Welcome to your CDP Climate Change Questionnaire 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

ICL Group is one of the world's leading fertilizer and specialty chemicals companies. For a world challenged by population growth and scarce resources, ICL makes products that increase global food and water supplies and improve industrial materials and processes. The company benefits from direct access to low-cost, highly concentrated sources of minerals – especially potash and bromine. Leveraging this strong basis, we have built leadership positions in the areas of fertilizers and specialty fertilizers, flame retardants, water treatment solutions, specialty phosphates for the food, hygiene and safety industries, and a growing range of sustainability solutions. In 2019, ICL spent an amount of approximately $113 million on issues related to the environment and environmental conservation. In 2020, ICL is expected to spend a sum of approximately $136 million in this area, promising the long-term competitive advantages of our company. ICL is a leading supplier of fertilizers in Europe and a major player in the specialty fertilizer market segments. As one of the world's most integrated manufacturers and suppliers of phosphate products, ICL has become one the leading global providers of pure phosphoric acid and a major specialty phosphate player. ICL's operations are divided into four business divisions: Industrial Products (Bromine); Potash; Phosphate Solutions; and Innovative Agro Solutions. ICL's major production activities are located in Israel, Europe, the US, South America and China, and are supported by major global marketing and logistics networks. ICL employs approximately 11,000 employees worldwide.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years
Reporting year	January 1, 2019	December 31, 2019	No

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Australia
Austria
Belgium
Brazil
China
France
Germany
Israel
Netherlands
Spain
Turkey
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CH0.7

(C-CH0.7) Which part of the chemicals value chain does your organization operate in?

Row 1

Bulk organic chemicals

Bulk inorganic chemicals

Fertilizers

Other chemicals

Specialty chemicals

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain

Board-level committee	ICL's Board of Directors (BOD) includes an Audit and Accounting Committee (one of six permanent board committees). Among else, the Audit and Accounting Committee has oversight over the ICL Global integrated ERM (Enterprise Risk Management) process, which includes (among else) environmental and climate-change related risks. The committee is reported annually on the ERM status and progress. More details on the ERM process appear below. For full details of the committee's responsibilities, see p. 172 in ICL annual financial (F20) report for 2019. Example: One of the risk discussed in recent years in the committee, is the risk of severe floods physically affecting some of ICL's production sites. Climate change is expected to increase the frequency of extreme weather events such as floods, and could therefore increase the chance of such incidents in the future. Some of ICL's Israeli plants are located in Sdom in the Dead Sea region, which was already impacted by severe flooding in 2004. These severe floods have caused property damages and loss of profits to the company. The committee has discussed this risk, including possible changes to its likelihood due to climate change. The committee has discussed and approved risk mitigation measures. Apart from implementing physical measures to deal with extreme weather conditions, ICL has acquired insurance to protect itself from exposure to such natural disasters.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	Reviewing and guiding risk management policies	The ICL Board's Audit and Accounting Committee has oversight over the ICL Global integrated ERM (Enterprise Risk Management) process, which includes environmental and climate-change related risks. The committee is reported annually on the ERM status and progress by the ICL Global Risk Manager, The ICL Global VP of EHS and ICL Global EVP Operations. When climate-change related risks are discussed, the committee receives overview on how climate change is related and/or increases the scope of the risk. For instance, when discussing ICL's potential risk regarding floods that could effect ICL production capacities (see details in risk chapter below)- the potential impact of climate change on the frequency and magnitude whether events is a part of the discussion.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify Global EVP Operations	Both assessing and managing climate-related risks and opportunities	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

ICL's Global EVP Operations also serves as commissioner for environment, safety, health, security and sustainability for the entire ICL Group. ICL considers climate change and GHG emissions to be a central part of sustainability and environmental management. Therefore, all Climate Change related activities and discussions and under the ICL Global EVP Operations oversight. The Global EVP Operations also has oversight of the ICL ERM (enterprise risk management) process, which includes (among else) climate change related risks. As detailed in section 2 below, Climate Change has the potential to create physical damage to ICL's operations (for example through severe flooding) and to disrupt upstream and/or downstream supply chains (for example through lowering of water levels in rivers used freight transport)- which is part of the responsibilities of the ICL Global EVP Operations. In addition, compliance with all environmental regulations in vital for ICL's ability to operate- and is under the Global EVP Operations oversight. These regulations include both existing carbon trading mandatory programs (such as the EU-ETS, which includes 3 ICL sites in Europe), and emerging such programs (such as the China GHG emission trading scheme, which could potentially include ICL sites in the future).
The ICL Global EVP Operations reports directly to the ICL President and CEO. ICL's VP of EHS (Environment, Health, Safety) reports directly to the Global EVP Operations. ICL's Global Sustainability Manager (GSM) reports directly to the global VP of EHS. The ICL GSM is in charge of (among else) of promoting and coordinating carbon reporting and reduction initiatives on both product and facility levels, and coordinating all climate-change related company activities including reduction efforts, renewable energy integration, risk analysis, R&D of sustainable solutions, sustainable procurement and others. As part of his responsibilities, the ICL GSM is charged with gathering, processing and consolidating GHG emission and carbon related data from all ICL operations, analysing and preparing it for the sake of CDP reporting and other voluntary reports, and for internal management. The ICL GSM brings this topics to discussion and decision with the ICL VP EHS (on a fluent basis) and with the ICL Global EVP

Operations (on a quarterly basis). Frequent discussed topics are GHG emissions trends and their reasons, the status of the reduction targets and initiatives, requests from customers for carbon footprint calculations for specific products, new climate-related actions expected by stakeholders, and others. The ICL Global EVP Operations reports to the ICL board on a quarterly basis on all EHS issues, including significant climate change related issues. once annually the Board Audit and Accounting committee is reported on ERM status by the ICL Global EVP Operations, including any significant climate-change related risks.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Other C-Suite Officer	Monetary reward	Emissions reduction target Energy reduction target Supply chain engagement Company performance against a climate-related sustainability index	The C-suite officer: ICL's Global EVP Operations. In recent years, ICL has implemented new personalized performance management processes based on induvial KPIs, goals and performance evaluation. In most cases, annual monetary rewards (bonuses) are dependent on these performance evaluation processes. The KPIs and goals are dependent on each employee/manger specific roles and are cascaded upwards to their managers. The ICL Global EVP Operations serves (among else) as commissioner for environment and sustainability for the entire ICL Group. Therefore, his personal KPI include (among else) ICL's GHG and Energy reduction targets; ICL's sustainable procurement targets in terms of engaging with suppliers on all sustainability issues- including GHG reduction and climate change; and ICL's rankings in several different sustainability indexes, including CDP Carbon. There KPIs are also cascaded to

			relevant personnel reporting to the ICL Global EVP Operations, such as ICL's Global VP EHS, ICL's Global VP Energy and ICL's Global sustainability manager. In conclusion- the annual monetary rewards of the ICL Global EVP Operations and other relevant managers are dependant (among else) on all these climate change related aspects.
Management group	Non-monetary reward	Energy reduction project	1) EHS managers and other data owners throughout ICL's Global organisation receive management recognition for the on-time supply of data for needed for sustainability reporting and GHG calculations. 2) ICL subsidiaries and sites that succeed in reducing their GHG emissions from previous years (whether in terms of absolute quantities or as a percentage of production) are recognised in the Company's annual and sustainability reports and as part of company internal communications.
Chief Procurement Officer (CPO)	Monetary reward	Supply chain engagement	In late 2018, ICL has joined Together for Sustainability (TfS), a sustainable procurement initiative of the global chemical industry. TfS is a joint initiative of 23 global chemical companies founded in 2011. Its goal is to drive and foster resilience, efficiency, and sustainability of global supply chains in the chemical industry. It has developed and implemented a global program to assess, audit and improve sustainability practices within the supply chains of the chemical industry. With thousands of suppliers assessed and audited through the TFS initiative, and many of them showing improvement over time, TfS member companies are effectively promoting a better world. The Assessments conducted for ICL suppliers (and other TFS members) are done through Ecovadis- a global leader in the ranking sustainable practices of suppliers. The Ecovadis assessments includes hundreds of questions and sub-items on all sustainability issues, including climate change. The climate change related questions for suppliers ask them to report annual GHG emissions, carbon intensity of products, energy consumption and intensity, and other related data. ICL receives structured access to this data for each responding supplier. The ICL Chief Procurement officer, the program leaders within the ICL global procurement organization, have KPIs related to the TFS program (currently- based on the amount of valid Ecovadis assessments obtained following the supplier engagement). Annual monetary rewards (bonuses) are dependent, among else, on these KPIs.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	3	
Medium-term	3	10	
Long-term	10		

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

As part of the ERM process- a substantive financial impact on a global ICL corporate level is considered for a risk (climate-change related or not) with a potential financial impact for the overall corporate which is greater than 60 Million USD. However- a risk can be considered significant for a specific ICL business unit (BU) or site with a lower potential financial impact as well. Also- the risk impact can be considered significant on a global ICL level even with a lower potential impact, pending on significant potential influence in terms of safety, environmental or other forms of compliance, business continuity or reputation.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

ICL has established an Enterprise Risk Management (ERM) cycled program which aims at mitigating existing risks and identification of new risks, including climate related regulatory and physical risks and others. The ERM program is under the responsibility and supervision of the ICL Global EVP Operations who is also the corporate CRO and the commissioner for all EHS issues. The CRO is accountable for implementing the overall Risk Management policy in the group, on behalf of ICL's CEO and reports to the Board of Directors on a periodical basis. The asset/sub-company/business unit level risks are identified, then aggregated to the organizational (ICL group) level, and ranked by materiality to the entire organization. Risks reduction is accomplished through an organized periodical cyclic process which includes several phases: Identification of the risks; Mapping and measurement of the risks; Risk Management; Risk mitigation monitoring and control.
Each business unit has identified several climate related risks within these categories and established a diverse working team (including mid-level management and operational personnel and managed by a senior manager) to analyse the risk exposure and develop a mitigation plan. The working teams update this analysis on a quarterly basis, and the progression of mitigation programs is constantly monitored, reported to ICL's management on a semi-annual basis and to the board of directors on an annual basis. As mentioned above, one of the cyclic phases of the Enterprise Risk Management (ERM) program is the Mapping and measurement of the risks identified. Is this phase, all risks (including

Climate change related) are ranked and evaluated by Impact and Likelihood. ICL has developed a unified approach to evaluate and prioritize these risks. A matrix of impact and likelihood had been developed according to the specific characteristics of the company. The Impact of the risks is evaluated according to potential damage to the company's profitability, reputation or compliance. Each level is tailored by numbers or qualitative description. The likelihood is evaluated according to frequency or probability. This ranking is conducted by the working teams of each business unit and the entire organization, and reported to ICL's management on a semi-annual basis and to the board of directors on an annual basis.

