



IEV Holdings Limited

SUSTAINABILITY REPORT 2018

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This Sustainability Report has been reviewed by the Company's Sponsor, SAC Capital Private Limited (the "**Sponsor**").

This Sustainability Report has not been examined or approved by the Singapore Exchange Securities Trading Limited ("**Exchange**") and the Exchange assumes no responsibility for the contents of this Sustainability Report, including the correctness of any of the statements or opinions made or reports contained in this Sustainability Report.

The contact person for the Sponsor is Mr Ong Hwee Li, at 1 Robinson Road, #21-00 AIA Tower, Singapore 048542, telephone (65) 6232 3210.

ABOUT THIS REPORT

This is IEV Holdings Limited's ("IEV", and together with its subsidiaries, the "Group") second sustainability report ("Report"). This Report covers economic, environmental, social, and governance ("EESG") related factors identified for the financial year ended 31 December 2018 ("FY2018").

Sustainability at IEV means providing infrastructure and engineering services in a responsible manner that respects people, their safety, and the environment. This Report identifies the key sustainability challenges that IEV faces in its day-to-day operations and the ways in which the Group has responded to such challenges. The Group strives to proactively improve on its sustainability efforts and is committed to maintaining environmentally sustainable business practices.

This Report lists topics that were a priority to IEV and the Group in FY2018. The topics that consistently ranked of high importance were economic performance, anti-corruption, occupational health and safety, ethics and integrity, and corporate governance.

Throughout each year, we use a structured process to select our list of topics and assess their validity. We engage with various groups and individuals to understand specific concerns about our operations and its impact, particularly in relation to the environment and society. We consider, among others, the views of our stakeholders such as employees, investors, and customers. We gather opinions and advice in various ways including formal and informal meetings, surveys, and site visits.

Our sustainability assessment is conducted annually and this Report is set out on a "comply or explain" basis in accordance with Listing Rule 711B and Practise Note 7F of the Listing Manual Section B: Rules of Catalist of the Singapore Exchange Securities Trading Limited ("SGX-ST"). IEV has adopted the Global Reporting Initiative ("GRI") Standards: Core Option for the preparation of this Report, which provides a globally recognised framework for companies to measure and communicate EESG performance.

IEV has not sought external assurance for this Report. This Report should be read in conjunction with IEV's annual report for FY2018 ("[Annual Report 2018](#)").



MESSAGE FROM THE BOARD

Dear Valued Stakeholders,

This Report marks our second year in sustainability reporting. FY2018 has been challenging yet illuminating for the Group – we have been adversely affected by low oil prices but such challenges have illuminated new pathways.

To root out weak spots, we began implementing tough decisions to divest loss-making businesses, reduce operational cost, and undertake lean management practices to ensure the Group's sustainability. To mitigate revenue reductions and increase efficiency, the Group has been charting new pathways in the commercialisation of disruptive technologies in its Asset Integrity Management Sector ("AIMS") across the Asia Pacific region and pursuing new opportunities in decommissioning offshore and onshore structures.

Care has been taken to ensure our employees and other stakeholders have been treated fairly and equitably in our transformation into a leaner entity. Our internal working team, comprising of senior management, continue to manage and drive the Group's sustainability efforts, and have been instrumental in identifying where such care needs to be undertaken.

The Board continues to closely examine aspects of sustainability across safety, environment, and ethics. Throughout FY2018, we leveraged on our full access to senior management to probe and raise challenging questions, and drew on our collective experience to provide feedback and advice. At site visits, we talked with local management, front-line staff, and a wide range of stakeholders to gain a sense of how standards are being applied in practice and maintain positive stakeholder engagement.

Safety continues to be a pillar of our operations. As a provider of products and services for the oil and gas industry, operating safely without hurting people or the environment remains a paramount objective. To that end, we succeeded in achieving zero fatalities in FY2018, with zero Loss Time Incidents ("LTI") and zero Medical Treatment Injuries ("MTI") at our worksites. This was an improvement over the four LTI and two MTI we had in FY2017.

