

## JCM Sustainable Development and Safeguards Assessment Report

| Project description            |   |
|--------------------------------|---|
| Title                          | Introduction of High Efficiency Ion Exchange Membrane Electrolyzer in Caustic Soda Production Plant |
| Project participant (Thai)     | AGC Vinythai Public Company Limited.  |
| Project participant (Japanese) | AGC Inc.  |
| Project location               | 202 Moo 1, Suksawasdi Road (Km. 17), Tambol Pak KlongBang Plakod Amphur Prasamutjedi                |
| Latitude, longitude            | 13°36'45.8"N, 100°32'55.9"E   |
| Project status                 | Operated since 25/01/2019   |

| Report description        |                      |                                      |
|---------------------------|----------------------|--------------------------------------|
| Date of report completion | Friday, May 16, 2025 |                                      |
| Version                   | 1.0                  |                                      |
| Corresponding author      | Name                 | Sirichai Termvanich                  |
|                           | Title                | Senior Vice President -Plant PPD1&2  |
|                           | Organization         | AGC Vinythai Public Company Limited. |
|                           | Telephone            |                                      |
|                           | E-mail               |                                      |

Note:

- Related figures, documents, evidence related to the description may be attached as attachment.
- In the case where there is any other relevant issue that needs to be considered, it is be specified in the last row of each area of assessment.

**Certification letter**

16/5/2025

I, the undersigned, hereby certify that AGC Vinythai Public Company Limited. is the author of the “Sustainable Development and Safeguards Assessment Report” of the project titled Introduction of High Efficiency Ion Exchange Membrane Electrolyzer in Caustic Soda Production Plant developed by AGC Inc. and AGC Vinythai Public Company Limited. located at 202 Moo1, Suksawadi Road, Pakklongbangplakod, Phra Samutchedi District, Samuprakarn 10290 Thailand.

The report was prepared by the team members as follows:

| No. | Name                       | Position  | Signature  |
|-----|----------------------------|---|--|
| 1   | <u>Toshio Semoto</u>       | Director Plant and Technical<br>at AGC Vinythai |  |
| 2   | <u>Sirichai Termvanich</u> | Senior Vice President<br>at AGC Vinythai        |  |
| 3   | <u>Rattanaporn Rakpan</u>  | Deputy Production department<br>at AGC Vinythai |  |

Signature

( Toshio Semoto )

Position Director Plant and Technical

Seal (if any)

## Part 1: General information of the project area before project implementation

*Provide baseline information describing the conditions before project implementation. This data is essential for assessing the project's environmental, social, and economic impacts. Ensure the details are accurate and comprehensive to support a thorough evaluation.*

| Area of Assessment                                    | Description   |
|---|---|
| <b>1. Environment and natural resources</b>           |   |
| 1.1 Air pollution                                     | No air pollution was found in the area, except for occasional PM2.5 levels exceeding the standards during the winter season.  |
| 1.2 Water pollution                                   | No water pollution was found in the area  |
| 1.3 Soil pollution                                    | No soil pollution was found in the area   |
| 1.4 Noise pollution                                   | No point sources of noise pollution were found in the area.   |
| 1.5 Odor pollution                                    | No point sources of odor pollution were found in the area.  |
| 1.6 Water consumption                                 | TAP water is used for producing Demineralized water. No surface or underground water is used in the area.   |
| 1.7 Solid waste/municipal solid waste                 | There is no leftover problem in the area.   |
| 1.8 Hazardous waste/infectious waste/electronic waste | No pollution from hazardous waste/infectious waste /Electronic waste was reported in the area   |
| 1.9 Energy (i.e. Wasted Energy, Renewable Energy)     | Electricity from power grid   |
| 1.10 Land Use   | Commercial buildings. Industrial building   |
| 1.11 Biodiversity                                     | Biodiversity was not relevant in this area  |
| 1.12 Wild animal/ Aquatic ecosystem                   | No wild animal or aquatic ecosystem was found in the area.  |
| 1.13 Other (Please specify...)                        | -   |
| <b>2. Society</b>                                     |   |
| 2.1 Socio-cultural characteristics                    | Socio cultural characteristics were those of a typical Bangkok Metropolitan area network. The society comprises largely of the working class who engage in manufacturing work |
| 2.2 Health and safety                                 | There was no major concern in terms of health and safety in the area  |