A substantive financial impact on a global ICL corporate level is considered for a risk (climate related or not) with a potential financial impact which is greater than 60 Million USD. However- a risk can be considered significant for a specific ICL business unit (BU) or site with a lower potential financial impact as well. Also- the risk impact can be considered significant on a global ICL level even with a lower potential impact, pending on significant potential influence in terms of safety, environmental or other forms of compliance, business continuity or reputation.
Each identified risk (including, among else, climate change related risks) is ranked for both likelihood and impact according to 5 predefined scales (1-5). The impact evaluated in four major categories: financial, operational, compliance and social license to operate, and the risk impact level (1-5) is determined according to the highest potential impact among these four categories. The likelihood (1-5) is evaluated according to frequency or probability. The calculated likelihood and impact are multiplied, providing a Magnitude value in the range of 1-25. The magnitude value determined the level of management involved: Tier 1 risks (Magnitude>10) are managed (owned) by an ICL GEC (executive management) member. Tier 2 risks (Magnitude= 4-10) are managed (owned) on a by a member of the relevant division management. Tier 3 risks (<4) are managed (owned) by a management member of the local relevant ICL site/subsidiary. For each risk identified in the ERM process and in need of management, a mitigation plan is developed, and progress is reported periodically to the relevant management level (according to the Tier). The mitigation plan includes assigned resources & identified specific responsible personnel for implementation, and monitoring of timelines for completion & mitigation measurements. Reports from risk owners contain updates on the risk's exposure and status of mitigation actions performed to date.
Business Opportunities (including climate related) are usually identified, managed and monitored by business development managers and/or R&D personnel in ICL's different business units and global functions. These personnel search for business opportunities- with emphasis on those related to the current company strategy.
For the climate-related physical risk of severe floods: Some of ICL's Israeli plants are located in Sdom in the Dead Sea region. In 2004, severe flooding in the area caused property damages and loss of profits. Climate change is expected to increase the frequency of extreme weather events such as floods, and could therefore increase the chance of such incidents in the future. The risk was identified. The levels of likelihood and impact were discussed and determined, and the multiple of them determined the risk as a Tier 1 class, managed by the ICL GEC (Executive management). A mitigation plan was formalized, and includes specific physical measures and barriers, and an annually renewed

special insurance.
For the climate-related transitional opportunity of growing consumer preference to environmental/climate friendly products- the opportunity was identified, reported and discussed by marketing teams in direct contact with consumers, the sustainability division and the relevant divisions managements. For instance, In 2012, ICL introduced a new multi-nutrient fertilizer, Polysulphate, which is available to plants in its natural state and has a low environmental impact. Polysulphate requires no processing and creates no waste products. The mineral is mined, crushed, screened and bagged with no chemical intervention or process. It was therefore likely that Polysulphate has a low carbon footprint fertilizer and could help farmers reach industry or national carbon targets. The opportunity to increase the usage and sales of Polysulphate due to the changes in consumer preference patterns as identified, discussed, and the decided action plan was to conduct a full carbon footprint analysis for the product. The analysis was conducted by a specialist LCA consultancy in 2018, and the calculated global warming potential value for Polysulphate (0.06 kg CO2e per kg of product) was found to be the lowest out of a group of leading comparable products. This research work provides reliable evidence, that can help ICL use this identified opportunity.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Complying with all current and future regulation is key to our ability to operate as an industrial company. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process. Local teams consult with local regulatory experts and/or databases in the different area of ICL's operations, consider the potential risks of local current regulations and the possibility of non-compliance, and evaluate the risk (and later manager it). Climate Change relevant example: The EU-ETS carbon trade program which includes three of ICL Europe's sites (ICL Iberia Suria and Sallent, and ICL UK Boulby). Until now, these sites were allocated enough EUA emission credits to usually avoid the need for purchasing external EUA's. However, it is still unclear how much EU A's will be freely allocated to both sites in phase 4 of the EU-ETS. In addition, following the Brexit process in the U.K., a local replacement trading scheme is currently in formation, with related uncertainties on amounts of free allocation and targeted reductions. The overall potential impact

		could be a need to purchase external EUA credits, if freely allocated EUA's are insufficient. However, the financial magnitude is not considered significant in global ICL terms.
Emerging regulation	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Complying with all current and future regulation is key to our ability to operate as an industrial company. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process. Local teams consult with local regulatory experts and/or databases in the different area of ICL's operations, consider the potential risks of local emerging regulations and the possibility of non-compliance, and evaluate the risk (and later manager it). Climate Change relevant example: China's emission trading scheme. Since late 2015, ICL operates a large joint venture in China, ICL YPH. This joint venture (which is under ICL's operational control), mines phosphates and produces phosphoric acids and fertilizers in the Yunnan in China. YPH is one of ICL's largest production sites and produced significant GHG emissions (Directly and Indirectly). For now, the Chinese national emission trading scheme (that started in 2017) does not include the business sector relevant to this site. However- the plan could potentially expand to additional business sectors in the future, and the company therefore considers this possibility as part of it risk management process. The potential impact could be a need to purchase external carbon credits through this program and/or finding possible emissions reductions engines for the site. However, the financial magnitude is not considered significant in global ICL terms.
Technology	Not relevant, included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Technological improvements or innovations can in some cases create change in consumption patters and potentially reduce the demand to some of ICL highly diverse product mix. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process. All ICL Divisions have Technology and R&D experts (in their relevant business fields), which are aware of new upcoming technologies and alert the risk assessment teams of any such that could affect ICL's businesses. However, to date, no known new technology related to low-carbon or energy-efficiency was found to possess a risk to any ICL product. In Contrast- ICL produces some fertilizers that are better adapted to a low-carbon economy, such as Polysulphate and Controlled release fertilizers (see details on these products below). ICL also is engaged in a pilot process to create Bromine-based advanced batteries designed for renewable energy storage. Therefore, the organization sees this aspect as a business opportunity, and there are no currently identified relevant Technology risks related to climate change.
Legal	Not relevant, included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Complying with all current and future regulation is key to ICL's ability to operate as an industrial

		company. Concessions, licenses and permits granted to ICL by the respective governments in the countries where it operates is material to the company operations, especially since the Internal ICL value chain starts in several mining and mineral extraction sites, in Israel, Spain, U.K and China. Litigation regarding environmental issues could potentially impact ICL's ability to operate in any of these sites. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process. Local EHS managers and community engagement managers inform the risk assessment teams on any local possible legal issues involving local regulators, communities, NGO's and etc. However, to date, no climate-related litigation was found to possess a risk to any ICL's operations, as any existing environmentally-related litigation to date revolved on other environmental issues and none directly related to climate-change. So this risk is currently not relevant.
Market	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Continues adaption to all changes in global markets is material to our ability to hold and/or attain market leadership. ICL considers market changes and shifts in demand for its products as part of its risk analysis. The market analysts try to locate these patters rapidly, and marketing personal who are in contact with the customers also try to identify changes to their consumption patters. Both the analysts and marketing personal alert the risk assessment teams which take it into consideration in the risk assessment process. Climate Change relevant example: ICL is a major producer of fertilizers for the global agricultural industry. The agricultural industry is influenced by local weather conditions. Storms, long periods of drought, floods and extreme temperature change can affect crop quality and quantity, resulting potentially in decreased fertilizer usage and loss of sales. In fact, one of the main effects of climate change is expected to be an increased frequency of extreme weather events, such as harsher and/or longer droughts, which also leads to crop loss. If a country experiences a dramatic change in crop characteristics or output, the government could activate a mitigation plan by increasing the subsidy offered to local producers and farmers. Therefore- ICL's risk assessment takes into consideration these changing patters, especially in regions where ICL is a significant fertilizer supplier. It is difficult to predict the effect that this might have on ICL sales and revenues. If demand for fertilizers drops, ICL might be forced to reduce its prices, thereby reducing its profits, or otherwise lose some sales. However, a drought in one country could lead to increased fertilizer demand in another country which becomes its supplier, leading to increased profits for ICL in the supplier country. As such, this aspect of climate change could represent both a risk and an opportunity for ICL.

Reputation	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Reputation is key to ICL's public "license to operate"- which is vital to any company, especially those involved in mining operations and chemical products. As the awareness of stakeholders to sustainability increases, ICL is receiving more and more requests for sustainability data and/or assessments from customers, and is ranked in an ever growing number of investor ESG rankings. All these ranking and assessments take into consideration climate change and GHG emission performance as part of the scoring (with the CDP being a prominent example of course). The Marketing and Investor relations alert the ERM programs managers on these requests. The potential risk arises from potentially receiving low scores in any of these sustainability rankings, and the potential negative impact it could have on customer satisfaction (and therefore scope of sales) and/or investors motivation to invest in ICL. However, the risk is considered very unlikely currently, as ICL has been receiving good to excellent scores in different assessments and rankings such as CDP, Bloomberg ESG, FTSE ESG, Ecovadis, Maala, and others.
Acute physical	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Acute and/or Chronic physical risks to our installations could potentially reduce ICL's production capacities. Climate change is expected to increase the frequency of extreme weather events such as floods, and could therefore increase the chance of such incidents in the future. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process- especially in sites which are located in or close to likely flood areas. The teams assess the likelihood of such weather events and the possible magnitude of impact. For example, some of ICL’s Israeli plants are located in Sdom in the Dead Sea region. In 2004, severe flooding in the area caused property damages and loss of profits. Apart from implementing physical measures to deal with extreme weather conditions, ICL has acquired insurance to protect itself from exposure to such natural disasters.
Chronic physical	Relevant, always included	This risk type (and all others on this list) are considered relevant to ICL, as a large, multi-national fertilizer and specialty chemical producer. Acute and/or Chronic physical risks to our installations could potentially reduce our production capacities. Therefore, all risk assessment teams are directed to take it into consideration in the risk assessment process and advise with local internal and external experts on these matters. A climate change related potential risk is rising sea levels that could damage several of ICL sites which are in proximity of the ocean. For now, the conclusion of the ICL ERM process was that this risk is very unlikely in the upcoming years for the specific locations of ICL sites.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Company-specific description

China's emission trading scheme: Since late 2015, ICL operates a large joint venture in China, ICL YPH. This joint venture (which is under ICL's operational control), mines phosphates and produces phosphoric acids and fertilizers in the Yunnan in China. YPH is one of ICL's largest production sites and produced significant GHG emissions (Directly and Indirectly). Most GHG emissions at YPH are generated from its large phosphate and fertilizers plant, 3C, and are attributed to external electricity consumption, process CO2 emissions from phosphate rock acidulation and coal combustion. YPH's combined emissions account for approximately 15% of the ICL global GHG emissions. For now, the

Chinese national emission trading scheme (that started in 2017) does not include the business sector relevant to ICL YPH, and the site is excluded from the program. However- the plan could potentially expand to additional business sectors in the future, including YPH, and therefore this is considered a risk for ICL. The potential impact could be extra operational costs for YPH, through a need to purchase external carbon credits through this program and/or finding possible emissions reductions engines for the site. However, the financial magnitude is not considered significant in global ICL terms.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

500,000

Potential financial impact figure – maximum (currency)

2,000,000

Explanation of financial impact figure

The reported financial impact is the potential need to purchase emission credits for ICL YPH, in case it will be included in the Chinese emission trading program, and would be allocated sufficiently free credits and/or not manage to reduce it's emissions otherwise. The impact range calculated is based on current GHG emissions in YPH, and current known average carbon prices from global carbon trading schemes. As a

general assumption- we assumed a potential need to purchase carbon credits that would account to 5%-20% of the site's current annual emissions.

Cost of response to risk

1,000,000

Description of response and explanation of cost calculation

ICL monitors the progress of the Chinese national emissions trading program and consults with carbon trading experts to assess the possibility of the program to include YPH in the future. In the meantime, the company is also attempting to reduce the site's GHG emissions. A project to convert ICL YPH 3C from coal combustion to natural gas was considered- but not regional source for natural gas was found, to date. No potential renewable electricity sources were found in the region. However, YPH 3C did participate recently in ICL's global energy saving program, and the site has initiated local savings initiatives to reduce energy consumptions, such as optimizing the control and use of equipment used in production processes, increasing the efficiency in the production steam, and others .

The costs of management are related to the costs of the ACE energy efficiency plan and the CAPEX investment in savings projects. ICL has invested since 2013 a total of approximately of 38 Million USD in the program (receiving a much greater return in savings). Since YPH is only a recent addition to the program, we estimated that 2.5-3% of these costs can be allocated to YPH (~1 Million USD). Actual costs can vary.

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market

Other, please specify

Reduced revenues from lower sales/output

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

ICL is a major producer of fertilizers for the global agricultural industry. The agricultural industry is influenced by local weather conditions. Storms, long periods of drought, floods and extreme temperature change can affect crop quality and quantity, resulting potentially in decreased fertilizer usage and loss of sales. In fact, one of the main effects of climate change is expected to be an increased frequency of extreme weather events, such as harsher and/or longer droughts, which also leads to crop loss, significant problems with engaging in agriculture in certain regions- and therefore potentially a reduced demand for fertilizers. For instance, in 2019, 31% of the ICL revenues from Potash sales (470 Million USD) were from sales to Asia- mainly China and India. Several regions in both these great countries suffer from droughts or for floods periodically.

It is difficult to predict the effect that this might have on ICL sales and revenues. If demand for fertilizers drops, ICL might be forced to reduce its prices, thereby reducing its profits, or otherwise lose some sales. However, a drought in one country could lead to increased fertilizer demand in another country which becomes its supplier, leading to increased profits for ICL in the supplier country. As such, this aspect of climate change could represent both a risk and an opportunity for ICL.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,500,000

Potential financial impact figure – maximum (currency)

10,000,000

Explanation of financial impact figure

Potential implications of the risk are losses of revenues from fertilizers sales in the specific regions affected by the droughts. Using the same example of potential droughts and/or floods in China and/or India, a 0.5-2% drop in Potash sales to these countries could result in a 2.5-10 Million USD loss of revenues. Actual losses in sales could vary significantly and would depend on the location and magnitude of the droughts/floods, current Potash prices and etc. However, since ICL has a well-diversified portfolio of global customers, it is highly unlikely that any specific cases of droughts would significantly affect the company's revenues.