To minimise our environmental impact, we have continued to invest in progressive research and development, which are aimed at making our marine growth control products, known as marine growth preventers, to be more resilient and last longer.

Doing the right thing in a constantly changing world involves making forward-looking decisions that are informed by reliable data. We believe accurate and transparent reporting of the Group's operations and continually assessing our impacts against available local, national, and international benchmarks help us to be more accountable to our stakeholders. Yet, this is not an altruistic endeavour – sustainability reporting has provided us with the knowledge we need to reduce unnecessary use of natural resources, increase our efficiency, and improve operational performance.

We welcome this opportunity to lay bare how we operate, and we seek feedback on our performance so we can continue to improve.

On behalf of the Board
Christopher Nghia Do
President and Chief Executive Officer
31 May 2019



ABOUT IEV

IEV was established in 1986 as a company that provides innovative and advanced engineering products and services for the offshore and onshore oil and gas industry. In 2011, IEV was listed on the Catalist Board of SGX-ST and is currently headquartered in Kuala Lumpur, Malaysia.

IEV, together with its subsidiaries, is currently focused on running a global asset integrity management business with a large network in Singapore, Malaysia, Indonesia, Vietnam, Hong Kong, and India. Prior to FY2018, IEV was also involved in oil exploration and production in Indonesia, mobile natural gas distribution in Indonesia, Malaysia, and Vietnam as well as renewable energy business in Vietnam. IEV had a total of 61 permanent staff members employed on a full-time basis in 2018.

The plunge in oil prices in 2014, which saw prices dropping more than 50% to \$48 a barrel resulted in a difficult operating environment for IEV's oil exploration and production business and led to IEV eventually exiting the business in January 2018.

During 2018, IEV took concrete steps to discontinue, divest, and impair the underperforming parts of its business and had exited from the renewable energy business following the transfer of its biomass plant sometime mid-2018 and had subsequently exited from the mobile natural gas business following the extraordinary general meeting held on 14 November 2018, where shareholders approved the disposal of PT IEV Gas.

IEV has since put in place a plan to turn the

Group's operations around by refocusing on its core innovative engineering competencies, which forms the root of IEV, and commercialise a suite of disruptive technologies in the Asset Integrity Management Sector, or AIMS, across upstream and downstream markets. The Group currently offers both individual and integrated technologies and solutions to assess, inspect, repair, and maintain fixed assets of both onshore and offshore structures, such as offshore oil and gas platforms, pipelines, jetties, refineries, and petrochemical plants. The types of technology offered are either proprietary, co-developed or originated from providers who partner with IEV to launch their unique technology through IEV's extensive global distribution network under long-term strategic alliance arrangements.

Currently, AIMS covers the following divisions: Structural Integrity Solutions; Advanced Inspection Solutions; Corrosion Control Solutions; and Subsea Engineering Solutions. IEV is also exploring partnerships to expand AIMS to cover not only steel assets but also concrete infrastructure in coming years. While AIMS remains the focus of the Group for the next few years, the Group is also actively pursuing decommissioning-related activities, from conducting decommissioning studies to carrying out turnkey decommissioning contracts across Asia.

Moving forward, IEV will look at breaking into the global brownfield market with AIMS. We will also continue to invest in our technology-focused engineering business, undertake more intensive research and development, and evaluate new disruptive technologies for integration into AIMS.



CORPORATE STRUCTURE



¹ Associate
² Disposed off with effect from 22 November 2018.
³ As announced on 25 June 2018 and pursuant to a joint venture agreement, the Group's shareholding in IEV Technologies will potentially be reduced to 51.87% following subscription by the joint venture parties.

OUR CORPORATE GOVERNANCE

Our Board of Directors is the highest governing body of IEV and is responsible for strategic direction and the long-term success of the Group. The Board is made up of Directors with a wide range of skills and qualifications in areas such as business management, finance, accounting, as well as specific experience in related/relevant industries.

