevent contamination of the surrounding (for example, ink and waste sludge must be kept in jumbo bags while used metal drums must be stored on pallets).
- The date on which waste is collected must be shown on a label on the waste packaging.
- Waste packages must be stowed properly to prevent spillage or leakage of the waste.

- Waste storage area is locked and only accessible by authorised personnel handling the waste.
- Waste is collected and disposed of by certified waste collectors.

We achieved the targets set last year. During FY2022, there was no incident of non-compliance with safety and environmental requirements (FY2021: nil).

We target to maintain the same level of effluents and waste that is compliant with government standards. We will continuously control waste process management, prevent unorganised emissions, and ensure all emissions meet national standards.



Environment (Cont'd)

ENERGY

Besides ensuring optimum production capacity, our plants are also designed with environmental protection in mind. We incorporate comprehensive pollution mitigation measures in our cement production process, such as a new suspension preheater ("NSP") dry process which is more fuel and energy-efficient as compared to traditional technologies. NSP technology involves the pre-heating of raw materials to ensure their substantial decomposition prior to being mixed and fed into the rotary kiln. This pre-heating process greatly reduces the energy consumption in clinker production as it significantly reduces the amount of raw material to be broken down before the calcination and formation of clinkers can take place. Apart from reducing damage caused to the environment, such energy-efficient measures also lower costs incurred during production.

We use energy only when needed. Regular checks are conducted to ensure lights are switched off when not in use. Printing of paper is minimised and paper is recycled for internal use. From time to time, meetings with a focus on energy conservation and consumption reduction are held to solve technical issues encountered during daily operations.

In FY2022, to further save energy, reduce cement manufacturing costs, enhance market competitiveness, achieve energy-saving targets and ensure sustainable development of production and environment, we managed to save energy and reduce consumption by focusing on high-tech transformation.

Measures to improve energy efficiency in FY2022 were as follows:

1. The powder separator rotors and grinding disc of the raw material mill were replaced to improve the efficiency of powder separation and reduce energy consumption.
2. The air-locked feeding devices of the raw material mill were replaced with sealed feeding devices to reduce air leakage, stabilise operations and reduce energy consumption.

3. The grate cooler fans were replaced to improve the efficiency of the grate cooler to further reduce energy consumption.
4. Technical transformation was made to the following to reduce energy consumption:
 - a. roller press of the cement mill to improve efficiency and stability;
 - b. air ducts of the cement mill;
 - c. flowmeter of the raw material plate feeder to improve the stability of the thermal system of the kiln; and
 - d. tertiary feeding points of the cement mill.

We achieved the targets set last year. During FY2022, the cement operations had showed remarkable energy-saving results with a reduction of 2.4 million kWh (FY2021: 1.0 million kWh) of electricity and 3,782 tonnes (FY2021: 1,000 tonnes) of raw coal.

In FY2023, we target to further enhance our energy management, reduce energy consumption, increase employees' awareness of energy conservation, optimise operating processes, increase equipment operating rates, develop corrective measures, and implement remediation and timelines for root causes identified, so that energy wastage is minimised.

We aim to reduce electricity and raw coal consumption in FY2023 as follows:

Entity	Electricity	Raw Coal
CMISB	2%	N/A
IMCCMC	1%	1%
MC	1%	N/A
ALACEM	1%	1%



EMISSIONS

In 2022, we measured our emissions for the first time. When calculating our carbon emissions, we set organisational boundaries with an operational control approach. The absolute emission metric is expressed using tonnes CO₂e. The base of carbon intensity is the cement production capacity of the Group. Our climate change target is in line with the global climate change target supported by governments across the countries we operate.

For carbon accounting, we have decided to focus on the following scopes and relevant subprocesses:

Scope 1

- Main production process

Scope 2

- Electricity consumption

FY2022	Absolute Carbon Emission '000 Tonnes CO ₂ e	Carbon Intensity (per production capacity) Tonnes CO ₂ e per tonne
SCOPE 1 Main production process	1,082	451
SCOPE 2 Electricity consumption	76	32

Effective control of dust and gas emissions improves the environment in which our plants operate and enables the Group to help improve the health and wellbeing of local residents. Not only should this objective be part of our corporate social responsibility, but it would also benefit us in the form of cost savings and waste reduction. We use advanced equipment in our production lines to ensure

that dust and gas emissions are within an acceptable range. The equipment in our plants include energy-saving and environmental-friendly precipitators and bag filters which reduce the dust emission for the Group by 150,000 tonnes every year. By operating the rotary kiln and raw material mill simultaneously, raw materials absorb carbon dioxide, sulphur dioxide, nitrogen oxides and other gases, which reduce the gas discharge by more than 23,000 tonnes per year. By running the kiln synchronously and humidifying and stopping spraying, more than 63,000 tonnes of water is saved per year. To enhance water-saving efficiency, we build water wells near the plant area for production usage and reduce the usage of tap water in our plant.