Cost of response to risk

0

Description of response and explanation of cost calculation

ICL's diverse range of customers around the world greatly reduces the chances of being impacted by this risk and the magnitude of this risk. For instance- even if potential droughts and/or floods would affect fertilizer demand in China and/or India, ICL also sells significant amounts of Potash to South and North America, and to Europe. In order to mitigate this risk, ICL continues to explore new markets for its fertilizers (and other products) in order to reduce the company's exposure to specific markets. There are no significant costs associated with managing this risk specifically. The relevant marketing costs are included in the overall ICL total selling and marketing costs (including shipping), which were approx. $767 Million at 2019, but are not considered a significant part in these costs .

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

Some of ICL’s Israeli plants are located in Sdom in the Dead Sea region, where ICL produced Potash, Bromine, Magnesium and other products. In 2004, severe flooding in the area caused property damages and loss of profits. Climate change is expected to increase the frequency of extreme weather events such as floods,and could therefore increase the chance of such incidents in the future. Floods of regular strength occur in this region periodically without affecting ICL's production activities in any significant matter. However, Flash floods of extreme severity (as in 2004) could potentially cause property damage again, and a possible temporary shut-down of production facilities (depending on where they impact). These shut-downs could potentially hamper ICL Dead Sea's ability to supply these products (Potash, Bromine, Magnesium) to both external customers and other ICL sites using them as raw materials.

Time horizon

Long-term

Likelihood

Unlikely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

10,000,000

Potential financial impact figure – maximum (currency)

20,000,000

Explanation of financial impact figure

Potential implications of the risk are the physical damage that could be inflicted to ICL's facilities in the case of floods, and the loss of revenue caused by a lowered production. The largest revenues to ICL among the ICL Dead Sea products are from Potash sales. The total ICL revenues from Potash sales (from all production locations) were 1,494 Million USD in 2019. A possible Loss of 0.5%-1.5% of these revenues due to damages and lowered production could result in approximately 10-20 Million USD of lost income. Actual losses could vary significantly and would depend on the magnitude of the actual damage, current Potash prices and etc

Cost of response to risk

25,000,000

Description of response and explanation of cost calculation

ICL has been implementing physical measures to deal with extreme flooding scenarios. Among else, the company is diverting the course of the section of the Arava creek which is in close proximity to the ICL Dead Sea sites (in coordination and approval and all relevant authorities). This project is a shared venture with other companies in this region which are potentially affected by these extreme floods. The part of the project cost which is currently accounted for by ICL is approximately 25 Million USD. The diversion project does not affect the likelihood of floods, but greatly reduces the magnitude of potential damage to ICL.

In addition, ICL has acquired insurance to protect itself from exposure to such natural disasters as floods (but also other natural disasters, some of which unrelated to climate change, such as earthquakes). This insurance is currently expected to be renewed annually, hence mitigating this risk for a long-lasting timeframe.

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Markets

Primary climate-related opportunity driver

Other, please specify

Increased demand for existing products

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

ICL is a major producer of fertilizers for the global agricultural industry. The agricultural industry is influenced by local weather conditions. Storms, long periods of drought, floods and extreme temperature change can affect crop quality and quantity, resulting potentially in decreased

fertilizer usage and loss of sales. In fact, one of the main effects of climate change is expected to be an increased frequency of extreme weather events, such as harsher and/or longer droughts, which also leads to crop loss and significant problems with engaging in agriculture in certain regions. However, this aspect of climate change could represent both a risk and an opportunity for ICL. The opportunity arises from the option that a drought in one country could lead to increased fertilizer demand in another country which could act to quickly increase the yield of a certain crop, to replace the global supply of that crop from the affected region. This would lead to a sharp increased demand to fertilizers in that country/region. If ICL is an established supplier in that country, there could be a significant increase in sales and revenues of fertilizers to that country.
For instance, in 2019, 22% of the ICL revenues from Potash sales (327 Million USD) were from sales to South America- mainly Brazil. If other regions (for example: China and/or India) would suffer from floods and/or droughts, Brazilian farmers could act to increase yield of certain crops, which could potentially lead to increase revenues for ICL from Potash sales.

Time horizon

Long-term

Likelihood

About as likely as not

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

2,000,000

Potential financial impact figure – maximum (currency)

7,000,000

Explanation of financial impact figure

Strategy to Potential financial implications of this opportunity are the additional revenues from sales of fertilizers to the specific regions as a result of the change in climate patterns. These financial implications are very much dependent on the type of products and markets involved. For instance, in 2019, 22% of the ICL revenues from Potash sales (327 Million USD) were from sales to South America- mainly Brazil. If other regions (for example: China and/or India) would suffer from floods and/or droughts, Brazilian farmers could act to increase yield of certain crops, which could potentially lead to increase revenues for ICL from Potash sales. If Potash sales to South America would increase in 0.5%-2%, the resulting added revenues for ICL would be 2-7 Million USD.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

ICL continues to explore new markets for its fertilizers (and other products) in order to increase the company's range of customers. For instance, ICL carries out information campaigns by the Company’s agronomists in developing countries including India, Bangladesh, Sri Lanka, China, the Philippines, Brazil and Mozambique. The agronomists contact local farmers and farmer organizations, set up thousands of demonstration plots, exhibiting the benefits of correct and balanced fertilization- using Potash, Polysulphate or other ICL fertilizers . Through these efforts, ICL diversifies its market regions. Among other benefits- this positions the company better to seize opportunities for spikes in fertilizer demand due to reasons such as described in this risk. For instance- if potential droughts and/or floods would affect agriculture in China and/or India, and certain areas in Brazil would increase their crop production and fertilizer consumption, ICL could use this opportunity if it is an established supplier in that region in Brasil. There are no significant costs associated with managing this opportunity specifically. The relevant marketing and agronomic demonstration costs are included in the company's total selling and marketing costs (including shipping), which were approx. $767 Million at 2019, but are not considered a significant part in these costs.

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Shift in consumer preferences

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As awareness of climate change increases, consumers are pressing governments and companies to take preventative action. This trend has been increasing since the COP 21 global climate agreement, in December 2015. ICL has experienced growing demand from its clients to provide Carbon Footprint (CFP) calculations for its products. Products which will not have a reliable calculated CFP, could suffer from a competitive disadvantage compared to more climate change-oriented competitors.

In 2012, ICL introduced a new multi-nutrient fertilizer, Polysulphate, which is available to plants in its natural state and has a low environmental impact. Polysulphate requires no processing and creates no waste products. The mineral is mined, crushed, screened and bagged with no chemical intervention or process. It was therefore likely that Polysulphate has a low carbon footprint fertilizer and could help farmers reach industry or national carbon targets. Customers have been increasingly interested in the specific carbon footprint value for Polysulphate. The opportunity to increase the usage and sales of Polysulphate due to the changes in consumer preference patterns was identified, discussed, and the decided action plan was to conduct a full carbon footprint analysis for the product. The analysis was conducted by a specialist LCA consultancy in 2018, and the calculated global warming potential value for Polysulphate (0.06 kg CO2e per kg of product) was found to be the lowest out of a group of leading comparable products. This research work provides reliable evidence, that can help ICL use this identified opportunity.

ICL is currently in the process to conducting updated carbon footprint research for several additional leading fertilizers that the company markets. The company hopes and believes that at least some of these fertilizers will prove to have a similar competitive advantage in terms of carbon intensity.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1,000,000

Potential financial impact figure – maximum (currency)

2,000,000

Explanation of financial impact figure

Potential implications are increased sales, due to consumers preference to products with a lower, reliable CFP value. In this example- the excellent carbon footprint value found for Polysulphate could potentially increase its sales. In 2019, the total sales of the ICL Potash segment (which includes Polysulphate, among else) were $1,623 million. If the low carbon footprint would help to increase the segment sales by 0.01%-0.02%, the result would be increased revenues of approximately 1-2 million USD annually.

Cost to realize opportunity

10,000

Strategy to realize opportunity and explanation of cost calculation

The opportunity to increase the usage and sales of Polysulphate due to the changes in consumer preference patterns was identified, discussed, and the decided action plan was to conduct a full carbon footprint analysis for the product. The analysis was conducted by a specialist LCA consultancy in 2018, and the calculated global warming potential value for Polysulphate (0.06 kg CO2e per kg of product) was found to be the

lowest out of a group of leading comparable products. This research work provides reliable evidence, that can help ICL use this identified opportunity. The results of the research were publicized through marketing materials, company publications, social media and etc. The cost associated was the cost of the research itself+ the publication efforts. These can be combined together to approximately 10,000 USD, until now.

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Company-specific description

Consumer awareness to climate change is on the rise in all business segment, including agriculture. Agriculture is a core business for ICL, and the overall revenues from all fertilizer types form the majority of the total ICL revenues in 2019. One of the main agricultural-related sources of GHG emission is N2O emitted from fertilizers in the use phase- due to unused nutrient nitrogen evaporating to the air. In the last decade, ICL has significantly expanded it's specialty fertilizers business- purchasing production sites and developing new, advanced and more environment-friendly fertilizers. One of the main groups of specialty fertilizers in ICL is CRF- controlled release fertilizers. These fertilizers have many environmental benefits, as they highly increase the % of nutrient uptake by the plants from those applied in the field/potted plant/turf. Among the negative effects minimized- is the N2O emission (one of the GHGs).

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

5,000,000

Potential financial impact figure – maximum (currency)

15,000,000

Explanation of financial impact figure

Potential financial implications of this opportunity are the additional revenues from sales of specialty fertilizers to the customers who have/will have preference to them. These financial implications are very much dependent on the type of products and markets involved. For instance, In 2019 the sales of ICL's Innovative Ag Solutions division (which mainly markets ICL's specialty fertilizers), totalled to $717 million. A potential 0.5%-1.5% increase in the sales of specialty fertilizers due to increased customer preference to non-N2O intensive fertilizers, would result in an added income of approximately 4-10 million dollars.

Cost to realize opportunity

11,000,000

Strategy to realize opportunity and explanation of cost calculation

After already purchasing several specialty production companies and sites, ICL strategy is to continue and enhance its specialty fertilizers portfolio, including- among else- improvements that could even enhance the N2O reduction in the fertilizer use phase. Among else, this could be accomplished by combining the fertilizer use with digital measures. These costs are part of the R&D activities conducted by the ICL Innovative Ag Solutions division. The R&D activities are focused, among else, on the initiation and development of new technologies that would even further increase nutrient use efficiency- reducing N2O emissions (among other benefits). The total cost of R&D for this division in 2019 was approximately 10 Million USD.

Comment

Costs detailed in this chapter as estimates based on available data and reasonable assumptions. Actual costs can vary.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

As described above in chapter 2 & 3 of this report, Climate Change has been significantly embedded in ICL's strategy, risk and opportunity analysis and sustainable practices. We do not currently find climate-change scenarios do to have any further benefit to these processes. We currently find that the business strategy is well informed of needed adaptations due to climate change even without conducting climate-change scenario analysis.
The decisions described above such as transitioning to natural gas, integrating renewable energy or investing in emission-reducing fertilizers, were made (among else) due to the awareness of climate change and stakeholder expectation, without a need for a climate-change scenario analysis.