Currently, the Board consists of 5 members, comprising of 1 Non-Independent Non-Executive Chairman; 1 President and Chief Executive Officer and 3 Independent Directors.

For FY2018, the Board has complied with the principles and guidelines of the Singapore Code of Corporate Governance 2012. As steward of

IEV's strategic direction, it has taken steps to integrate sustainability issues as part of its strategic formulation. Consistent with this role, the Board has determined the economic, environmental, social, and governance factors identified as material to the business and ensures they are monitored and managed. The Board is supported by a strategic team of general managers, which enables the Board to assess and ensure that sustainability governance is structured and functioning through the various levels of management.

For more information on our corporate governance, please refer to our Annual Report 2018 (Report on Corporate Governance).



SUPPLY CHAIN

Our suppliers and partners are integral to our ability to run our business. They are involved in numerous aspects of our operations, from logistics to engineering and IT. As such, we aim to work with those that conduct themselves in an economically, environmentally, and socially-responsible manner.

In FY2018, IEV spent RM3.5 million on goods and services from 81 suppliers. Our approach is to source products/materials and services through a multi-layered procurement process that is vetted at various levels of IEV management. We review, among others, potential suppliers' industry reputation, track record, work ethics and assess them for a fit with our own philosophy and strategy.

Throughout our engagement with suppliers, we assess and monitor their procedures, and if needed, ensure training is provided to meet our standards.

We source our suppliers mainly from the countries we operate in such as Malaysia, Singapore, Indonesia, India, and Vietnam. For non-proprietary AIMS products and services, such as diamond-wire cutting and anti-corrosion thermoplastic coating,

we source the equipment and materials from our Principals in the USA and UK. The nature of these Principal-owned technology does not allow us to source any comparable equipment or material locally. Equipment and tools for cutting services and anti-corrosion thermoplastic application are stored in supply base locations in the Asia-Pacific region, in proximity to where clients may require such services. Materials for these services are procured from the USA and UK and shipped to these supply bases as and when projects are undertaken. When mobilised by the client, such equipment and materials are then moved to a port for embarkation on a vessel and transported to an offshore location where the service is rendered or materials applied.

For our proprietary marine growth control technology, individual components are manufactured using custom moulds through a selected panel of injection-die manufacturers. These components are stored at IEV's own manufacturing facility, where we prepare the marine growth products according to client specifications. The pieces are then freighted to and assembled at the client's destination location, be it a fabrication yard, jetty, or on an offshore platform.



STAKEHOLDER ENGAGEMENT

IEV and the Group rely on a robust and rigorous process of stakeholder engagement to understand the expectations and needs of its stakeholders. We believe this process allows us to continuously learn about what we are doing right (and wrong), how we are impacting those we work with, and how and where we can improve. This, we believe, strengthens our accountability to, and builds trust with, our stakeholders.

Our stakeholder engagement process involves talking to and opening communication channels with various groups and individuals to understand specific concerns about our business and its impact, particularly in relation to the health and safety of our employees and our impact on the environment. These include, but are not limited to: internal stakeholders such as employees, managers, senior management, and Board of Directors; and external stakeholders such as suppliers, regulators, creditors, shareholders, and customers.