| Area of Assessment   | Description  |
|--|--|
| 2.3 Traditions, cultures and/or valuable places worthy of conservation | The tradition and cultural values of the people in the area is commonly found in Bangkok Metropolitan area network. There were no distinctive places of high conservation values.  |
| 2.4 Race, religion, and ethnic group                                   | Most of the population in the area were of Thai origin who practices Buddhism.   |
| 2.5 Transportation   | Primary mode of transportation in the area was private vehicles (cars, trucks and motorbikes)  |
| 2.6 Other (Please specify...)  | -  |
| <b>3. Economic</b>   |  |
| 3.1 Overall local economy (i.e. income, expenditure, etc.)             | The local economy in the area is largely driven by the manufacturing sector, logistics and commercial. According to 2021 data on the province, the average monthly income is THB 32,914 while monthly expenditure is THB 27,485. |
| 3.2 Employment/Career  | Factory workers, clerical workers, service industry workers, local fishing   |
| 3.3 Major agricultural activity in the area                            | No major agricultural activity in the area is found  |
| 3.4 Major industry in the area   | Chemical, Glass, Electrical cable  |
| 3.5 Major service sector in the area                                   | Retail, Small restaurants, Hospital and Transportation   |
| 3.6 Basic infrastructure (i.e. road, school, etc.)                     | School, Hospital, Transportation (road network), utilities (electricity, water supply, waste management), as well as telecommunications.   |
| 3.7 Other (Please specify...)  | -  |

*\*Project Participant explains in detail of provenance and importance of issue consider about before project implement and specify if the project is rightful/environmental law, social, and economy. To have Negative impact assessment (Do-no-net-harm) with supporting documents.*

## Part 2 Sustainable Development Goals

### 2.1 Sustainable Development Contributions Assessment

Please mark ☒ in ☐ to identify the contributions of the proposed project to specific SDG. The project is required to contribute to **at least two SDGs, in addition to SDG13: Climate Action.**

| Project Contributions to SDGs  | Indicator (Please specify)         | Description of Indicator   |
|--|------------------------------------|--|
| <input type="checkbox"/> SDG 1: No Poverty                                 |                                    |  |
| <input type="checkbox"/> SDG 2: Zero Hunger                                |                                    |  |
| <input type="checkbox"/> SDG 3: Good Health and Well-being                 |                                    |  |
| <input type="checkbox"/> SDG 4: Quality Education                          |                                    |  |
| <input type="checkbox"/> SDG 5: Gender Equality                            |                                    |  |
| <input type="checkbox"/> SDG 6: Clean Water and Sanitation                 |                                    |  |
| <input type="checkbox"/> SDG 7: Affordable and Clean Energy                |                                    |  |
| <input checked="" type="checkbox"/> SDG 8: Decent Work and Economic Growth | Amount of energy saved (Unit: MWh) | Energy saving reduces costs and contributes to economic outputs. |
| <input type="checkbox"/> SDG 9: Industry, Innovation and Infrastructure    |                                    |  |
| <input type="checkbox"/> SDG 10: Reduced Inequality                        |                                    |  |
| <input type="checkbox"/> SDG 11: Sustainable Cities and Communities        |                                    |  |
| <input type="checkbox"/> SDG 12: Responsible Consumption and Production    |                                    |  |
| <input checked="" type="checkbox"/> SDG 13: Climate Action                 |                                    |  |
| <input type="checkbox"/> SDG 14: Life Below Water                          |                                    |  |
| <input type="checkbox"/> SDG 15: Life on Land                              |                                    |  |

| Project Contributions to<br>SDGs  | Indicator<br>(Please specify)           | Description of Indicator  |
|---|---|---|
| <input type="checkbox"/> SDG 16: Peace and<br>Justice Strong<br>Institutions    |   |   |
| <input checked="" type="checkbox"/> SDG 17: Partnerships to<br>achieve the Goal | Last progress report<br>submission date | Operational continuity of the JCM<br>project, which mobilizes<br>additional financial resources,<br>disseminates low-carbon<br>technologies, and reduces GHG<br>emissions in Thailand |

*\*Project Participant provides the description for each indicator of the selected SDGs and presents currently available datasets along with supporting documents.*

## 2.2 Details on Monitoring Parameters for Demonstrating SDG Contributions

*Provide details on how to monitor the indicators identified in Section 2.1.*

*(Tables can be added based on the number of selected SDGs.)*

|                       |                                    |
|-----------------------|------------------------------------|
| SDG Number            | 8                                  |
| SDG Target            | Decent Work and Economic Growth    |
| Variable or Indicator | Amount of energy saved (Unit: MWh) |
| Duration/Frequency    | Monthly                            |
| Method/Tool           | Power meter                        |
| Responsible person    | Staff of AGC Vinythai              |

|                       |                                      |
|-----------------------|--------------------------------------|
| SDG Number            | 17                                   |
| SDG Target            | Partnerships to achieve the goal     |
| Variable or Indicator | Last progress report submission date |
| Duration/Frequency    | Yearly                               |
| Method/Tool           | -                                    |
| Responsible person    | Staff of AGC Vinythai                |