Our management and sustainability department must prioritise all possible initiatives, reporting frameworks and requests from our numerous stakeholders according to all sustainability aspects: Environment, Safety, Fair and Diverse employment, Ethics, Sustainable Products and procurement, Community Contribution etc. ICL's sustainability department conducts an annual gap analysis based on several sustainability reporting frameworks and indexes such as CDP, Ecovadis, Maala, Bloomberg ESG, FTSE ESG and others. The goal of the gap analysis is to conduct cost-effective sustainability initiatives, that would answer the widest expectations of multiple stakeholders. The results of the gap analysis has so far not found climate-related scenarios to be cost-effective, as we are not currently aware of significant interest in these scenarios by other stakeholders besides the CDP. Therefore, we currently don’t expect to use climate change scenario analysis in either the upcoming two years or after them. This decision could possibly change in the future, if more stakeholders are interested in these scenarios.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	The growing demand for more environmentally friendly fertilizers- including those that would minimize N2O emission in use phase and therefore would reduce GHG emissions- has influenced ICL's strategy, urging to seize the opportunity and invest in purchasing new sites/companies/technologies for specialty advanced fertilizers. The company sees this as an important strategic direction, and searches for business collaborations with downstream consumers (such as major food companies), which have committed to significant GHG reduction goals. ICL sees this opportunity as a chance for increase demand to it's more environmental-friendly fertilizers, including in carbon impact terms. The company expects the timeframe of this strategic direction to be long-term (over 10 years). In the last decade, ICL has made the significant business decision to expand it's specialty fertilizers business, including a significant investment in CRFs- controlled release fertilizers. These fertilizers have many environmental benefits, as they highly increase the % of nutrient uptake by the plants from those applied in the field/potted plant/turf. Among the negative effects minimized- is the N2O emission (one of the GHGs). Also, in 2012, ICL introduced a new multi-nutrient fertilizer, Polysulphate, which is available to

		plants in its natural state and has a low environmental impact. Polysulphate requires no processing and creates no waste products. The mineral is mined, crushed, screened and bagged with no chemical intervention or process. Customers have been increasingly interested in the specific carbon footprint value for Polysulphate. The opportunity to increase the usage and sales of Polysulphate due to the changes in consumer preference patterns was identified, discussed, and the decided action plan was to conduct a full carbon footprint analysis for the product. The calculated GWP value for Polysulphate (0.06 kg CO2e per kg of product) was found to be the lowest out of a group of leading comparable products. In 2019, ICL has decided to expand renewed carbon footprint analysis work to several additional key fertilizers, to meet growing customer demand for carbon footprint values and search for additional competitive advantages in carbon intensity compared to competing fertilizers.
Supply chain and/or value chain	Yes	Any disruptions to the supply of needed raw materials to our sites (upstream) or to ICL's ability to transport products to its global customers (downstream) could affect the company business. Such disruptions can be related to climate change. For instance, ICL operates a production site on the bank of the Rhine river in Germany. Freight boats carry Phosphate rocks into the site (Upstream) and carry produced phosphate fertilizers to customers (Downstream). However, in dry seasons and years, the river level could be lowered to a point not allowing these freight boats to transport the raw materials/products, and climate change increases the potential frequency of such dry periods. The impact on the business is the added cost of transporting these raw materials/products via road, in fright trucks, in the dry seasons and years. The company expects the timeframe of this risk to be long-term (over 10 years), with the growing physical impact of climate change. The strategic decision taken is to search and identify any additional climate-change related disruption to the transportation for raw materials/products, and to diversity it's means of transportation- to assure the continuity of production and product supply to our customers.
Investment in R&D	Yes	The growing demand for a reduced climate impact (and general environmental impact) for fertilizers and food production - has influenced ICL's strategy, urging the company to invest in both purchasing new sites/companies/technologies for specialty advance fertilizers, and also to invest significant resources and personnel to researching possible advances in such fertilizers. The company expects the timeframe of this strategic direction to be long-term (over 10 years). Among else, this could be accomplished by combining the fertilizer use with digital measures. The impact

		is focusing a significant part of the R&D activities conducted by the ICL Innovative Ag Solutions segment om these efforts. A case study of a significant decision impacted by this opportunity: In 2019, ICL has purchased 'Growers', a software platform that connects farmers and their advisors to the rest of the agriculture ecosystem. The acquisition of 'Growers' expands and strengthens ICL's offering of agro-digital services and its capability to develop innovative solutions to generate higher agricultural yields and more efficient and sustainable agricultural practices, reducing several environmental impacts- including climate change- attempting to meet the growing customer expectation in this area.
Operations	Yes	The growing global pressure to reduce oil-based fuels consumption and reduce related GHG emissions, has brought forward the related risk of new and/or enhanced carbon taxes, usually focusing on fossil fuel combustion activities. The company expects the timeframe of this risk to be long-term (over 10 years). This risk has been impacting ICL's energy strategy. It was one the reasons for ICL's decision for conducting a major transition, in the last decade, to natural gas dependency (replacing fuel oil and diesel) in almost all ICL Israel production installations (in addition to economic advantages). A more recent strategic decision impacted by this risk was taken by ICL in 2019, to start a gradual transition towards renewable energy. The company the decided to annually increase its total renewable consumption by 20% (year-on-year), increasingly replacing fossil-fuel based energy. During 2019, ICL began this transition, by purchasing renewable Guarantees of Origin (GoO) derived from renewable energy sources for 100% of the electricity needs of several ICL sites in the Netherlands, Germany, Belgium, Austria and Brazil. As of January 2020, ICL's production sites in Spain have also switched to purchasing 100% renewable electricity. In parallel, ICL has begun a widescale initiative to install photovoltaic (solar energy) electricity production capacity in available and appropriate areas within the operational boundaries of it’s sites in Israel, Spain, Germany and additional countries.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Direct costs Access to capital Liabilities	The risk of existing climate-related regulation is impacting ICL's financial planning. The EU-ETS carbon trade program includes three of ICL Europe's sites (ICL Iberia Suria and Sallent, and ICL UK Boulby). Until now, these two sites were allocated enough EUA emission credits to usually avoid the need for purchasing external EUA's. However, it is still unclear how much EUA's will be freely allocated to these sites in phase 4 of the EU-ETS. In addition, following the Brexit process in the U.K., a local replacement trading scheme is currently in formation, with related uncertainties on amounts of free allocation and targeted reductions. The potential impact could be a need to purchase external EUA credits, if freely allocated EUA's are insufficient (a scenario which is currently considered about as-likely-as-not). This is factored into ICL's financial planning, and ICL is considering if and when to purchase EUA credits to deal with the possible future lack of emission credits to meet the sites regulated emissions. However, the financial magnitude is considered low in global ICL terms. ICL considers the timeframe of this financial planning to be of long-term (over 10 years), as these carbon trading schemes are expected currently to continue for the upcoming decades. Also, climate-related opportunities for increased access to capital are impacting ICL's financial planning. As the awareness of stakeholders to sustainability increases, ICL is receiving more and more requests for sustainability data and is ranked in an ever growing number of investor ESG rankings. All these ranking and data requests take into consideration climate change and GHG emission performance as part of the scoring (with the CDP being a prominent example of course).This forms a potential risk arises from potentially receiving low scores in any of these sustainability rankings, and the potential negative impact it could have on investors motivation to invest in ICL. However, This is also an opportunity, and in practice- ICL has been receiving good to excellent scores in different assessments and rankings such as CDP, Ecovadis, Maala, Bloomberg ESG and others. The higher rankings could potentially increase investments in ICL, thereby increasing the company's access to capital. Such increased capital will be included in the financial planning. So far, ICL has not identified a specific investment which was prominently caused by an increase in any specific ESG/Sustainability ranking. However, the company generally recognises a growing interest of diverse investors in these rankings and generally in sustainability aspects. ICL considers the timeframe of this financial planning to be of long-term (over 10 years).

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2013

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (market-based) +3 (upstream & downstream)

Base year

2008

Covered emissions in base year (metric tons CO2e)

4,207,122

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

45

Covered emissions in target year (metric tons CO2e) [auto-calculated]

2,313,917.1

Covered emissions in reporting year (metric tons CO2e)

3,194,309

% of target achieved [auto-calculated]

53.4972733274

Target status in reporting year

Revised

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

In 2013 we have determined our reduction target, aiming for a 25% reduction from the 2008 base emissions until 2020. However, this target was revised in 2019, as part of ICL's new sustainability vision for 2030. One of the goals included in this ambitious vision is the 3% year-on-year

reduction for total GHG emission (Scope 1+2+3) from 2019 and onwards. This has altered the medium and long term goals accordingly, and the company is now aiming for a 25.7% reduction (from the 2008 base emissions) by next year (2020), and for an ultimate 45% reduction (from the 2008 base emissions) by 2030. The main initiatives currently planned to achieve these goals are detailed below.
Note: Some emission figures appearing in this report for previous years differ slightly from past publications of the same figures in CDP and other reports. As part of our constant efforts to improve the accuracy and fullness of our vast and complex GHG inventory, we correct and/or re-baseline our emissions in some necessary cases (most commonly-active correction of identified errors/misunderstands in the internal data gathering process from specific site, retroactive corrections to some specific-ICL emission factors). All such differences are well within the uncertainty range declared in this year's report and the previous ones.

Target reference number

Abs 2

Year target was set

2013

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based) +3 (upstream & downstream)

Base year

2008

Covered emissions in base year (metric tons CO2e)

4,207,122

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

25.7

Covered emissions in target year (metric tons CO2e) [auto-calculated]

3,125,891.646

Covered emissions in reporting year (metric tons CO2e)

3,194,309

% of target achieved [auto-calculated]

93.672268472

Target status in reporting year

Revised

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

In 2013 we have determined our reduction target, aiming for a 25% reduction from the 2008 base emissions until 2020. However, this target was revised in 2019, as part of ICL's new sustainability vision for 2030. One of the goals included in this ambitious vision is the 3% year-on-year reduction for total GHG emission (Scope 1+2+3) from 2019 and onwards. This has altered the medium and long term goals accordingly, and the company is now aiming for a 25.7% reduction (from the 2008 base emissions) by next year (2020), and for an ultimate 45% reduction (from the 2008 base emissions) by 2030. The main initiatives currently planned to achieve these goals are detailed below.
Note: Some emission figures appearing in this report for previous years differ slightly from past publications of the same figures in CDP and other reports. As part of our constant efforts to improve the accuracy and fullness of our vast and complex GHG inventory, we correct and/or re-baseline our emissions in some necessary cases (most commonly-active correction of identified errors/misunderstands in the internal data gathering process from specific site, retroactive corrections to some specific-ICL emission factors). All such differences are well within the uncertainty range declared in this year's report and the previous ones.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production

Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier

All energy carriers

Target type: activity

Consumption

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

MWh

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

156,658

Target year

2020

Figure or percentage in target year

165,000

Figure or percentage in reporting year

156,658

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

Yes. The renewable energy target is one of the main reduction engines designated to help ICL achieve it's absolute GHG reduction goals.

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In 2019, and as part of it's sustainability vision for 2030, ICL has decided to start a gradual transition towards renewable energy. The company has therefor set an annual year-on-year target of increasing total renewable consumption by 20%, gradually replacing fossil-fuel based energy. For the first target year, this would mean increasing total renewable consumption from 157K MWh in 2019, to over 165K MWh (in all global operation). During 2019, ICL began this transition, by purchasing renewable Guarantees of Origin (GoO) derived from renewable energy sources for 100% of the electricity needs of several ICL sites in the Netherlands, Germany, Belgium, Austria and Brazil. As of January 2020, ICL's production sites in Spain have also switched to purchasing 100% renewable electricity. In parallel, ICL has begun a widescale initiative to install photovoltaic (solar energy) electricity production capacity in available and appropriate areas within the operational boundaries of it's sites in Israel, Spain, Germany and additional countries.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2019

Target coverage

Company-wide

Target type: absolute or intensity

Absolute

Target type: category & Metric (target numerator if reporting an intensity target)

Engagement with suppliers

Other, please specify

Number of global ICL suppliers with valid Ecovadis sustainability assessments, inc. data on GHG emission and other climate issues

Target denominator (intensity targets only)

Base year

2019

Figure or percentage in base year

369

Target year

2020

Figure or percentage in target year

388

Figure or percentage in reporting year

369

% of target achieved [auto-calculated]

0

Target status in reporting year

New

Is this target part of an emissions target?