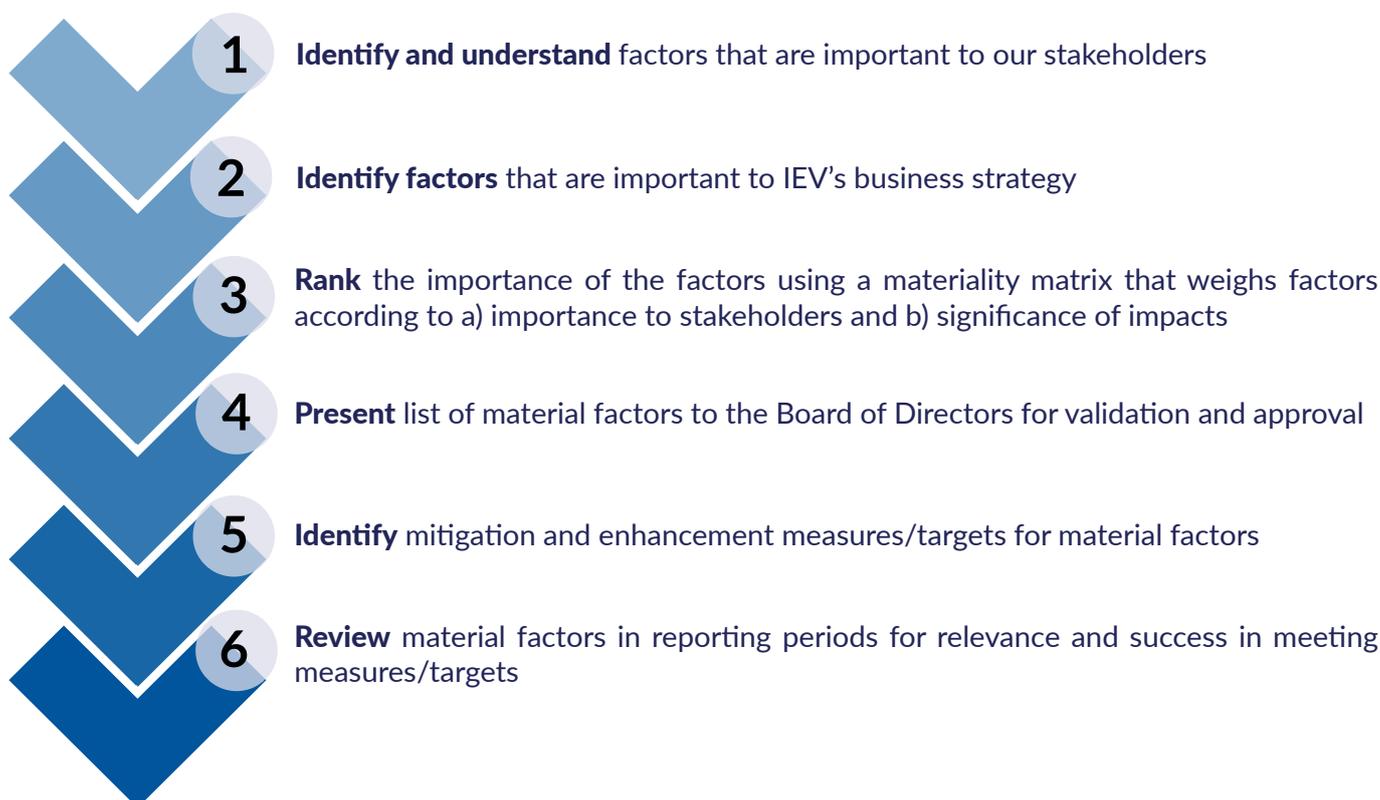
We gather opinions and advice in various ways including formal and informal meetings, surveys, site visits, and feedback channels. These opinions and advice are then incorporated into our corporate strategies to achieve mutually beneficial outcomes.

Key Stakeholders	Forms of Engagement	Key Topics
 Employees	<ul style="list-style-type: none"> • Annual appraisals • Regular QHSE employee feedback • Scheduled town hall meetings 	<ul style="list-style-type: none"> • Staff performance • Career advancement • Company performance • Company strategies • Occupational health and safety • Diversity and equal opportunity
 Customers	<ul style="list-style-type: none"> • Project kick-off and close-out meetings • Feedback channels • Occasional site visits • Scheduled roadshows 	<ul style="list-style-type: none"> • Improvements in customer service • Feedback on products and services • Ethics and Integrity • Environmental compliance
 Suppliers/Creditors	<ul style="list-style-type: none"> • Annual vendor evaluation • Feedback channels • Scheduled site visits 	<ul style="list-style-type: none"> • Assessment of goods and services provided by vendors • Environmental compliance
 Shareholders	<ul style="list-style-type: none"> • Annual General Meeting • Annual reports • Company website • SGX NET announcements 	<ul style="list-style-type: none"> • Company performance • Company direction • Strategies and developments • Ethics and integrity • Anti-corruption
 Regulators	<ul style="list-style-type: none"> • Electronic communications • SGX NET announcements 	<ul style="list-style-type: none"> • Corporate governance • Operational performance • Economic performance • Compliance with local laws and regulations • Anti-corruption

