

FUJAIRAH CEMENT INDUSTRIES P.J.S.C



صناعات أسمنت الفجيرة ش.م.ع

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المكتب الرئيسي المكتب الرئيسي

ص.ب: ٦٠٠ - الفجيرة
الإمارات العربية المتحدة
تليفون: ٠٩-٢٢٢٣١١١
فاكس: ٠٩-٢٢٢٧٧١٨
البريد الإلكتروني: hofci79@fciho.ae

FUJAIRAH CEMENT INDUSTRIES

(PJSC)



SUSTAINABILITY ANNUAL REPORT 2021

ENVIRONMENTAL, SOCIAL AND GOVERNANCE DISCLOSURE-2021

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الإمارات العربية المتحدة
هاتف: ٠٩-٢٤٤٤٠١١
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Fujairah Cement Industries SUSTAINABILITY ANNUAL REPORT-2021

FCI contribution for 2021 to local community development & conservation of environment:-

- 1- FCI Board of directors is greatly concerned with undertaking the responsibility for the service of the society and surrounding environment. FCI seeks through its staff to participate in all National Occasions & Socials events of their different religious, cultural programs, and sports activities.
- 2- Sustainable Development figures prominently in FCI's Environmental, Social & Governance Disclosure Plan-2021.
- 3- In response to the Covid-19 outbreak:-
 - FCI management along with the Ministry of Health & Prevention (MOHAP), the Government of Fujairah conducted 11 times PCR swab tests for the employees during July-December 2021. Massive sterilization was done in the factory and in camp accommodation.
 - The employees supported and complied with the Covid-19 safety rules by maintaining social distancing, body temperature measurement at security gates, use of hand sanitizations, and facemasks resulting in a minimum number of positive cases.
 - The first dose of the Covid-19 vaccine was given by MOHAP on 12th January 2021. The second dose was given on 7th February 2021 and the Booster dose was given on 29th September 2021.
- 4- FCI is committed to reducing Green House Gas (GHGs) Emissions by using Alternate Fuels, in the framework of the UN Convention on Climate Change.

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Cash Contributions:

As a part of Corporate Social Responsibility FCI participated in an amount of AED 1,021,602/- in 2021 reflected in the support of the public national organizations.

As a part of Corporate Social Responsibility, FCI supported Tennis and Country Club Fujairah by sponsoring ITF Women World Tennis Tournament.

For Climate Risk Mitigation, FCI invested proactively on the following issues:-

- Green Belt Development (Tree Plantation) in FCI & Camp Accommodations: 20,000 AED
- DUSTEX Spray on Quarry Roads to control Fugitive Emissions: 100,000 AED

In-Kind contributions:

- FCI contributed to the provision of cement for assisting low-income citizens from the local community.
- FCI provided training opportunities for university students of different technical specializations.
- FCI repaired the connecting Dibba Al-Taween Road leading to Quarry. The road was damaged due to flash floods.
- FCI sprayed dust suppression chemical on the unpaved roads connecting FCI quarry and inside the factory to minimized volatility of dust and soil for conserving the environment.
- FCI undertakes to always fulfill its obligations to provide a good and secured working environment for all staff.
- FCI is committed to keeping Good Housekeeping in the factory and surrounding area of the factory. An emission monitoring instrument has been installed for measuring dust emission in the air and notify Ministry of Climate Change & Environment (MOCCA) of such readings as to make the cement Industry more environment friendly.



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Key Events during 2021:-

- Announcement of a new project of Ready-mix Concrete Plant in Feb 2021 as a subsidiary of Fujairah Cement Industries.
- Despite the Covid-19 pandemic, FCI has substantial production of clinker.
- FCI obtained ISO-9001:2015 Re-certification as per the new standard on Quality Management System.
- FCI also obtained ISO-14001:2014 Re-certification as per the new standard on Environmental Management System.
- FCI also obtained ISO-45001:2018 Re-certification as per the new standard on Occupational Health & Safety Management System.
- FCI registered the least Power consumption of Cement mills.
- FCI has reduced the dependency on electricity supplied by Federal Electricity & Water Authority (FEWA).