No

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

Please explain (including target coverage)

In late 2018, ICL has joined Together for Sustainability (TfS), a sustainable procurement initiative of the global chemical industry. TfS is a joint initiative of 26 global chemical companies founded in 2011. Its goal is to drive and foster resilience, efficiency, and sustainability of global supply

chains in the chemical industry. It has developed and implemented a global program to assess, audit and improve sustainability practices within the supply chains of the chemical industry. With thousands of suppliers assessed and audited through the TFS initiative, and many of them showing improvement over time, TfS member companies are effectively promoting a better world. The Assessments conducted for ICL suppliers (and other TFS members) are done through Ecovadis- a global leader in the ranking sustainable practices of suppliers. The Ecovadis assessments includes hundreds of questions and sub-items on all sustainability issues, including climate change. The climate change related questions for suppliers ask them to report annual GHG emissions, carbon intensity of products, energy consumption and intensity, and other related data. ICL receives structured access to this data for each responding supplier.
Also, as part of its sustainability vision for 2030, ICL has set a target of annually increasing by 5% (year-on-year), the number of total valid sustainability assessments for its global suppliers. At the end of 2019 (the first year of operating within the TfS), ICL had 369 such supplier Ecovadis assessments. The goal for 2020 is achieving over 388 valid assessments.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	1	150,000
Implementation commenced*	0	0
Implemented*	5	1,680,000
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Other, please specify

Other, please specify

Transition to natural gas

Estimated annual CO2e savings (metric tonnes CO2e)

450,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

80,000,000

Investment required (unit currency – as specified in C0.4)

115,000,000

Payback period

1-3 years

Estimated lifetime of the initiative

>30 years

Comment

Since 2010, ICL has been undertaking a strategic transition to increasingly use natural gas (NG) instead of 'heavy' fossil fuels (fuel oil, diesel and naphtha) to power its largest production plants in Israel. The transition is now near completion. By the end of 2019, 95% (40/42) of ICL Israel's main energy-consuming installations were converted to NG. Hence, 90% of the total remote fuel consumption of ICL Global facilities in 2019 was derived of NG (compared to only 26% in 2008, pre-transition). These measures are mostly reducing our Scope 1 emissions directly by decreasing emissions from onsite energy combustion. In addition, they also reduce some Scope 2 emissions, as the employment of new, more efficient CHP plants effectively reduces ICL's dependency on the purchase of more carbon-intense external electricity. The transition was voluntary, in line with Israel's national energy strategy. The transition significantly improves our energy efficiency, and reduces energy, maintenance and other costs, thereby saving ICL ~80 million USD($) annually .This estimated yearly saving is expected after the completion of the overall transition, was determined according to currently known fuel prices, and might be revised due to future events such as fluctuations in fuel prices, the availability of NG etc.

Initiative category & Initiative type

Non-energy industrial process emissions reductions

Process equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e)

1,000,000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

900,000

Payback period

No payback

Estimated lifetime of the initiative

>30 years

Comment

Changes in the manufacturing process of metal magnesium: Magnesium, when melted, ignites if it comes into contact with oxygen in the air, an occurrence which impairs the quality of the product. For this reason, it is common industry practice to "protect" the magnesium by using cover gases that prevent its exposure to oxygen. ICL Dead Sea Magnesium (DSM) has previously used SF6 as a cover gas. As awareness of the need for environmental protection grows, the industry has become more aware that SF6 is a greenhouse gas with significant greenhouse potential (22,800 CO2e). As such, ICL DSM has replaced this gas with HFC134a, a gas with a much lower GWP value. Currently, SF6 is no longer used at DSM. For this reduction initiative, ICL's DSM has chosen to employ the UN's Clean Development Mechanism (CDM) for the trading of approvals for the reduction of GHG's (Carbon Credits). This project, started in 2009, has resulted in a significant reduction in DSM's CFP and in ICL's overall CFP. DSM has reduced its Scope 1 process GHG emissions by over 90%. The change was voluntary, and the company has received CDM credit for it, generating over $13 million overall in income from carbon credits. This initiative is expected to operate on a permanent basis, without a limited lifespan (in terms of not using SF6).

Initiative category & Initiative type

Non-energy industrial process emissions reductions

Process equipment replacement

Estimated annual CO2e savings (metric tonnes CO2e)

60,000

Scope(s)

Scope 1

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

2,600,000

Payback period

No payback

Estimated lifetime of the initiative

>30 years

Comment

Reduction of process emissions from nitric acid production: ICL Haifa Fertilizers and Chemicals (F&C) operates a nitric acid facility which emits a small quantity of nitrous oxide (N2O). Since late 2007, ICL has been deploying an innovative system aimed at reducing its nitrous oxide emissions (per nitric acid production), a step which was voluntary as the time, and was approved by the CDM Framework, making it possible to trade Carbon Credits. Currently, and as part of the compliance with the Israeli clean air law (2012), the site is required (mandatory) to install an even newer treatment technological equipment in its Nitrous Acid plant, aimed to reduce both NOx (non-GHG) and N2O (GHG) emissions. The newer system is expected to be fully operational by late 2021. The reduction is in Scope 1 process emissions. The total initiative cost mentioned above and the total saved emissions are combined for both reduction stages This initiative is expected to operate on a permanent basis, without a limited lifespan. The estimated eventual annual CO2e reduction is difficult to estimate in absolute terms- as the production level of nitric acid at this facility can vary significantly according to market needs. Average production of 2008-12 was used to estimate the expected savings in absolute terms.

Initiative category & Initiative type

Energy efficiency in production processes
Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)

100,000

Scope(s)

Scope 1
Scope 2 (market-based)

Voluntary/Mandatory

Mandatory

Annual monetary savings (unit currency – as specified in C0.4)

12,000,000

Investment required (unit currency – as specified in C0.4)

38,000,000

Payback period

4-10 years

Estimated lifetime of the initiative

>30 years

Comment

In 2013, ICL launched a global energy efficiency program. By the end of 2019, 28 of ICL’s main sites have implemented the program's standard methodology. The main areas of efficiency projects implemented so far include: Optimizing the control and use of production equipment; Re-using residual heat; Variable Frequency Drive (VFD) technology; More efficient production of compressed air and steam; Advanced control systems for automatic shutdown of power, light and air-conditioning systems; and behavioural changes. This program has so far reduced energy expenses by approx. USD 75 million overall in 2013-9. The specific savings in 2019 were approx. USD 12 million compared to 2018. The current goal is to achieve further USD 8 million in 2020 compared with 2019. This program is meant to reduce both Scope 1 and Scope 2 emissions. The program is partially-voluntary and partially-mandatory (as energy efficiency requirements have been inserted as a condition to business licenses for some Israeli sites, but this does not cover all aspects and facilities covered in our program). The program is an on-going process which will continue in future years. The implemented measures are expected to operate on a permanent basis, without a limited lifespan. The expected annual GHG reduction may vary as new savings projects are planned and initiated.

Initiative category & Initiative type

Low-carbon energy consumption

Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)

70,000

Scope(s)

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

0

Investment required (unit currency – as specified in C0.4)

200,000

Payback period

No payback

Estimated lifetime of the initiative

>30 years

Comment

In 2019, and as part of ICL's sustainability vision for 2030, the company decided to start a gradual transition towards renewable energy. The company the decided to annually increase its total renewable consumption by 20% (year-on-year), increasingly replacing fossil-fuel based energy. During 2019, ICL began this transition, by purchasing renewable Guarantees of Origin (GoO) derived from renewable energy sources for 100% of the electricity needs of several ICL sites in the Netherlands, Germany, Belgium, Austria and Brazil. As of January 2020, ICL's production sites in Spain have also switched to purchasing 100% renewable electricity. In parallel, ICL has begun a wide scale initiative to install photovoltaic (solar energy) electricity production capacity in available and appropriate areas within the operational boundaries of it’s sites in

Israel, Spain, Germany and additional countries.
The costs+reduction figures appearing above represent the first stage, which is the transition mentioned to 100% renewable electricity in ICL Europe.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Compliance with regulatory requirements/standards	Some of the existing and planned GHG emission reduction projects are also required for regulatory compliance. The ICL energy efficiency program is partially-voluntary and partially-mandatory, as energy efficiency requirements have been inserted as a condition to business licenses for some Israeli sites, but this does not cover all aspects and facilities covered in the program. The planned shut-down of the PMA plant which currently combusts Oil Shales in late 2021, will reduce both GHG emissions (approx.150 K tonnes CO2e), but will also reduce other air emissions- some of which require reductions by the Israel Clean Air law. The N2O planned reduction measures (installing new technology) for ICL's Haifa F&C's Nitric Acid facility is also partially required by the clean air law (together with other NOx non-GHG emissions).
Dedicated budget for energy efficiency	In 2013, ICL launched a global energy efficiency program. By the end of 2019, 28 of ICL's main sites have implemented the program's standard methodology, which includes comprehensive structured discussions between all relevant personnel in production sites, such as Energy managers, Production Installation engineering, Engineers from supporting installations that produce and supply internal electricity and/or steam and/or cooling water and/or compressed air to the production Installations, and others. The program has a dedicated budget, and so far 35 Million USD has been invested in implementing the methodology and in CAPEX projects to implement the most cost-effective proposed savings initiatives found. The main areas of efficiency projects implemented so far include: Optimizing the control and use of production equipment; Re-using residual heat; Variable Frequency Drive (VFD) technology; More efficient production of compressed air and steam; Advanced control systems for automatic shutdown of power, light and air-conditioning systems; and behavioural changes. This program has so far reduced energy expenses by approx. USD 75 million overall in 2013-8 compared to the 2012 base year. This program is meant to reduce both Scope 1 and Scope 2 emissions from direct and indirect energy consumption

Other	The financial potential of the CDM mechanism was a significant motivator in both the process emission reductions projects described in 4.3b above.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

• In 2012, ICL introduced a new multi-nutrient fertilizer, Polysulphate, which is available to plants in its natural state and has a low environmental impact. Polysulphate requires no processing and creates no waste products. The mineral is mined, crushed, screened and bagged with no chemical intervention or process. It was therefore likely that Polysulphate has a low carbon footprint fertilizer and could help farmers reach industry or national carbon targets. The opportunity to increase the usage and sales of Polysulphate due to the changes in consumer preference patterns as identified, discussed, and the decided action plan was to conduct a full carbon footprint analysis for the product. The analysis was conducted by a specialist LCA consultancy in 2018, and the calculated global warming potential value for Polysulphate (0.06 kg CO2e per kg of product) was found to be the lowest out of a group of leading comparable products.

• In the last decade, ICL has significantly expanded it's specialty fertilizers business- purchasing production sites and developing new, advanced and more environment-friendly fertilizers. One of the main groups of specialty fertilizers in ICL is CRF- controlled release fertilizers. These fertilizers have many environmental benefits, as they highly increase the % of nutrient uptake by the plants from those applied in the field/potted

plant/turf. Among the negative effects minimized- is the N2O emission.
• Potash, a common fertilizer (one of ICL Fertilizers' main products): the use of potash makes the use of land by farmers more efficient, thereby preventing the need to convert additional forests or wetlands for agriculture. As such, the use of potash has a beneficial effect on the global carbon balance. Potash also increases plant sequestration of CO2 in comparison with other fertilizers.
• Flame retardants (ICL Industrial Products largest product lines) enhance resistance to fire in diverse applications and delay its spread. The fires prevented (or quenched more rapidly) reduce significant unnecessary carbon dioxide emissions.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

For Polysulphate: the methodology used was a full carbon footprint (CFP) research, according to the PAS 2050: 2011 standard. The analysis was conducted by Filkin & Co. EHS Limited, a U.K. consultancy specializing in LCA and CFP research.

% revenue from low carbon product(s) in the reporting year

Comment

The Polysulphate calculated CFP value was based on data supplied by the ICL Boulby site, applying the most appropriate emissions factors. The comparison to other fertilizers was conducting by bench-marking publicly accessible information on fertilizers.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

3,116,757

Comment

Scope 2 (location-based)

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

971,606

Comment

Scope 2 (market-based)

Base year start

January 1, 2008

Base year end

December 31, 2008

Base year emissions (metric tons CO2e)

966,636

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

2,496,315

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

667,949

Scope 2, market-based (if applicable)

612,199

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

20-30 local offices and logistic centres

Relevance of Scope 1 emissions from this source

Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

ICL is a global large organization with 42 producing facilities, and also has operational control over sales offices, headquarter offices and logistic centers around the world. The emission data which is gathered and calculated by the ICL Global Sustainability Department includes relevant data from all producing facilities, but also from a few of ICL's main offices and logistic centers- which have always proved to be very negligible producers of GHG emissions in ICL general scales. For the other offices and logistic centers not included in the GHG inventory, we have made assumptions (using the values already known for offices and logistic centers in ICL) and can state with reasonable confidence that these locations constitute together under 0.5% of our total emissions. We therefore consider the emissions from these locations not relevant, due to the negligible size of emissions, due to the high burden and low cost-benefit value of obtaining the necessary data from these locations, due to the hardship of finding significant reduction opportunities in these locations (compared with the much more viable reduction opportunities existing in our production facilities), and since these locations are usually of no environmental interest to our stakeholders.