MATERIALITY ASSESSMENT

To identify and prioritise sustainability factors for inclusion in this report, IEV conducted a materiality assessment.

MAIN STEPS IN SELECTING MATERIAL FACTORS



Applying these steps, and following GRI guidelines for material disclosures, we have identified the following as our material factors:

Economic GRI 200

- A Economic performance
- B Anti-corruption

Environmental GRI 300

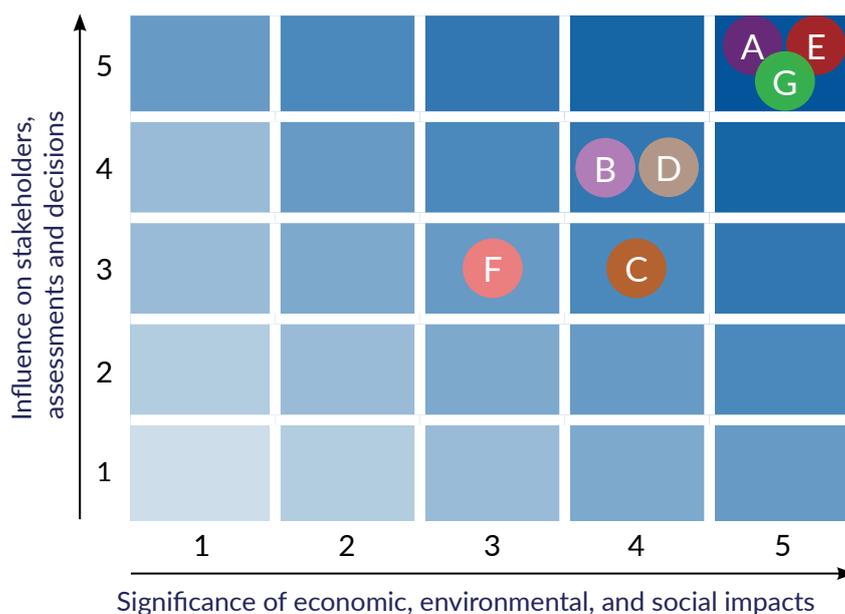
- C Effluents and waste
- D Environmental compliance

Social GRI 400

- E Occupational health and safety
- F Diversity and equal opportunity

Governance

- G Ethics and integrity



There have been no changes to the factors identified as compared to the previous sustainability report. IEV endeavours to review these factors as and when there is a change to our business model. If there is no change to our model, we will review these factors annually.

ECONOMIC PERFORMANCE

• Direct economic value generated and distributed

IEV believes financial sustainability is critical to our survival and business progression. We aim to ensure long-term profitability by taking into account the interests of all stakeholders, such as employees, shareholders, suppliers, and society as a whole; minimise risk by identifying early opportunities and obstacles and putting in place clear measures that maximise opportunities and mitigate obstacles; and adhere to laws and regulations that protect and enhance employee welfare.

The Group's operations can and has been impacted by fluctuating prices of oil and gas, and their derivative products. In a low oil and gas price environment, our clients would generate less revenue from their businesses, which could result in the businesses incurring losses or becoming less profitable. Prolonged periods of low oil and gas prices, coupled with rising costs, over the last 5 years, have resulted and could continue to result in projects being delayed, cancelled, or divested.