FCI innovative projects & initiatives:

- FCI is planning to replace 40% coal with RDF as fuel, which will reduce the GHG Emissions and will support the community by helping to avoid municipality waste landfilling.
- As per Fujairah Environmental Authority directives, FCI has to connect the Online Emission Monitoring System to the server of Fujairah Environmental Authority (FEA). This way FEA will have online access to emission data.
- FCI is in the process of implementing ISO-17025:2017, Laboratory Management System, in its Quality Lab. This will help in achieving better quality Clinker and Cement for Global marketing as a part of business strategy.
- In 2021, FCI used waste material like, used Carbon Dust as an alternate Fuel being fed in the Preheater of the Kiln. Carbon Dust is a byproduct of the Aluminum industry and a fuel for the Cement Industry. We also use used bag filters, wooden waste, and waste tires as an alternate fuel.



ENVIRONMENTAL, SOCIAL AND GOVERNANCE DISCLOSURE-2021

FUJAIRAH CEMENT INDUSTRIES PJSC

❖ ENVIRONMENTAL KEY PERFORMANCE INDICATORS (i.e; ENVIRONMENTAL KPIs)

Metric	Remarks
E1. GHG Emissions	<ul style="list-style-type: none"> Total Green House Gases emissions = 950 Gg of CO₂ per annum.
E2. Emission Intensity	<ul style="list-style-type: none"> Total GHG emissions per tons of Clinker: 0.326 of CO₂ / tonnes of Clinker.
E3. Energy Usage	<ul style="list-style-type: none"> Total amount of Energy Directly Consumed: 21,248.79 MWh Total Amount of energy indirectly consumed: 253,023.93 MWh
E4. Energy Intensity	<ul style="list-style-type: none"> Total Direct energy usage per tonnes of Clinker: <ul style="list-style-type: none"> a) UNIT 1 = 82 KWh/tonnes of Clinker b) UNIT 2 = 67 KWh/tonnes of Clinker Cement Grinding: 35 KWh/ tonnes of cement.
E5. Energy Mix	<ul style="list-style-type: none"> TPP : 72.48% FEWA : 7.74 % WHR : 19.76 %
E6. Water Usage	<ul style="list-style-type: none"> The total water requirement for the facility is 1000 m³/day divided in different uses : <ul style="list-style-type: none"> a) 100 m³/day used for domestic purposes. b) 900 m³/day used for industrial purposes. The water for industrial purposes is being used for, Process Cooling, Boiler make up, cooling tower makeup and dust suppression for the activities in the cement plant. Domestic wastewater is being collected in the septic tank and disposed through Tankers of Dibba Municipality.
E7. Environmental Operations	<ul style="list-style-type: none"> We have Quality, Health & Safety, and Environment & Energy Management Policy in Place. The Management is committed towards Quality Control, Waste Management, and Water Management & Energy Management.
E8. Environmental Oversight	<ul style="list-style-type: none"> Our Top Management periodically discusses and manage the Sustainability Issues. Besides these, we monthly conduct Environment Committee Meeting where we sort out all the issues pertaining to Environment Protection and Climate Change. Our Top Management always focuses on Sustainability issues as an Official Agenda. We conduct Environment Health and Safety Meeting on Monthly Basis. The raised issues are discussed and Corrective actions are implemented as a part of continual improvement.

E9. Climate Risk Mitigation	<ul style="list-style-type: none"> • For Climate Risk Mitigation, FCI invested proactively on the following issues: <ul style="list-style-type: none"> a) Green Belt Development(Tree Plantation) in FCI Plant & Camp: 20,000 AED b) DUSTEX Spray on Quarry Roads to control Fugitive Emissions: 100,000 AED
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❖ **SOCIAL KEY PERFORMANCE INDICATORS (i.e; SOCIAL KPIs)**