C6.5

(C6.5) Account for your organization’s gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6,333

Emissions calculation methodology

The emissions given in this line represent our GHG emissions related to externally sourced water. The emissions were calculated using DEFRA/DECC 2019 emission factors for supplied water. These EF's were used on all water purchased by the different ICL companies (tap water, well, river etc.). Quality of information is considered high, as most water figures are derived of primary data (invoices of water suppliers). In the minority of cases, where no metering is conducted, the consumption was estimated by the relevant facility personnel. The assumption is that these GHG emissions derive of electricity consumed in pumping and/or pre-treatment of the water by the suppliers. Other materials sourced externally have been assessed as part of our product foot printing analyses in cooperation with our consultants and ICL's purchasing and supply-chain departments. Our conclusion was that ICL did not have influence on potential reduction of emissions resulting from the production/supply of these materials, and they were therefore excluded from our Scope 3 GHG inventory. This conclusion will be re-discussed and assessed in coming years, in relation to the data received through ICL's increased sustainable procurement efforts- conducted as part of the TFS initiative (see further details in chapter 12 of this report).

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

The potential amount (size) of GHG emissions deriving of purchased capital goods was assessed by the ICL Global Sustainability Department, and was determined to be insignificant. ICL is a large manufacturing organization, and any emission arriving from specifically purchased capital goods is likely to be very negligible compared the significant emissions resulting from our fuel combustion, electricity consumption and process GHG emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

32,168

Emissions calculation methodology

The emissions given in this line represent our Scope 3 GHG emissions related to the activity of contractor vehicles (not owned directly by ICL companies), mostly heavy machinery working in our plants. Emissions were calculated using DEFRA/DECC 2019 emission factors for fuels (usually diesel), and at some cases also based on DEFRA /DECC 2019 emission factors for heavy machinery activity, measured in km's or ton-km's). Quality of information is considered medium, as in many cases the contractors could not supply accurate fuel consumptions, and estimation were conducted by the facility personnel. Some of these emissions, from our smaller facilities outside of Israel, have not been calculated yet (and are expected to be completed in coming years). However, the figure supplied in this line nonetheless represents the grand majority of this relevant activity within our organization.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

As a large manufacturing organization, there are naturally emissions related to the transportation of ICL's significant amount of externally purchased raw materials. These emissions were previously assessed as a one-time project by our consultants. The cases of raw material transportation that constitute the major part in these emissions were identified, and discussions were made regarding the findings with ICL's different purchasing departments. However, our conclusion was that for several reasons, ICL does have significant influence in order of reduce these emissions, and therefore- they are currently excluded from our Scope 3 GHG inventory.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

7,743

Emissions calculation methodology

The emissions given in this line represent our Scope 3 GHG emissions related to the treatment of our wastes by external companies. The emissions were calculated using DEFRA/DECC 2019 emission factors according to the different waste streams and treatment method. Quality of information is considered medium, as in some cases specific metering of waste streams is available, but on many others- the amounts are still calculated based on mass balances or assumptions. Therefore, future corrections to the emissions provided in this line may be possible.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2,646

Emissions calculation methodology

The emissions given in this line represent our Scope 3 GHG emissions related to flights taken by our company's personnel. The emissions were calculated using DEFRA/DECC 2019 emission factors for short/long haul flights (per one person travelling in the plane). An uplift factor was also used. Quality of information is considered medium, as in some cases specific km's/miles of flights taken by company employees was available, but on others- the km's were estimated or calculated using the number of flights taken and an average flight distance. Other business travel (by car, train) was estimated by the ICL Global Sustainability Department and is considered to be very negligible- and is therefore not annually calculated.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1,973

Emissions calculation methodology

Scope 3 GHG emissions related to employee commute by regular daily buses, mini-buses and transits (not owned by ICL) which transport employees from different cities and towns in Israel (and some additional countries) to our facilities. Also included are special taxi rides taken in Israel. The emissions were calculated using DEFRA/DECC 2019 emission factors for diesel consumption, and km's travelled by bus. Quality of information is considered medium, as in some cases specific diesel consumptions were supplied, but on others- emissions were calculated using assumptions about the km's of bus travel and number of employees per ride. Other employee commuting (by personal vehicles of the employees) was estimated by the ICL Global Sustainability Department and is considered to be very negligible compared with other company fuel consumptions, and furthermore- relevant information is very hard to obtain. Therefore, our calculations cannot be regularly updated.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

The potential amount (size) of GHG emissions deriving of upstream leased assets was assessed by the ICL Global Sustainability Department, and was determined to be insignificant. ICL is a large manufacturing organization, and any emission arriving from our small number of upstream leased assets is likely to be very negligible compared the significant emissions resulting from our fuel combustion, electricity consumption and process GHG emissions. Therefore, we do not maintain an annual update of these emissions.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

34,932

Emissions calculation methodology

The emissions given in this line represent our Scope 3 GHG emissions related to some of our downstream distribution by our companies. The figures included in the calculation are the fuels consumed during transportation of ICL goods by external contractors, working for our cargo transportation company (Mifaley-Tovala), and also by the Israeli national rail services (transporting ICL goods from the Tzefa terminal to Ashdod and Haifa harbors). The emissions were calculated using DEFRA/DECC 2019 emission factors for diesel and for ton-km of rail transportation. Quality of information is considered high, as in both cases relevant bills are supplied and available. As a large manufacturing organization, with a highly complex supply chain of products, we assume that there are further emissions related to our supply chain (transport by ships, trucks in countries outside of Israel). However, we currently assume our influence on these emissions to be quite negligible (and relevant information is very hard to obtain), and therefore do not currently calculate these added emissions.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

ICL manufactures and sells hundreds of different products to many diverse customers around the world. Most of these products have several customers, with diverse usages for our many products. Any information on the processing, usage and end of life treatment of our products is very hard to obtain. Although the organization does actively promote safe and environmentally- responsible usage of its products, we consider our influence on the GHG deriving of our costumers actions (processing, usage and end of life treatment) to be insignificant. Therefore, we do not annually asses these emissions.

Use of sold products

Evaluation status

Not relevant, explanation provided

Please explain

ICL manufactures and sells hundreds of different products to many diverse customers around the world. Most of these products have several customers, with diverse usages for our many products. Any information on the processing, usage and end of life treatment of our products is very hard to obtain. Although the organization does actively promote safe and environmentally- responsible usage of its products, we consider our influence on the GHG deriving of our costumers actions (processing, usage and end of life treatment) to be insignificant. Therefore, we do not annually asses these emissions.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

ICL manufactures and sells hundreds of different products to many diverse customers around the world. Most of these products have several customers, with diverse usages for our many products. Any information on the processing, usage and end of life treatment of our products is very hard to obtain. Although the organization does actively promote safe and environmentally- responsible usage of its products, we consider our influence on the GHG deriving of our costumers actions (processing, usage and end of life treatment) to be insignificant. Therefore, we do not annually asses these emissions.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

The potential amount (size) of GHG emissions deriving of downstream leased assets was assessed by the ICL Global Sustainability Department, and was determined to be insignificant. ICL is a large manufacturing organization, and any emission arriving from our small number of downstream leased assets is likely to be very negligible compared the significant emissions resulting from our fuel combustion, electricity consumption and process GHG emissions. Therefore, we do not annually asses these emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

The potential amount (size) of GHG emissions deriving of franchises was assessed by the ICL Global Sustainability Department, and was determined to be insignificant. ICL is a large manufacturing organization, and any emission arriving from our franchises not operationally controlled by ourselves is likely to be very negligible compared the significant emissions resulting from our fuel combustion, electricity consumption and process GHG emissions at our operationally controlled facilities. Therefore, we do not annually asses these emissions.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

The potential amount (size) of GHG emissions deriving of investments was assessed by the ICL Global Sustainability Department, and was determined to be insignificant. ICL is a large manufacturing organization, and any emission arriving from our investments in facilities not operationally controlled by ourselves is likely to be very negligible compared the significant emissions resulting from our fuel combustion, electricity consumption and process GHG emissions at our operationally controlled facilities. Therefore, we do not annually asses these emissions.

Other (upstream)

Evaluation status

Not evaluated

Please explain

Other (downstream)

Evaluation status

Not evaluated

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.0005897

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

3,108,514

Metric denominator

unit total revenue

Metric denominator: Unit total

5,271,000,000

Scope 2 figure used

Market-based

% change from previous year

1.5

Direction of change

Increased

Reason for change

While ICL total Scope 1+2 emissions have decreased by 3.8% in 2019 (compared with 2018), the total ICL revenues have decreased by 5.1%. Therefore an overall 2.6% increase was experienced in emissions per revenues.
The decrease in emissions was caused by a number of factors, detailed in item 7.9 below. About 30% of the decrease was a Scope 2 reduction, derived of proactive reduction measures detailed in item 4.3b above. The measures that resulted in reductions in 2019 included mainly the transition to 100% renewable electricity in several ICL sites in Germany, the Netherlands and Brazil, and the ICL ACE energy efficiency program.
The reduction in revenues in 2019 was derived mostly of relatively long production shut-down in a few main ICL sites (Including ICL Dead Sea), needed for required maintenance and capacity increase. A reduction in prices for some of ICL's commodity products also affected these results. The overall effect was an increase in emission-per-revenues (despite decrease in absolute emissions).

Intensity figure

257

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

3,108,514

Metric denominator

full time equivalent (FTE) employee

Metric denominator: Unit total

12,117

Scope 2 figure used

Market-based

% change from previous year

3.7

Direction of change

Decreased

Reason for change

While ICL total Scope 1+2 emissions have decreased by 3.8% in 2019 (compared with 2018), the number of total ICL FTEs remained almost the same (-0.1%).

The decrease in emissions was caused by a number of factors, detailed in item 7.9 below. About 30% of the decrease was a Scope 2 reduction, derived of proactive reduction measures detailed in item 4.3b above. The measures that resulted in reductions in 2019 included mainly the transition to 100% renewable electricity in several ICL sites in Germany, the Netherlands and Brazil, and the ICL ACE energy efficiency program.

Since the number of FTE's remained almost constant, the emission-per-FTE was reduced in a vary similar rate to the absolute emissions (-3.7%).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2,416,602	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	4,512	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	36,899	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	38,302	IPCC Fourth Assessment Report (AR4 - 100 year)
PFCs	0	IPCC Fourth Assessment Report (AR4 - 100 year)
SF6	0	IPCC Fourth Assessment Report (AR4 - 100 year)
NF3	0	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Israel	1,948,350
Other, please specify Rest of World	547,965

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
ICL Potash (Note: this division includes, among else, the operation of the large Sdom Power plant that supplies ICL-produced electricity for all ICL Israel sites as of August 2018, thereby saving these sites significant Scope 2 emissions. A large amount of the Scope 1 emissions of the Potash division are from fuel combustion at this power plant, which produces electricity for the other divisions as well).	1,344,216
ICL Phosphate Solutions	990,951
ICL Innovative Ag Solutions	45,498
ICL Industrial Products	115,650

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment
Chemicals production activities	2,496,315	

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Israel	143,410	169,553	397,712	0

Other, please specify Rest of World	524,539	442,646	1,101,876	156,658

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
ICL Potash (Note: this division includes, among else, the operation of the large Sdom Power plant that supplies ICL-produced electricity for all ICL Israel sites as of August 2018, thereby saving these sites significant Scope 2 emissions. A large amount of the Scope 1 emissions of the Potash division are from fuel combustion at this power plant, which produces electricity for the other divisions as well).	197,661	185,261
ICL Phosphate Solutions	355,166	340,166
ICL Innovative Ag Solutions	9,254	6,500
ICL Industrial Products	105,868	80,272

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Chemicals production activities	667,949	612,199	

C-CH7.8

(C-CH7.8) Disclose the percentage of your organization's Scope 3, Category 1 emissions by purchased chemical feedstock.

Purchased feedstock	Percentage of Scope 3, Category 1 tCO2e from purchased feedstock	Explain calculation methodology
Other (please specify) All purchased chemical feedstock	0	The Scope 3, Category 1 GHG emissions in item 6.5 of this report, currently represent only ICL's GHG emissions related to externally sourced water. Other materials sourced externally have been assessed as part of our product foot printing analyses in cooperation with our consultants and ICL's purchasing and supply-chain departments. Our conclusion was that ICL did not have influence on potential reduction of emissions resulting from the production/supply of these materials, and they were therefore excluded from our Scope 3 GHG inventory. This conclusion will be re-discussed and assessed in coming years, in relation to the data received through ICL's increased sustainable procurement efforts- conducted as part of the TFS initiative (see further details in chapter 12 of this report).

C-CH7.8a

(C-CH7.8a) Disclose sales of products that are greenhouse gases.