In the grinding segment of our plants, we perform regular checks of the dust collector. We ensure regular checks and maintenance of the original gas (pulse valve and poppet valve) and solenoid valves, check the filter system of the dust collector and replace parts regularly to ensure that exhaust gases meet the Tajikistan and Kazakhstan atmospheric emission standards. Environmental policy has also been implemented.

In addition, we ensure that the gas analyser equipment is maintained. The dust bag of the bag filter is replaced on a regular basis to further reduce exhaust gas and dust emissions.

As for the aluminium business, gas emissions from the polyvinylidene fluoride ("PVDF") wet paint coating line and powder coating line are released through the respective chimneys. Air emission monitoring is conducted yearly to determine the quantum of solid particles and volatile organic compounds through chimneys. This practice is to ensure that Standard Environmental Quality (Clean Air) Regulation 1978, Standard "C", Part V Requirement of Malaysia is met. We achieved the targets set last year on compliance with regulations. We will continue to maintain zero incidents of non-compliance in the coming years.



Environment (Cont'd)

SUPPLIER ENVIRONMENTAL ASSESSMENT

The Group continues to reduce its environmental impact and encourage its stakeholders, such as suppliers and trading partners, to meet the same expectations.

Our procurement team conducts meeting with suppliers regularly and arranges site visits to their offices and mining areas. We recommend suppliers to adopt new mining models and minimise any adverse impact on the environment.

In addition, during the new supplier selection process, we choose companies without outdated technology, processes and equipment and companies which consider

environmental criteria. We also conduct annual evaluation on our key suppliers and request them to provide us with their policies on monitoring and managing of their supply chain with regards to environmental issues, efficient use of resources, ethics, training as well as safety issues.

We achieved our target in FY2022 and assessed more than 80% (FY2021: more than 80%) of our sub-contractors and suppliers. We aim to continue to achieve an assessment rate of at least 80% for our sub-contractors and suppliers. We include sustainability related factors in the selection and evaluation criteria of suppliers and work together with them to reduce adverse environmental impact.

Social

We believe that our success as a group is directly linked to our ability to operate sustainably and responsibly, which includes ensuring that we do not compromise on the rights and dignity of individuals.

We understand that our operations may impact the communities and environments in which we operate, and we are committed to engaging with all stakeholders to ensure that we understand their needs and concerns. We continue to engage with our stakeholders to promote and respect all individuals' rights and to foster a culture of accountability and responsibility.

CODE OF CONDUCT

We do not discriminate against anyone because of age, gender, national origin, disability, religion, sexual orientation, marital or maternity status, union membership or political opinion, among others. We are committed to promoting equality and diversity and in ensuring that individuals are treated fairly and valued. We recognise that the Group has clear obligations towards all employees to ensure they are treated fairly. Non-compliance in relation to discrimination must be reported to the supervisor, human resources or through our whistle blowing system.

We achieved the targets set last year. During FY2022, there were no discrimination complaints received (FY2021: nil). We aim to maintain zero incidents of complaints on discrimination and continue to have diversity and create equal opportunities for employees.



OCCUPATIONAL HEALTH AND SAFETY

The Group is firmly committed to a policy which enables all work activities to be carried out safely, and with all possible measures taken to address risks to the health, safety and welfare of workers, contractors, authorised visitors, and anyone else who may be affected by our operations. We ensure compliance with the Work Health and Safety Act of the respective countries in which we operate in.

We have established a safety management system and set the safety management principle of "Safety First, Prevention First, Comprehensive Management, Full Participation". To further implement the safety management policy and the principle of "One Role, Duo Responsibility, Joint Management", we set up a management team that focuses on the standardisation and implementation of the safety system throughout the Group and at all employee levels with defined responsibilities.

All new employees are required to undergo mandatory safety training and drills to ensure familiarity with the equipment before they can work without supervision. A health and safety officer is also appointed for each plant to ensure site safety, monitor and assess hazardous and unsafe situations, and develop measures to ensure personal safety. In addition, we also conduct safety briefings and provide safety instructions to third-party employees, such as the wearing of personal protective equipment.

In addition, we also encourage employees to adopt a safety-first work culture in the Group. Detailed key performance indicators ("KPIs") on safety targets are included in the assessment of each employee's performance, and roles and responsibilities are announced with letters of declaration signed by designated personnel.



A Health and Safety Committee is also established by each operating subsidiary where members meet up regularly to receive reports on health and safety and environmental audits, accident statistics, communication with enforcement authorities and from relevant sub-groups, and recommendations from management on any corrective action required.

Safety signs are made clearly visible and Closed-Circuit Televisions ("CCTVs") are installed on gates and next to road crossings.

In FY2022, safety management trainings pertaining to Safety System, Emergency Planning & Documentation, Safety Operation Procedures and safety training sessions were conducted with 1,397 attendees (FY2021: 721) in total, to improve each employee's safety awareness and skills. Assessments were conducted at the end of trainings.

Given that we value and prioritise our employees' health and safety within our organisation, achieving these required certifications and implementing a framework of systems is vital to our organisation. The implementation of the framework has enabled us to systematically identify, reduce and mitigate risks involved in operations within the Group.