### Part 3 Do no net harm

#### 3.1 'Do no net harm' Risk Assessment and Safeguards

*Specify impacts and mitigation plans to mitigate negative impacts.*

| Potential Impact<br>of Project Activity         | Severity Level of Impact |     |          |      | Description of Impact  | Action Plan to mitigate harmful impacts  |
|---|--------------------------|-----|----------|------|--|--|
|   | None                     | Low | Moderate | High |  |  |
| 1. Impacts on Environment and Natural Resources |                          |     |          |      |  |  |
| 1.1 Physical resources                          |                          |     |          |      |  |  |
| Water pollution                                 |                          | ✓   |          |      | Brine discharge contributes to elevated Total Dissolved Solids (TDS) levels, potentially exceeding the standard limits for effluent in wastewater. | The brine is treated in the waste water unit (Electrodialysis), so the quality of the discharged water will not exceed the standard.   |
| Soil pollution                                  | ✓                        |     |          |      |  |  |
| Air pollution                                   |                          | ✓   |          |      | Electrolysis produce Chlorine and Hydrogen together with Caustic soda. Chlorine is toxic gas which is not allowed to release to atmosphere.        | Hydrogen and chlorine generated by electrolysis are sent to produce the downcomer product. In case of an emergency, chlorine gas will be sent to the alkaline scrubber to prevent air pollution. |
| Noise pollution                                 | ✓                        |     |          |      |  |  |

| Potential Impact<br>of Project Activity  | Severity Level of Impact |     |          |      | Description of Impact  | Action Plan to mitigate harmful impacts   |
|--|--------------------------|-----|----------|------|--|---|
|  | None                     | Low | Moderate | High |  |   |
| Odor pollution   | ✓                        |     |          |      |  |   |
| Soil erosion, coastal/river erosion  | ✓                        |     |          |      |  |   |
| Vulnerability to natural disaster  | ✓                        |     |          |      |  |   |
| Other  | ✓                        |     |          |      |  |   |
| <b>1.2 Waste management</b>  |                          |     |          |      |  |   |
| Increase in solid waste/municipal solid waste  | ✓                        |     |          |      |  |   |
| Increase in hazardous waste such as waste contaminated with oil, chemicals and used oil etc. |                          | ✓   |          |      | Electrolysis process use membranes and use oil in ancillary equipment. These become industrial waste at end of its life cycle. | Used oil is sent to authorized buyers for recycling or reuse.<br>Used membranes are sent to an authorized vendor for disposal |
| Increase in infectious waste   | ✓                        |     |          |      |  |   |
| Increase in electronic waste   | ✓                        |     |          |      |  |   |
| Other  | ✓                        |     |          |      |  |   |
| <b>1.3 Biological resources</b>  |                          |     |          |      |  |   |
| Impacts on forest areas and land-use change  | ✓                        |     |          |      |  |   |



| Potential Impact<br>of Project Activity         | Severity Level of Impact |     |          |      | Description of Impact | Action Plan to mitigate harmful impacts |
|---|--------------------------|-----|----------|------|-----------------------|---|
|   | None                     | Low | Moderate | High |                       |   |
| Loss of land and wildlife ecosystem             | ✓                        |     |          |      |                       |   |
| Loss of water resources and aquatic ecosystem   | ✓                        |     |          |      |                       |   |
| Foraging  | ✓                        |     |          |      |                       |   |
| Food  | ✓                        |     |          |      |                       |   |
| Other   | ✓                        |     |          |      |                       |   |
| <b>1.4 Human livelihood</b>                     |                          |     |          |      |                       |   |
| Water drainage or waterway diversion            |                          |     |          |      |                       |   |
| Change in water consumption                     |                          |     |          |      |                       |   |
| Change in land ownership                        |                          |     |          |      |                       |   |
| Other   |                          |     |          |      |                       |   |
| <b>2. Social impacts</b>                        |                          |     |          |      |                       |   |
| Public security such as increase in crime risks |                          |     |          |      |                       |   |
| Health impacts                                  |                          |     |          |      |                       |   |