	Sales, metric tons	Comment
Carbon dioxide (CO2)	28,170	Sold as input CO2 for carbonated drinks

Methane (CH4)	0	
Nitrous oxide (N2O)	0	
Hydrofluorocarbons (HFC)	0	
Perfluorocarbons (PFC)	0	
Sulphur hexafluoride (SF6)	0	
Nitrogen trifluoride (NF3)	0	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	30,000	Decreased	0.9	In 2019 a total of ~30,000 tonnes CO2e were reduced due to a partial transition to renewable energy, and our total S1 and S2 emissions in the previous year were 3,072,177 tonnes CO2e, therefore we arrived at 0.9% through (30,000 / 3,229,706)*100= 0.9%. In 2019, and as part of it's sustainability vision for 2030, ICL has decided to start a gradual transition towards renewable energy. The company has therefore set an annual year-on-year target of increasing total renewable

				consumption by 20%, gradually replacing fossil-fuel based energy. During 2019, ICL began this transition, by purchasing renewable Guarantees of Origin (GoO) derived from renewable energy sources for 100% of the electricity needs of several ICL sites in the Netherlands, Germany, Belgium, Austria and Brazil. The overall resulting Scope 2 reduction from all these sites totalled in 30 K tonnes CO2e. See section "targets and initiatives" of this report for further details on this initiative.
Other emissions reduction activities	5,000	Decreased	0.2	In 2019 a total of ~5,000 tonnes CO2e were reduced by our emissions reduction initiatives, and our total S1 and S2 emissions in the previous year were 3,229,706 tonnes CO2e, therefore we arrived at 0.2% through (5,000 / 3,229,706)*100= 0.2%. The majority of this reduction specifically in 2019 is due to the ACE energy efficiency program, which included implementing energy saving improvements is several ICL global sites. See section "targets and initiatives" of this report for further details on this initiative.
Divestment	3,000	Decreased	0.1	In 2019 a total of ~3,000 tonnes CO2e were decreased due to divestments, and our total S1 and S2 emissions in the previous year were 3,229,706 tonnes CO2e, therefore we arrived at 0.1% through (3,000 / 3,229,706)*100=0.1%. In 2019, ICL sold it's former relatively small subsidiary site in Mexico, Nuovo Leon. This subsidiary had low synergies with ICL's main mineral chains and product portfolio. It's overall Scope 1+2 GHG emissions were approx. 3 K tonnes CO2e annually.
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	58,000	Decreased		In 2019 a total of ~58,000 tonnes CO2e were decreased due to changes to output, and our total S1 and S2 emissions in the previous year were 3,229,706 tonnes CO2e, therefore we arrived at 2.0% through (60,000 / 3,229,706)*100=1.8%. The reduced output in 2019 was mostly the result of relatively long production shut-down in a few main ICL sites (Including ICL Dead Sea), needed for required maintenance and capacity increase. The lower activity resulted in lowered energy consumption, and therefore reduced S1 and S2 emissions.

Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	25,000	Decreased	0.8	In 2019 a total of ~25,000 tonnes CO2e were reduced due to other reasons (lower carbon intensity of electricity supplier, see below) and our total S1 and S2 emissions in the previous year were 3,229,706 tonnes CO2e, therefore we arrived at 0.8% through (25,000 / 3,229,706)*100=0.8%. In addition to the proactive purchase of 100% renewable electricity in some ICL sites described above, other significant ICL sites (In Spain and the U.K) have benefited from their electricity suppliers significantly reducing the carbon intensity of their supplied electricity in 2019, due to increased renewable implementation across their overall source mix. This resulted in ~25 K CO2e of Scope 2 emissions reduced.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization’s energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	9,183,333	9,183,333

Consumption of purchased or acquired electricity		88,789	1,087,555	1,176,343
Consumption of purchased or acquired steam		67,869	254,755	322,624
Consumption of self-generated non-fuel renewable energy		0		0
Total energy consumption		156,658	10,526,263	10,682,920

C-CH8.2a

(C-CH8.2a) Report your organization's energy consumption totals (excluding feedstocks) for chemical production activities in MWh.

	Heating value	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	9,183,333
Consumption of purchased or acquired electricity		1,176,343
Consumption of purchased or acquired steam		322,624
Consumption of self-generated non-fuel renewable energy		0
Total energy consumption		10,682,920

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	Yes

Consumption of fuel for the generation of cooling	Yes
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

8,293,472

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

0.20428

Unit

kg CO2 per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Sheet-Table-Factor: Fuels - Gaseous fuels - Natural gas - Energy - Net CV (Net CV basis) Scope 1

Comment

NG is the main fuel used by ICL. A large part of the consumption is for co-generation (electricity and steam), some of it is for steam generation alone, and some for additional uses. We are currently unable to break the total figure by the different uses.

Fuels (excluding feedstocks)

Oil Shale

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

335,135

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

335,135

Emission factor

0.67284

Unit

kg CO2 per KWh

Emissions factor source

Calculated by ICL Rotem environmental personnel, to match specifics of Oil Shale used by ICL Rotem in the Negev Desert, Israel. Approved by the voluntary reporting mechanism of the Israeli government .

Comment

All Oil Shale consumption is used in self-co-generation of electricity and steam, in the PMA installation of ICL Rotem (Israel)

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

299,686

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

0.2688

Unit

kg CO2 per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Fuels - Liquid fuels - Diesel (100% mineral diesel) - Energy - Net CV (Net CV basis) Scope 1

Comment

Some of the Diesel consumption is for co-generation (electricity and steam), some of it is used for vehicles, and some for additional uses. We are currently unable to break the total figure by the different uses.

Fuels (excluding feedstocks)

Coal

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

169,225

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

169,225

Emission factor

0.36288

Unit

kg CO2 per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Fuels - Solid fuels - Coal (domestic) - Energy - Net CV (Net CV basis) Scope 1

Comment

All coal consumption is used in self-co-generation of electricity and steam, in ICL China YPH

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

26,943

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

MWh fuel consumed for self-cogeneration or self-trigeneration

Emission factor

0.28492

Unit

kg CO2 per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Fuels - Liquid fuels - Fuel oil - Energy - Net CV (Net CV basis) Scope 1

Comment

Some of the Fuel Oil consumption is for co-generation (electricity and steam), some of it is for additional uses. We are currently unable to break the total figure by the different uses.

Fuels (excluding feedstocks)

Petrol

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

53,231

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.25367

Unit

kg CO2e per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Fuels - Liquid fuels - Petrol (100% mineral petrol) - Energy - Net CV (Net CV basis) Scope 1

Comment

All petrol (Gasoline/Benzine) used for vehicles; none for the usages above.

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

5,640

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

0

MWh fuel consumed for self-cogeneration or self-trigeneration

0

Emission factor

0.23029

Unit

kg CO2e per KWh

Emissions factor source

DEFRA 2019 (UK Government GHG Conversion Factors for Company Reporting)
Fuels - Gaseous fuels - LPG - Energy - Net CV (Net CV basis) Scope 1

Comment

All LPG used for vehicles such as forklifts; none for the usages above.

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1,572,103	1,035,315	0	0

Heat			0	0
Steam			0	0
Cooling			0	0

C-CH8.2d

(C-CH8.2d) Provide details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

	Total gross generation (MWh) inside chemicals sector boundary	Generation that is consumed (MWh) inside chemicals sector boundary
Electricity	1,572,103	1,035,315
Heat		
Steam		
Cooling		

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Other, please specify

Diverse renewable sources- wind turbines, solar photovoltaic energy, hydro power and biomass.

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Other, please specify

Mostly Europe- the Netherlands, Germany, Austria, Belgium+one site in Brazil

MWh consumed accounted for at a zero emission factor

156,658

Comment

C-CH8.3

(C-CH8.3) Does your organization consume fuels as feedstocks for chemical production activities?

No

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-CH9.3a

(C-CH9.3a) Provide details on your organization's chemical products.

Output product

Other, please specify

Potash, all types (from ICL Dead Sea)

Production (metric tons)

3,334,000

Capacity (metric tons)

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.095

Electricity intensity (MWh per metric ton of product)

Steam intensity (MWh per metric ton of product)

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

The emission intensity above is the carbon footprint (CFP) value calculated for Potash, fine grade, from ICL Dead Sea, in 2009 (based on 2008). Current value is expected to be lower due to reduction initiatives taken since- but has not been recalculated yet. CFP for Potash Granulated Grade: 0.161 tonnes CO2e per tonnes product.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment

Row 1	Yes	

C-CH9.6a

(C-CH9.6a) Provide details of your organization's investments in low-carbon R&D for chemical production activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Other, please specify Renewable Energy Storage	Pilot demonstration			Deploying Innovative Bromine-Based Battery Technology for Energy Storage (an ongoing, multi-year investment): Energy storage is the capture or storage of energy produced so it can be used at a later time. One of the greatest challenges to the success of renewable energy is the ability to ensure continuity of supply. Storing the energy created from renewable resources (wind and solar energy) while it is generated, makes power available even when energy production is down. The transition to renewable energy is an important societal challenge. ICL has developed special chemical blends required to create zinc bromine 'flow' batteries which are ideally suited for storing large amounts of energy. These batteries are contributing to efforts to solve the energy storage problem. By creating these special chemical blends and recycling these chemicals, ICL assures that this technology is fully sustainable, in its post-use phase, as well. The company's innovative 'energy storage' provides a complete chemical support for producers of zinc bromine flow batteries. ICL is currently the only company in the world that can deliver this complete solution. For further information, see here: http://icl-group-sustainability.com/reports/energy-storage-innovations/

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Boulby Verification report.pdf

Page/ section reference

Pages 6-26; This is for ICL UK Cleveland Potash (Boulby mine); Verified 0.3% of total ICL Scope 1 emissions (can only put an integer number in the proportion cell below). Overall, for the three sites undergoing verification of Scope 1 emissions as part of the EU-ETS, 1.4% of the total global ICL Scope 1 emissions have been verified.

Relevant standard

European Union Emissions Trading System (EU ETS)

Proportion of reported emissions verified (%)

0

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Informe emisiones GEI IBERPOTASH Súria 2019_signed.pdf

Page/ section reference

p 1-17 (entire document; available only in Catalan, no English version); This is for ICL Iberia Iberpotash (Suria mine); Verified 0.8% of total ICL Scope 1 emissions (can only put an integer in the proportion cell below). Overall, for the three sites undergoing verification of Scope 1 emissions as part of the EU-ETS, 1.4% of the total global ICL Scope 1 emissions have been verified.

Relevant standard

European Union Emissions Trading System (EU ETS)

Proportion of reported emissions verified (%)

1

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

Informe emisiones GEI IBERPOTASH Sallent 2019_signed.pdf

Page/ section reference

p 1-17 (entire document; available only in Catalan, no English version); This is for ICL Iberia Iberpotash (Sallent mine); Verified 0.3% of total ICL Scope 1 emissions (can only put an integer in the proportion cell below). Overall, for the three sites undergoing verification of Scope 1 emissions as part of the EU-ETS, 1.4% of the total global ICL Scope 1 emissions have been verified.

Relevant standard

European Union Emissions Trading System (EU ETS)

Proportion of reported emissions verified (%)

0

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

C0001 - AA100 Assurance statement - Scope 2 3 - July 2020 V3.pdf

Page/ section reference

Pages 1-5 (entire document); The assurance statement refers to both Scope 2 and Scope 3 verified (which is clearly defined and separated within the document); Verified 1.8% of total ICL Scope 2 market-based emissions (can only put an integer in the proportion cell below).

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

2

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Downstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Moderate assurance

Attach the statement

C0001 - AA100 Assurance statement - Scope 2 3 - July 2020 V3.pdf

Page/section reference

Pages 1-5 (entire document); The assurance statement refers to both Scope 2 and Scope 3 verified (which is clearly defined and separated within the document); Verified 1.8% of total ICL Scope 2 market-based emissions (can only put an integer in the proportion cell below).