Such an environment has led us to exit oil exploration and production in Indonesia; mobile natural gas distribution in Indonesia, Malaysia, and Vietnam; and the renewable energy (rice husk-based) sector in Vietnam. In aggregate, these sectors recorded a loss of RM8.2 million for FY2018, compared to a loss of RM72.6 million for FY2017. The divestment of these sectors has alleviated the Group's cash flow pressures.

The prolonged downturn in the upstream oil and gas industry also impacted our AIMS operations. For FY2018, the Group recorded revenue of RM3.0 million from continuing operations, a decrease of RM3.7 million or 55.3% year-on-year due to AIMS continuing to experience reduced business activities. The Group's proprietary marine growth control products contributed 30.1% of revenue in FY2018 from continuing operations compared to 62.3% in FY2017. Correspondingly, the Group's gross profit from continuing operations also declined – for FY2018, it was down 66.3% to RM1.7 million from RM4.9 million in FY2017.

The Group has started to diversify AIMS beyond the oil and gas industry to other industries including power, petrochemical, chemical, and fertilisers. Also, in addition to intensifying the commercialisation of disruptive technologies in AIMS across the Asia Pacific region, the Group has launched a number of advanced inspection and corrosion control solutions for both offshore and onshore assets. Recent AIMS contracts in Malaysia and Nigeria have demonstrated that demand for AIMS solutions will grow in the coming years.

The Group is also currently pursuing new decommissioning opportunities and will participate in future decommissioning tenders in Malaysia. The Group also hopes to explore opportunities for platform reuse and decommissioning studies, where it has a proven track record especially in cold cutting solutions for removal of offshore jackets, pipelines, and conductors.

The US Energy Information Administration ("EIA") has forecast that Brent spot prices will average \$70/per barrel in 2019 and \$67/per barrel in 2020¹, reflecting tighter expected global oil market balances in mid-2019 and increasing supply disruption risks. The massive amount of output from the US shale oil is creating a crude glut and driving down US crude prices to a level that international markets are struggling to compete with. This is also forcing OPEC and its non-OPEC allies to renew their agreement to cut oil production output.

The Group is therefore cautiously optimistic of our performance in FY2019 and barring any unforeseen circumstances, we look forward to the successful implementation of our diversification and commercialisation of disruptive technologies plan.

For a more detailed look at our financial results, please refer to the following sections in our Annual Report 2018:

- Directors' Statement
- Independent Auditor's Report
- Statements of Financial Position
- Consolidated Statement of Profit or Loss and Other Comprehensive Income
- Statements of Changes in Equity
- Consolidated Statement of Cash Flows
- Notes to Financial Statements

¹ <https://www.ogj.com/articles/2019/05/eia-revises-upwards-its-oil-price-forecasts-for-2019-20.html>

ECONOMIC

ECONOMIC PERFORMANCE

- **Financial implications and other risks and opportunities due to climate change**

Rising climate change concerns have led and could lead to additional legal and/or regulatory measures for our clients in the oil and gas industry, which could result in project delays or cancellations, a decrease in demand for fossil fuels, potential litigation, and additional compliance obligations.

Additionally, there is some pressure to divest investments in fossil fuel companies, which could affect our ability to finance our portion of costs, either through equity or debt. The World Bank has announced plans to stop financing upstream oil and

gas projects in 2019². Similarly, it has been reported that other financial institutions also appear to be considering limiting their exposure to certain fossil fuel projects.

We aim to reduce our exposure to the oil and gas industry by partnering with clients outside of this industry such as power, petrochemical, chemical, and fertilisers.

In addition, physical effects of climate change such as, but not limited to, adverse weather patterns could negatively impact our operations. Currently, our AIMS can be subject to weather disruptions, which may delay the start and completion of work. We have put into place contingencies in our work schedule and budgeting that compensate for potential weather disruptions.