| Potential Impact<br>of Project Activity  | Severity Level of Impact |     |          |      | Description of Impact | Action Plan to mitigate harmful impacts |
|--|--------------------------|-----|----------|------|-----------------------|---|
|  | None                     | Low | Moderate | High |                       |   |
| Relocation or<br>temporary/permanent loss of land  |                          |     |          |      |                       |   |
| Loss of housing  |                          |     |          |      |                       |   |
| Impact on public utilities such as<br>electricity, telephone service etc.  |                          |     |          |      |                       |   |
| Impact on traffic  |                          |     |          |      |                       |   |
| Community conflict   |                          |     |          |      |                       |   |
| Employment and labor   |                          |     |          |      |                       |   |
| Impact on people of certain race,<br>religion and ethnic groups  |                          |     |          |      |                       |   |
| Damage to areas of high<br>conservation value, such as<br>religious sites, historic sites,<br>monuments, important places of<br>the community etc. |                          |     |          |      |                       |   |
| Impact on human rights such as<br>education, freedom of thought,<br>religion etc.  |                          |     |          |      |                       |   |

| Potential Impact<br>of Project Activity  | Severity Level of Impact |     |          |      | Description of Impact | Action Plan to mitigate harmful impacts |
|--|--------------------------|-----|----------|------|-----------------------|---|
|  | None                     | Low | Moderate | High |                       |   |
| Gender inequality such as in employment opportunities, salary, promotion, benefits, termination of contract etc. |                          |     |          |      |                       |   |
| Other  |                          |     |          |      |                       |   |
| <b>3. Economic impacts</b>   |                          |     |          |      |                       |   |
| Increase unemployment /loss of income of people in local communities   |                          |     |          |      |                       |   |
| Other  |                          |     |          |      |                       |   |

\*Criteria for assessing the level of impact severity

1. *None: The proposed activity has no direct/indirect impacts on the environment, society and economy.*
2. *Low: The proposed activity causes some changes to the existing conditions but has no implication on the quality of the environment, society and economy. The impact is short-lived and temporary, and the extent of the affected area is not large (1km perimeter).*
3. *Moderate: The proposed activity causes some changes to the existing conditions and has implications on values or qualities of the environment, society and economy. The impact is short-lived and temporary. The extent of the affected area is large but confined to the related area (2km perimeter).*
4. *High: The proposed activity causes some changes to the existing conditions and has implications on value or quality of the environment, society, economy, and potentially the ecosystem. The impact is permanent and the extent of the affected area is extensive (3km perimeter).*

### 3.2 Details on Monitoring Parameters for Ensuring No Negative Impacts

*Provide details on how to monitor the impacts identified in Section 3.1.*

*(Tables can be added based on the number of negative impacts identified)*

|                                       |  |
|---------------------------------------|--|
| <b>Category of negative impact</b>    | Impacts on Environment and Natural Resources   |
| <b>Subcategory of negative impact</b> | Water Pollution  |
| <b>Vulnerable group</b>               | People in nearby communities   |
| <b>Possible negative impact</b>       | Harm to Aquatic Life   |
| <b>Parameter/indicator</b>            | pH 5.5 -9<br>TDS:<br>TDS $\leq$ 3,000 mg/L in case TDS of receiving water source less than 3,000 mg/L:<br>TDS $\leq$ TDS of the receiving water source + 5,000 mg/L in case TDS of receiving water source more than 3,000 mg/L<br>Free chlorine: $\leq$ 1 mg/l as Cl <sub>2</sub><br>BOD $\leq$ 60 mg/l<br>COD $\leq$ 120 mg/l |
| <b>Reference</b>                      | Announcement from The Department of Industrial Works (DIW) on the Specification of Wastewater Characteristics  |
| <b>Duration/frequency</b>             | Weekly   |
| <b>Method/Tools</b>                   | -  |
| <b>Responsible person</b>             | Sampling of wastewater is conducted by an external contractor  |
| <b>Expected outcome</b>               | The effluent does not exceed the air quality standards.  |

|                                       |  |
|---------------------------------------|--|
| <b>Category of negative impact</b>    |  |
| <b>Subcategory of negative impact</b> |  |
| <b>Vulnerable group</b>               |  |
| <b>Possible negative impact</b>       |  |
| <b>Parameter/indicator</b>            |  |
| <b>Reference</b>                      |  |
| <b>Duration/frequency</b>             |  |
| <b>Method/Tools</b>                   |  |

|                           |  |
|---------------------------|--|
| <b>Responsible person</b> |  |
| <b>Expected outcome</b>   |  |