Metric	Remarks
S1.CEO Pay Ratio	<ul style="list-style-type: none"> • Ratio: CEO total compensation to median Full Time Equivalent (FTE) total compensation is 20:1
S2. Gender Pay Ratio	<ul style="list-style-type: none"> • Ratio: 3.5:1
S3. Employee Turnover	<ul style="list-style-type: none"> • Employee Turnover: 7.5%
S4. Gender Diversity	Gender diversity percentage based on : <ul style="list-style-type: none"> • Total enterprise headcount : Male 97%, Female 3% • Entry-and mid-level positions : Male 90%, Female 10% • Senior-and executive-level positions : Male 100%
S5. Temporary Worker Ratio	<ul style="list-style-type: none"> • We don't have part-time workers.
S6. Non Discrimination	<ul style="list-style-type: none"> • We do not discriminate employees based on caste and creed. Commitment to creating a diverse, open, equal, and harassment-free work environment
S7. Injury Rate	<ul style="list-style-type: none"> • Average Injury Rate for 2021= 2.76 • No fatalities
S8. Global Health & Safety	<ul style="list-style-type: none"> • FCI is ISO-45001:2018(Occupational Health & Safety Management System Certified Company). • Ensuring Healthy and safe working conditions for employees & contractors is a fundamental key to corporate social responsibility and is one of the most important issues for FCI. • The management is committed to Health & Safety of employees by providing better working environment complying with all statutory requirements.

<p>S9. Child & Forced Labor</p>	<ul style="list-style-type: none"> • FCI Fulfill its compliance with all applicable labor-related laws & regulations. • Strict prohibition of child labor, forced labor and employment discrimination. FCI is Committed for creating a diverse, open, equal and harassment-free work environment. We have Zero-tolerance for any human rights violations.
<p>S10. Human Rights</p>	<ul style="list-style-type: none"> • FCI is dedicated to protecting its employees' rights and interests and therefore it strictly complies with labor-related laws and regulations. We place the utmost value on human rights in our operations, and we treat all employees, including contract employees and interns, with the same dignity and respect.
<p>S11. Nationalization</p>	<ul style="list-style-type: none"> • 2017: 13.8% • 2018: 14.6% • 2019: 14.6% • 2020:15.0% • 2021:15.0%
<p>S12. Community Investment</p>	<ul style="list-style-type: none"> • FCI is greatly concerned with undertaking the responsibility for the service of the society and surrounding environment. • FCI seeks through its employee to participate in all the national occasions and social events of the different religious, cultural and social activities. • FCI participates and sponsors annually in Fujairah International Mining Forum and Expo organized by FNRC in Collaboration with UAE Ministry of Energy and Industry and Arab Industrial Development and Mining Organization. • As a Part of Corporate Social Responsibility, FCI sponsored the ITF Women World Tennis Tournament organized by Tennis & Country Club, Fujairah.

❖ **GOVERNANCE KEY PERFORMANCE INDICATORS (i.e; GOVERNANCE KPIs)**

Metric	Remarks
G1. Board Diversity	<ul style="list-style-type: none"> • No women representation in Board of Directors in 2021. • No women applied for the nomination for the Current Board of Directors post.
G2. Board Independence	<ul style="list-style-type: none"> • The company Prohibits the CEO from serving as board chair. • Independent and non-executive board members occupy 10 board seats. • Executive Board members occupy 1 seat on the Board of Directors.
G3. Incentivized Pay	<ul style="list-style-type: none"> • We provide ample opportunities and motivational incentives to employees. Some of them are Performance Linked Incentives, Good Work Awards, Letters of Appreciation, Special Increments, Promotions, and Nomination to external training programs in UAE and abroad.
G4. Supplier Code of Conduct	<ul style="list-style-type: none"> • FCI ensures that all suppliers follow its code of conduct.
G5. Ethics & Prevention of Corruption	<ul style="list-style-type: none"> • The employees certify thru their declaration form, that they are not indulged in corruption practices, neither they are involved in any business in FCI • All the employees have formally certified their compliance as per the prevention of corruption policy.
G6. Data Privacy	<ul style="list-style-type: none"> • IT department of FCI keeps vigilant about data protection policy. • The Company has adopted reasonable security practices and procedures to ensure that the Sensitive Personal Information/ Official Data is preserved in a secured manner.
G7. Sustainability Reporting	<ul style="list-style-type: none"> • FCI publishes Sustainability Report integrated with Annual Report
G8. Disclosure Practices	<ul style="list-style-type: none"> • FCI publishes Sustainability reports of FCI based on UN Sustainable Development Goals (SDGs). • FCI Sustainability Report is in line with UN Sustainable Development Goals
G9. External Assurance	<ul style="list-style-type: none"> • FCI has plans for our Sustainability Data to be verified by a 3rd Party in the upcoming years.