Relevant standard

AA1000AS

Proportion of reported emissions verified (%)

92

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C8. Energy	Energy consumption	AA1000AS	As part of the assurance process for Scope 2 and Scope 3 emissions, 2% of the overall ICL external electricity used in 2019 and reported in section 8, was also verified and appears in p.5 of the verification statement (20,834 MWh). 1

[1]C0001 - AA100 Assurance statement - Scope 2 3 - July 2020 V3.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

1.4

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2019

Period end date

December 31, 2019

Allowances allocated

32,196

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

35,316

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

Three sites owned and operated by ICL participate in the EU-ETS: ICL Iberia Suria, ICL Iberia Sallent and ICL U.K Boulby. Also, only some of the installations in both these companies are included in the EU-ETS scheme.
The ~3 K tonnes surplass in covered emissions compared to the allowance allocated was covered by past reserves.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

ICL holds a quarterly update meetings for its global carbon trading team. The team includes all relevant parties to the EU-ETS (managers from all sites participating in the EU-ETS, finance team form global HQ, the global sustainability team and carbon pricing specialists), to make sure all activities are informed and coordinated, and to reach shared decisions on whether to buy or sell emission allowances. Total emissions of sites in EU-ETS was larger in 2019 than the given allowances, but the sites still had unused surpluses from previous years. Currently, the 3 sites are in contact with relevant regulators regarding the allowances expected in the Phase IV of the EU-ETS (from 2020 and onwards). In case in ICL UK Boulby- emissions have been reduced in 2018 (and onwards)- due to switch from production of mainly Potash to mainly Polysulphate- a less carbon intense product. The site had a large surplus in emission credits- and has sold a large part of this surplus in 2018 (as part of the strategy- identifying such a large surplus will not be needed, and a favourable market price). The Suria site's production has been expanded, undertaking some capacities previously produced in Sallent- and therefore there are changes to emission trends in these two sites as well. In addition, all 3 have underwent the ACE energy efficiency ICL program (see Targets and performance chapter of this report), and have already implemented energy efficiency projects that would both reduce energy costs and reduce GHG emissions- assisting with meeting the EU-ETS allowances.
Due to the current uncertainty regarding the free allowances in Phase IV of the EU-ETS, and the uncertainty regarding the replacement scheme for the EU-ETS following the Brexit process, it remains uncertain whether ICL would need to purchase emission allowances in upcoming years. The ICL carbon trading team is following the results if these decisions, and in case where a future need to purchase emission credits would be identified- the best time to purchase (price wise) would be discussed.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

3

% total procurement spend (direct and indirect)

28

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

In late 2018, ICL has joined Together for Sustainability (TfS), a sustainable procurement initiative of the global chemical industry. TfS is a joint initiative of 26 global chemical companies founded in 2011. Its goal is to drive and foster resilience, efficiency, and sustainability of global supply chains in the chemical industry. It has developed and implemented a global program to assess, audit and improve sustainability practices within the supply chains of the chemical industry. With thousands of suppliers assessed and audited through the TFS initiative, and many of them showing improvement over time, TfS member companies are effectively promoting a better world. The Assessments conducted for ICL suppliers (and other TFS members) are done through Ecovadis- a global leader in the ranking sustainable practices of suppliers. The Ecovadis assessments includes hundreds of questions and sub-items on all sustainability issues, including climate change. The climate change related questions for suppliers ask them to report annual GHG emissions, carbon intensity of products, energy consumption and intensity, and other related data. ICL receives structured access to this data for each responding supplier.
Rationale: Shortly after joining the program, ICL conducted a mapping of the company's key suppliers to be focused on in the first year of membership. The definition of a "key supplier" was either due to significant spend related to that specific supplier and/or the supplier's products/services importance to ICL's production processes. 450 such key suppliers were selected and engaged (3% of approx.. 15 K suppliers). Since 2019 was only the first year of TFS membership, ICL decided to focus on these 450 key suppliers, and gradually expand the number in upcoming years. The approached suppliers account for over 1 billion USD in annual spending, or approx. 28% of the total amount that ICL spend.

Impact of engagement, including measures of success

As stated above, ICL has approached 450 key suppliers. Some of these suppliers are already included in the TfS supplier assessment pool. However, each TfS member is committed to add new assessment and audits to the shared TfS supplier pool each year, to make sure the initiative meets its shared goals. ICL's targets (measures of success) for 2020 (and all upcoming years): to annually increase by 5% (year-on-year), the number of total valid sustainability assessments for its global suppliers. For 2020, the meaning is reaching over 387 suppliers with valid assessments.
The ICL procurement organization is investing significant resources to engage suppliers, explain the benefits of the program and persuade them to undertake the assessments and audits. Many of the approached supplier are SME companies and/or are from developing countries. We believe this engagement exposes these suppliers to many sustainability issues for the first time, including climate change. Due to the structured

gap analysis and improvement tools accessible the suppliers through the Ecovadis platform and support tools, and due to their motive to increase their Ecovadis scores (which are shared not only with ICL, but with all 26 TfS large member chemical companies), We believe some suppliers will start to measure their GHG emissions and/or Detailed energy consumption. The "What gets measured- gets managed" principle applies here- and ICL believes some of these suppliers will also then act to reduce their emissions and/or energy consumption, thus achieving GHG reduction and Climate Change mitigation up the supply chain.

Comment

For further details on ICL's involvement in the TfS initiative: http://icl-group-sustainability.com/reports/our-business/sustainable-procurement/tfs-initiative/

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

0

Please explain the rationale for selecting this group of customers and scope of engagement

Since initiating the ICL GHG project at 2008, ICL has initiated several efforts alongside partners and customers to reduce GHG emissions throughout the life cycle. In some cases we have even approached our customers with carbon data and presented them with facts and figures

on our performance. For example, ICL's bromine-based flame retardants offer a low-carbon alternative to phosphorus-based retardants used for fire safety purposes. Also, ICL's multi-nutrient fertilizer, Polysulphate has a low carbon footprint fertilizer and can help farmers reach industry or national carbon targets. In 2018 ICL conducted a carbon footprint research for Polysulphate (0.06 kg CO2e per kg of product) that found it to have the lowest emission intensity out of a group of leading comparable products. ICL has also received several requests for carbon footprint values for our products by our customers (and the frequency of these requests has increased lately, since the COP 21 global climate agreement). In all such cases- we are determined to readily provide them with these values. In some cases, where these requests are for products that have not been assessed yet (as of today, we have calculated ~60 products carbon footprints, but our organization offers hundreds of different products) these requests help us determine the prioritization of product assessments. The required products are given high priority within our decision on which batch of products to assess in any given time. In 2019, in response to this customer interest, ICL has initiative updated carbon footprint research for several additional leading fertilizers that the company markets.
The customers selected: those who are actively asked for climate related data, or customers for products where ICL is interested to communicate the climate related (and other benefits) related to it's solutions. We have selected 1% in size of engagement since the number of customers actively interested in climate change aspects still remains very minor compared to ICL's very wide and diverse customer base. However, we believe this % could be expanded in the future and further such requests would arrive.

Impact of engagement, including measures of success

Success is measured by our ability to provide our customers with the CFP value of our products immediately after their request (if already calculated) or within a reasonable timeframe (if calculation is still needed), and in our ability to maintain and enhance long-standing business engagement with such customers. The impact of these requests which we have already managed to answer- is the enhancement of this business engagement with the requesting customers, which have recognized and appreciated ICL's efforts. Some customers include the carbon footprint values received from ICL as part of their own carbon footprint calculations, or alternatively use them as part of their Scope 3 calculations and reporting in their CDP and other sustainability reports. However this impact for now remains limited- since the number of customers actively interested in climate change aspects still remains very minor compared to ICL's very wide and diverse customer base. However, we believe this % could be expanded in the future and further such requests would arrive.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Direct engagement with policy makers
Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Other, please specify Voluntary and Mandatory Carbon reporting	Support	Voluntary and Mandatory Carbon reporting: Since 2011, ICL has become one of the first companies to make a GHG emission report to the voluntary GHG reporting mechanism established by the Israeli Ministry for the Protection of the Environment. Member companies, such as ICL, have been asked to help shape the evolving mechanism: for example, ICL has suggested the inclusion of a number of factors relevant to chemical companies. ICL believes that its participation will be a positive catalyst for the participation of other Israeli companies, thus helping Israel to achieve its nationwide climate change mitigation targets. The voluntary mechanism was generally believed to be the basis for a future mandatory reporting scheme in Israel. Meanwhile, the Israeli PRTR reporting mechanism (established in 2012) has included a different, partial mandatory reporting of GHG emissions of the different ICL facilities within Israel. ICL representatives are participating in round table forums regarding the PRTR law, and voice their support in mandatory GHG reporting and their experience-based opinions on the best way of implementing this type of reporting.	ICL has often voiced it's opinion on the need to coordinate and unify the reporting methodologies and boundaries of GHG emissions between the Israeli voluntary GHG reporting mechanism and the Israeli PRTR reporting mechanism. We believe this would both reduce reporting burden from the participating companies, and help avoid confusion amongst our stakeholders regarding the actual amounts of annual GHG emissions.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Israel's Manufacturers Association

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association’s position

Supporting Climate Change legislation and mitigation policies

How have you influenced, or are you attempting to influence their position?

ICL is an active member of environmental committees as part of Israel’s Manufacturers Association. One of the discussed environmental issues, is climate change. As one of the leading climate change activist companies in Israel, we encourage other manufacturing companies to report and manage their GHG emissions, and for the manufacturers association to take a positive active role in shaping GHG legislation in Israel in a matter that would be beneficial for both the industry and the efforts to mitigate climate change.

Trade association

The SDR (Smart Delta Resources) industrial symbiosis of the Netherlands

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Several large industrial companies, including ICL Terneuzen, located in Zeeland province in the southwestern Netherlands, have created an ambitious climate plan.
The industrial companies, including some of the largest energy consumers in the province, plan to reduce their GHG emissions by 85% to 90% by 2050, in line with the Paris climate agreement.
The Zeeland companies participating in the climate plan include ICL the Netherlands Terneuzen, Yara (located in Sluiskil), Zeeland Refinery (located in Nieuwdorp), Trinseo, Dow Benelux, and Cargill (located in Sas van Gent). Their climate plan was developed together with companies from West Brabant and Flanders, and calls for using each others' residual heat and waste materials.
The companies have drawn up a roadmap with measures needed to achieve this objective. The plan includes storage and recycling of CO2 as well as the use of hydrogen.
See more details here: http://icl-group-sustainability.com/wp-content/uploads/2018/10/CE_Delft_3M36_Roadmap_towards_a_neutral_industry_in_the_Delta_region_Def....pdf

How have you influenced, or are you attempting to influence their position?

ICL Terneuzen strongly supports this initiative, and is active in discussions attempting to find solutions and collaborations for emission reductions.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

All our activities regarding influence on climate change policies are coordinated by and reported to the ICL Global Sustainability department (GSD), which leads the implementation of ICL's climate change strategy, as determined by ICL's management. The GSD reports these issues fluently to ICL's global VP EHS, and common decisions are made and communicated internally on the corporation's position on different policy issues- to all internal parties who are in contact with policy makers or other relevant external parties. In this way- we ensure that our climate change strategy is indeed reflected and represented in all activities that could influence policies.

C12.4

(C12.4) Have you published information about your organization’s response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports

Status

Complete

Attach the document

ICL-2019-20F-FINAL.pdf

Page/Section reference

"Current and Future regulation regarding climate change..." p. numbered 24-25 (p.32-33 in PDF),
"Climate Change and Greenhouse Gas Emissions", p. numbered 78-79 (p.86-87 in PDF),

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Note that the included emission target was before the recent target update mentioned in chapter 4 of this report. The target in chapter 4 of this report is the most updated one.

In addition, there is also comprehensive data on ICL's efforts to reduce GHGs and climate change management practices, in ICL's online corporate responsibility report for 2019 (no hard copy exists, as this is an advanced web-report). See here: http://icl-group-sustainability.com/reports/ghg-climate-change/

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

Some information in this document is based upon certain sections from ICL's 2019 Annual financial (F-20) report. You are advised to review the entire report, available on our internet site at: http://www.icl-group.com. For details regarding adjustments you should refer to the full documentation as published. You should not assume that the information contained herein is accurate as of any date other than the date of this document. We are not providing you with any investment, legal, business or tax advice. All statements, other than statements of historical facts included in this document, may be forward-looking statements. Although we believe that the expectations reflected in these forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct. Such forward looking information involves risks and uncertainties, including those referred to in the company's 2019 Annual financial (F-20) report referred above. Some of the market and industry data contained in this document are based on independent industry publications or other publicly available information, while other information is based on internal studies and/or estimates. Although we believe that these sources and our internal data are reliable, as of their respective dates, the information contained in them has not been independently verified, we cannot assure you as to the accuracy or completeness of this information. As a result, you should be aware that the market and industry data contained in this document and beliefs and estimates based on such data, may not be reliable.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	ICL Global EVP Operations	Other C-Suite Officer