We have obtained the ISO9001:2015 Certificate for IMCCMC, MC and ALACEM with validity until 2023. CM IPL is also ISO9001:2015 certified with validity till 2025.



Social (Cont'd)

CEMENT

As at 31 December 2022, IMCCMC, MC, ALACEM, SHARCEM and KORCEM had operated safely for 231, 1,351, 167, 65 and 502 days respectively (FY2021: 2,022, 986 and 1,340, 264 and 137 days respectively). In FY2022, a total of seven minor incidents occurred due to oversight of safety precautions (FY2021: nil). Management has taken steps to prevent further workplace incidents. Daily training is conducted for employees before they enter into the plants. Employees are also required to formulate detailed safety plans and risk assessments for approval prior to the commencement of construction work.

ALUMINIUM

We take the health and safety of our employees seriously and strive to ensure that all machineries are operated within safe conditions. During FY2022, there was one minor incident at our plant in Malaysia (FY2021: nil). In the same month, two days of safety and training course was held for workers to heighten their safety awareness in working environment.

In FY2023, we aim to achieve all targets for:

- Zero minor injury;
- Zero direct economic losses from accidents;
- Zero fire accident; and
- Zero death and serious injury.

We also aim for continuous implementation of the standardisation of safety system and emergency management, and to provide regular safety training and drills to our employees in FY2023.



TRAINING AND EDUCATION

We believe that investing in our employees' development will lead to higher job satisfaction, increased productivity and better retention rates. At the same time, it will boost a feeling of value in the employees where they will feel more appreciated and will stay longer with the Group. We provide regular training to strengthen teamwork, work efficiency and skills for all levels of employees.

In FY2022, a total of 1,566 employees (FY2021: 1,102) took part in our training programmes.

CEMENT

Staff Training	FY2021	FY2022
Average training hours (male)	66	54
Average training hours (female)	68	50

ALUMINIUM

Staff Training	FY2021	FY2022
Average training hours (male)	6	5
Average training hours (female)	6	7

In FY2023, we target to organise the following average employee training hours:

Operations	Male	Female
Cement	50	50
Aluminium	5	5



DIVERSITY AND EQUAL OPPORTUNITY

We recognise that diversity encompasses many dimensions, including gender, nationality, age, skill and experience. The terms of reference of the Nominating Committee includes consideration of candidates from a wide range of backgrounds, their merits and against objective criteria with due regard for the benefits of diversity on the Board, including gender, skills, knowledge, experience and diversity. The Board currently comprises individuals who are suitably qualified with the necessary mix of expertise, experience and knowledge ranging from legal, accounting and finance to individuals with the industry knowledge relevant to the Group's business.

We are dedicated to ensuring that our Board reflects the diversity of the communities and markets in which we operate. We firmly believe that Board diversity

leads to better decision-making and improved business performance. It allows us to better understand and respond to the needs of our diverse stakeholders.

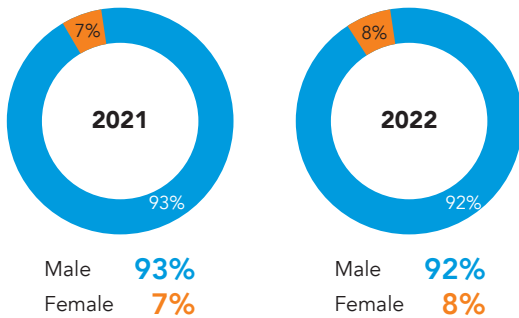
We embrace diversity, and at the same time expect employees to be aligned with the Group's vision and strategic initiatives. Even though our staff consists of people with different nationalities and academic qualifications, we strive for fair treatment. We are committed to provide competitive remuneration and benefits to our employees. We are also committed to safeguard our employees' health and safety.

As of 31 December 2022, we had a workforce of 1,597 (FY2021: 1,348) employees. During FY2022, there were 617 (FY2021: 641) new employees hired across the Group's operations.

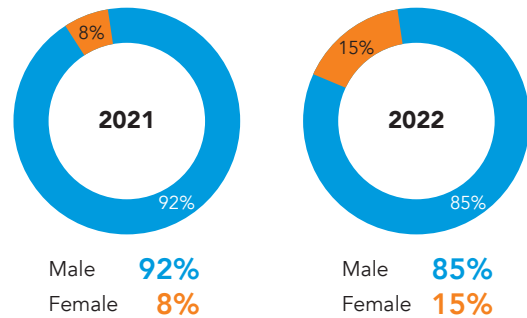
Profile of our total new hires was as follows:

NEW HIRE BY GENDER

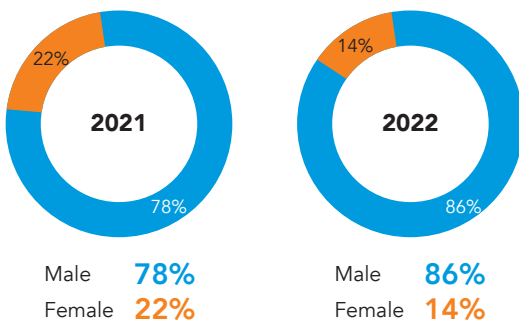
Tajikistan:



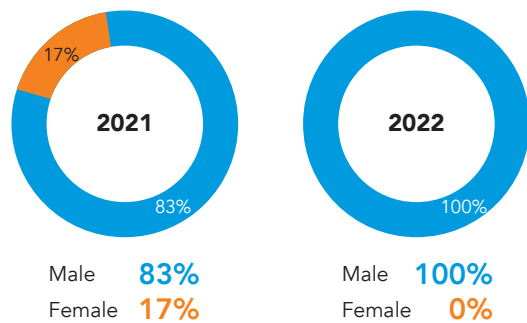
Kazakhstan:



Malaysia:

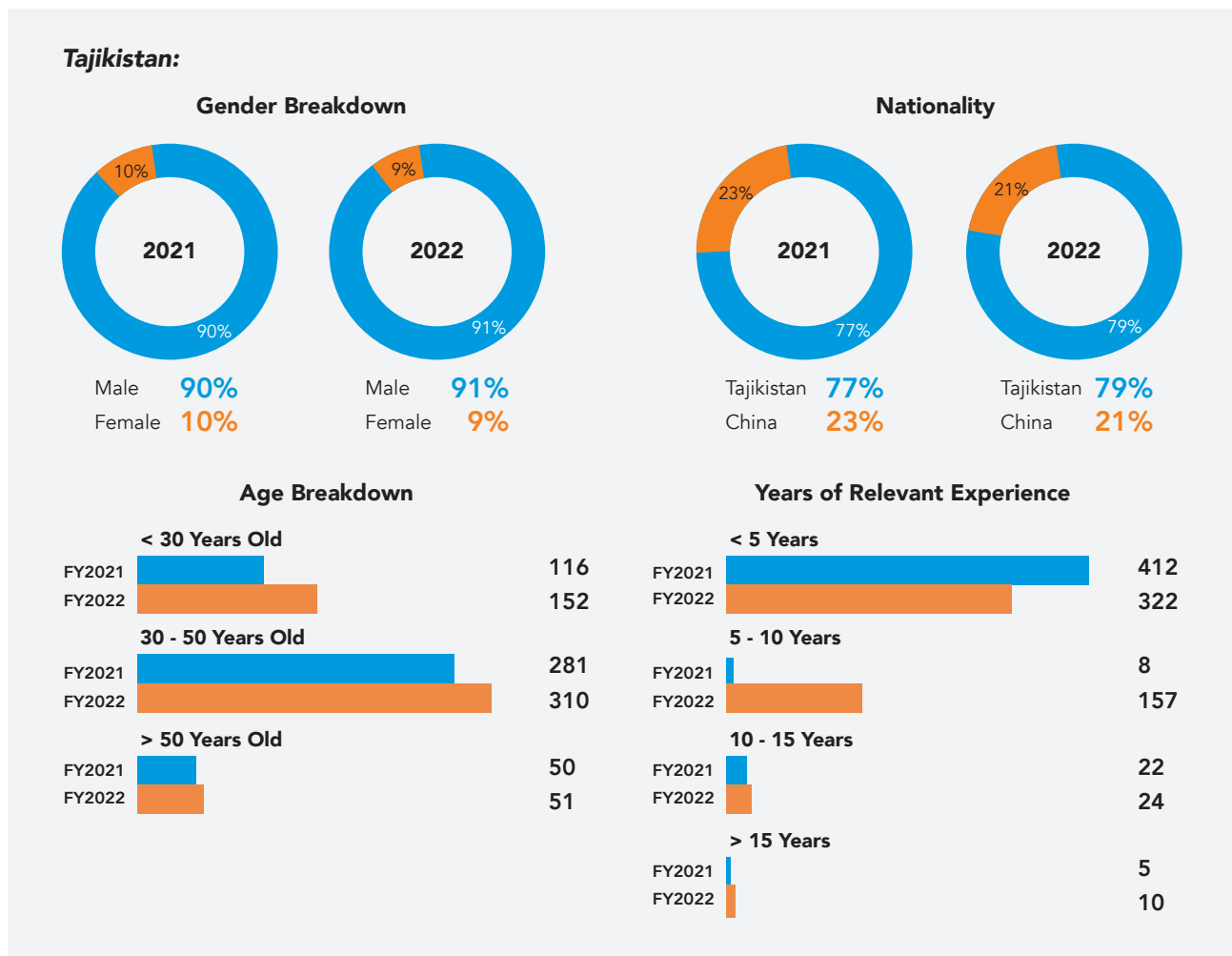


Singapore:



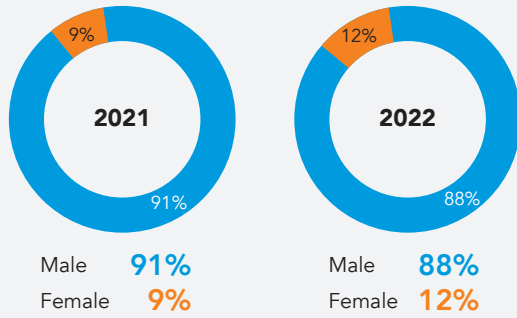
Social (Cont'd)

Profile of our total headcount was as follows:

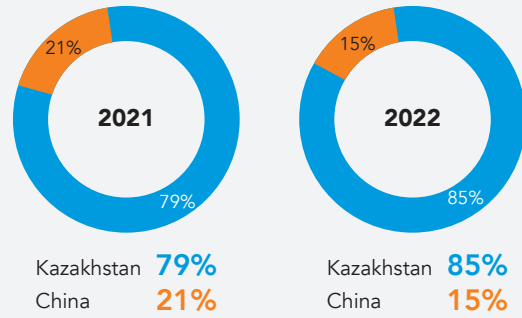


Kazakhstan:

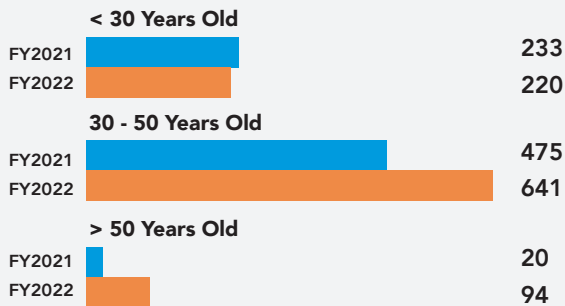
Gender Breakdown



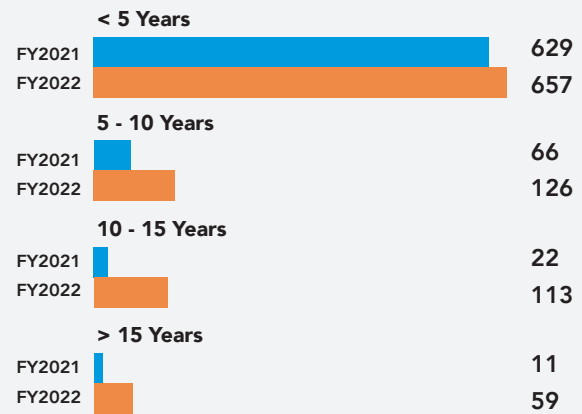
Nationality



Age Breakdown

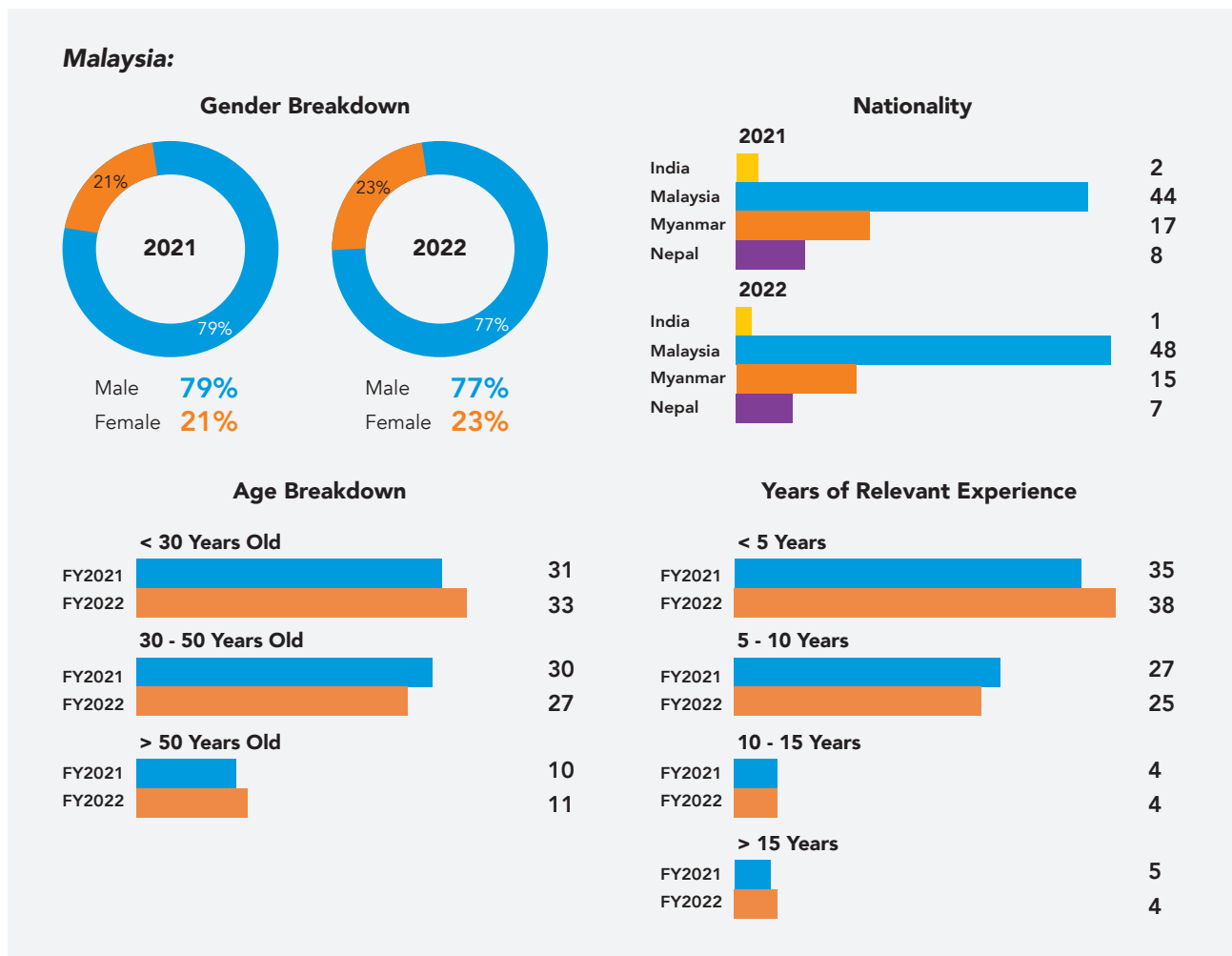


Years of Relevant Experience



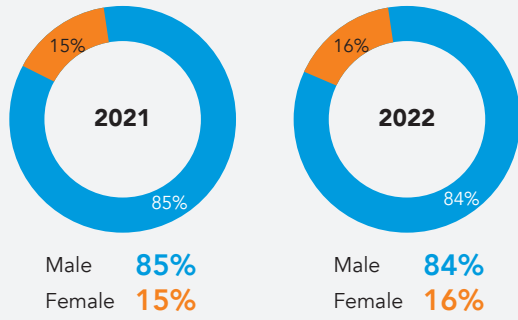
Social (Cont'd)

Profile of our total headcount was as follows:

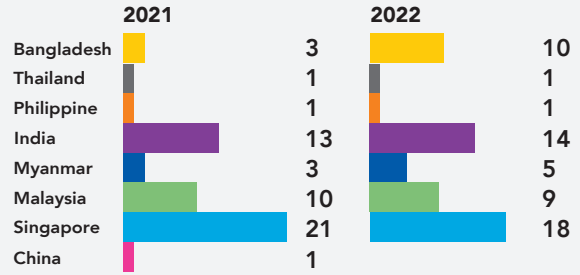


Singapore:

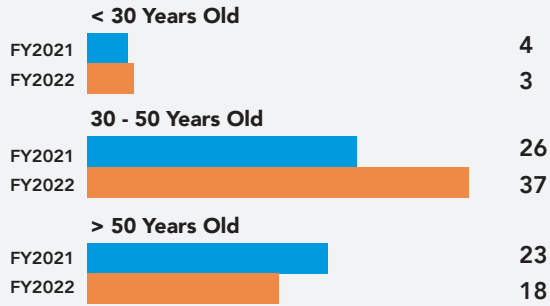
Gender Breakdown



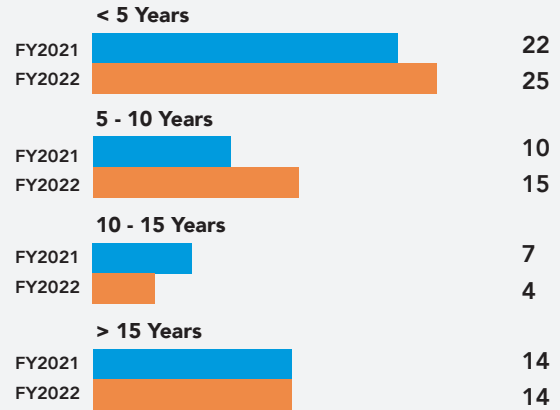
Nationality



Age Breakdown



Years of Relevant Experience



Social (Cont'd)

Every employee plays an essential role in our Group and we pay utmost attention to the well-being of our employees. We achieve success by promoting a collaborative work environment in which everyone is committed to achieve our corporate goals based on open and honest communication while showing care and support for each other. In FY2022, we organised different

types of activities for our employees, such as basketball, table tennis, movie screenings, cultural activities, teamwork games, barbeques, and meal gatherings during the festive seasons. We also set up rooms for recreational activities such as table tennis, billiard, KTV and mahjong, and convenience stores for employees.



CUSTOMER PRIVACY

The Board is of the view that cyber security and data privacy are important in safeguarding both the Group's data and that of our customers, suppliers, business partners and employees. The Group takes measures to protect confidential information of both our internal and external stakeholders by complying with the Personal Data Protection Act of each country.

We achieved the target set last year. During FY2022, there were no significant fines or non-monetary sanctions for non-compliance with laws and regulations (FY2021: nil). We aim to maintain zero incidents of non-compliance with laws and regulations.



LOCAL COMMUNITIES

ICG recognises the importance of balancing business sustainability with social responsibility and remains fully committed to supporting and developing the local communities in which we operate. As part of our ongoing community outreach, we carried out a broad range of corporate social responsibility (“CSR”) initiatives throughout the year to improve and raise the living standards of the less privileged.

In Tajikistan, we donated a 40,000 kV power transformer to the Yovon district’s transmission substation to alleviate the power outage problem and improve the power supply reliability within the city. We hope to continue to work closely with the Tajikistan government to help to upgrade basic infrastructure to enhance living conditions for the local communities.

The Group is also committed to developing the young generation in Tajikistan through education. In 2022, we awarded scholarships totalling TJS 2.45 million (\$\$306,000) to 60 students from low-income families to pursue their undergraduate studies in local institutions of higher learning.

We continued to support the Kurgan Nursing Home, donating medical supplies and beds to improve the quality of life of the elderly residing in the home.

In Kazakhstan, we donated a collective total of 8.2 million Kazakhstan Tenge (“KZT”) (\$\$25,000) in both

monetary and in-kind contributions to support community development programmes.

We donated 155 metric tonnes of cement worth KZT 4.2 million (\$\$13,000) to the local administrations of the Almaty region and the local community nearby the Alacem cement plant. The donated cement went towards infrastructure developments and improvements, such as building a new mosque in Sary-Ozek, upgrading fire protection facilities, and road repairs. We also contributed KZT 2.0 million (\$\$6,000) to the local government to widen and repair the roads in the Karasu village, which is close to the Korcem plant.

In addition, we engaged with vulnerable and disadvantaged communities living in the nearby villages surrounding our cement plants through numerous meaningful social initiatives. These efforts include distributing essential goods to low-income families, senior citizens, single mother with terminal illness, and school supplies to needy children. As part of our commitment to promote the development of sports in Kazakhstan, we also sponsored a local volleyball team in the Almaty region.

As we expand our footprint in the region, we will continue to be active in the community and contribute to worthy social causes that can improve lives and uplift the underprivileged communities we serve.



The Head of the State Electricity Administration presented ICG with a certificate of appreciation for the donation of a transformer to improve power supply in Yovon district



Distribution of essential goods to local villages nearby our cement plants



40,000 kV power transformer donated to the Yovon district’s transmission substation



Essential goods distributed to the underprivileged communities

Governance

ENVIRONMENTAL COMPLIANCE

As an international group, we prioritise environmental protection in terms of design and installation, and ensure that we comply with safety and environmental requirements. The harmonious development of the local economy and environment is fulfilled as part of the social responsibility of the Group. Our products and services meet relevant safety and environmental requirements from our customers and regulatory bodies. We believe environmental compliance is not only a responsibility but also an opportunity to create long-term value for our stakeholders. We continue to seek ways to enhance our efforts and remain transparent about our progress.

We achieved the target set last year. During FY2022, there were no major cases of environmental non-compliance (FY2021: nil). Our objective is to have zero cases of non-compliance towards environmental requirements.

AWARDS

Over the years, we have built up our reputation rapidly and won the recognition of the governments, local communities and customers in Tajikistan and Kazakhstan. In FY2022, our operations in Tajikistan received awards from the government on Advanced Unit in Industrial Technology and Environment.

SOCIOECONOMIC COMPLIANCE

The Group is committed to conduct the business with integrity and to safeguard the interest of all our stakeholders, both internal and external. The Group

sets out the expected code of conduct in its Employee Handbook and ensures compliance with labour and employment laws, including working hours.

We achieved the target set last year. During FY2022, there were no significant fines or non-monetary sanctions for non-compliance with socioeconomic laws and regulations (FY2021: nil).

We target to maintain compliance with socioeconomic laws and regulations.

CORPORATE GOVERNANCE

Lawful and compliant business conduct are the fundamentals of an enterprise and it starts with its production and operational activities. We are committed to build an excellent enterprise, abide by state laws and regulations strictly, implement and execute industry-related policies diligently. We also adhere to business ethics, build stringent management systems and decision-making processes, and reduce system constraints. At the same time, we identify controls over key processes and improve our internal control systems continuously to regulate the Group's production and business conduct.

We continuously focus on enhancing capabilities of corporate governance. We collaborate closely with legal support service for significant decisions made at the Group level, coordinate and supervise major disputes at the subsidiary level, and carry out activities to increase awareness on mitigation of legal risks among all employees.

Please refer to the FY2022 Annual Report (pages 32 to 46) on details of the Code of Corporate Governance.



ENTERPRISE RISK MANAGEMENT (“ERM”)

ERM is an integral part of good corporate governance as well as risk management. A thorough and comprehensive ERM framework enables the Group to identify, communicate and manage its risks and exposures in an integrated, systematic and consistent manner. For details on ERM, please refer to the FY2022 Annual Report (pages 40 to 41).

We performed risk assessment exercise in FY2022 and achieved the target set last year. We target to perform risk assessment annually and ensure compliance with disclosures in accordance with SGX-ST requirements.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

We understand the impact that climate change can have on both our business and the stakeholders we serve. By identifying and addressing climate-related risks and opportunities, we can not only protect, but also contribute to a more sustainable future.

We continue to stay informed on the latest developments of the acute and chronic physical and transitional climate-related risks e.g., policy and legal, technology, market, and reputation. We are aware that our business sustainability is contingent on how we respond and mitigate climate-related risks while also seizing the opportunities that arise from strategic planning and risk management of climate change.

STRATEGY

As part of our commitment to sustainability and addressing climate change, we currently focus on engaging with our stakeholders to assess ongoing and emerging sustainability material factors. As mentioned in the earlier part of this Report, seeking stakeholders’ inputs helps us develop a clear understanding of the material sustainability issues faced by the Group and come up with a well-rounded strategy.

By focusing on current material factors, we are able to identify areas of opportunity for sustainability such as resource efficiency through managing environmental and socioeconomic compliance, gaining trust from stakeholders through reporting our sustainability progress, and improving competitive advantage in the market by staying relevant to market development, thus enabling us to build resilience and transition to a lower-carbon economy in the future.

METRICS AND TARGETS

The material EESG factors and targets in this Report serve as a baseline to manage our sustainability well. By considering these factors and targets, we are able to identify and mitigate risks that may adversely affect our business operations across different time horizons. In addition, taking into account current material EESG factors and targets can help us identify opportunities to improve our sustainability policies and performance, which can translate into long-term business success.



GRI Standards Content Index

GRI Standard	Disclosure	Page Reference	
GENERAL DISCLOSURE			
GRI 2: General Disclosures 2021	2-1	Organisational details	1
	2-2	Entities included in the organisation's sustainability reporting	1
	2-3	Reporting period, frequency and contact point	1
	2-4	Restatements of information	Nil
	2-5	External assurance	1
	2-6	Activities, value chain and other business relationships	2 to 3
	2-7	Employees	15 to 19
	2-8	Workers who are not employees	Nil
	2-9	Governance structure and composition	1
	2-10	Nomination and selection of the highest governance body	1
	2-11	Chair of the highest governance body	1
	2-12	Role of the highest governance body in overseeing the management of impacts	1
	2-13	Delegation of responsibility for managing impacts	1
	2-14	Role of the highest governance body in sustainability reporting	1
	2-15	Conflicts of interest	22
	2-16	Communication of critical concerns	5
	2-17	Collective knowledge of the highest governance body	1
	2-18	Evaluation of the performance of the highest governance body	22
	2-19	Remuneration policies	22
	2-20	Process to determine remuneration	22
	2-21	Annual total compensation ratio	22
	2-22	Statement on sustainable development strategy	4 to 6
	2-23	Policy commitments	4 to 6
	2-24	Embedding policy commitments	7 to 23
	2-25	Processes to remediate negative impacts	7 to 23
	2-26	Mechanisms for seeking advice and raising concerns	5
	2-27	Compliance with laws and regulations	1
	2-28	Membership associations	Nil
	2-29	Approach to stakeholder engagement	5 to 6
	2-30	Collective bargaining agreements	Nil
MATERIAL TOPICS			
GRI 3: Material Topics 2021	3-1	Process to determine material topics	6
	3-2	List of material topics	6
	3-3	Management of material topics	7 to 23
GRI 201: Economic Performance 2016	201-1	Direct economic value generated and distributed	7

GRI Standard	Disclosure		Page Reference
MATERIAL TOPICS			
GRI 205: Anti-corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	7
	205-3	Confirmed incidents of corruption and actions taken	7
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	10
	302-3	Energy intensity	10
	302-4	Reduction of energy consumption	10
GRI 303: Water and Effluents 2018	303-1	Interactions with water as a shared resource	8 to 9
	303-2	Management of water discharge-related impacts	8 to 9
GRI 305: Emission 2016	305-1	Direct (Scope 1) GHG emissions	11
	305-2	Energy indirect (Scope 2) GHG emissions	11
	305-4	GHG emission intensity	11
GRI 306: Waste 2020	306-1	Waste generation and significant waste-related impacts	8 to 9
	306-2	Management of significant-related impacts	8 to 9
	306-3	Waste generated	8 to 9
	306-4	Waste diverted from disposal	8 to 9
	306-5	Waste directed to disposal	8 to 9
GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	12
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	15
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	20
GRI 403: Occupational Health and Safety 2018	403-1	Occupational health and safety management system	13 to 14
	403-2	Hazard identification, risk assessment, and incident investigation	13 to 14
	403-2	Worker participation, consultation, and communication on occupational health and safety	14
	403-5	Worker training on occupational health and safety	14
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	14
	403-9	Work-related injuries	14
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	14
GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	15 to 19
GRI 406: Non-discrimination 2016	406-1	Incidents of discrimination and corrective actions taken	12
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	20



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