² <https://www.worldbank.org/en/news/press-release/2017/12/12/world-bank-group-announcements-at-one-planet-summit>

ANTI-CORRUPTION

• Operations assessed for risks related to corruption

IEV and the Group operate across different countries and engage numerous contractors, suppliers, agents, and other partners. This exposes us to numerous vulnerable points for corruption. Preventing and managing risks associated with corrupt practices is therefore a material factor.

We prevent and manage these risks with a zero-tolerance policy towards accepting any gifts or favours from individuals, organisation, vendors, or contractors doing or seeking to do business with the Group.

We also have in place a whistle-blowing policy that supports our anti-corruption commitment by enabling employees to, in confidence, raise concerns internally and disclose any impropriety through well-defined and accessible channels. Should there be any reported impropriety, we have an audit committee that conducts independent investigations and enact appropriate follow-up actions where necessary.

Senior management in each country have been tasked with ensuring the appropriate controls and monitoring systems have been put in place to prevent improper payments/bribery/corrupt practices. We have also engaged external auditors to assess gaps and evaluate if improper payments/procedures have been made.

• Communication and training about anti-corruption policies and procedures

Our policies are communicated to employees in all countries we operate in and can be accessed easily via our company intranet. As part of our induction programme when any new personnel joins the organisation, we instil in them the Group's anti-corruption policies and procedures including no-gifts and whistle-blowing.

We also notify our employees on changes to such policies via internal notices and emails. Our employees are also encouraged to consult or seek clarification from HR and Senior Management personnel who have been designated to manage whistle blowing channels.

• Confirmed incidents of corruption and actions taken

We had zero incidents of corruption in FY2018. We aim to maintain zero incidents of corruption in the next financial year. No whistle blowing reports were made during FY2018.



ENVIRONMENTAL

EFFLUENTS AND WASTE

• Waste by type and disposal method

Our previous generations of marine growth control products may reach the end of its service life when its anti-fouling coating loses its efficacy, which is usually after five years. Our recommendation to clients is for these products to be removed and replaced by a new set of marine growth control products. As our products are made of high-density poly-ethylene, they can be recycled like any plastic material.

We have improved our latest generation of products by making them self-cleaning, which negates the requirement for an anti-fouling coating and therefore extends its service life beyond five years.

In typhoon prone or icy ocean conditions, there is a risk that IEV's marine growth control products installed on offshore structures may, after a prolonged period, break apart or detach from the structures and drift

into the open sea. Before the latest generation of products, we have avoided installing our products in locations prone to extreme weather conditions.

To reintroduce our products to locations with extreme weather conditions, our latest generation of marine growth control products have been developed to be stronger such that it can withstand extreme storm conditions.

To support its efficacy claims, various tests are being conducted by an external agency, designed to see if our products can withstand typhoons and other severe ocean conditions. The initial tests revealed that our Single Ring product can withstand winds and ocean conditions up to Beaufort force 10 without any damage, while our Multiple Ring can withstand up to Beaufort force 12 without any damage. The Beaufort scale measures wind speeds and relates them to observed conditions at sea or on land, with the maximum, force 12, denoting typhoon force winds and conditions. Further tests are now being



ENVIRONMENTAL

conducted to determine the products' endurance in repeated height drops to simulate extreme wave conditions.

We aim to assist our clients in recovering infrastructure that has been decommissioned, which is becoming a part of our business portfolio. This will allow us to better plan for the end-of-life of our products with our clients and moving forward, facilitate a cradle-to-cradle philosophy where our products, once decommissioned, are recycled.

As for plastic waste produced during the manufacturing of our products, we abide by Malaysia's Environment Quality Act of 1974, which requires us to recycle the waste at periodic schedules. We produced 600 kilograms of plastic waste in FY2018. We contracted a professional waste recovery and recycling company, Resources Conservation Sdn Bhd, which treats and recycles our plastic waste using the latest technology. The company's processes and methods follow local laws and regulations.

ENVIRONMENTAL COMPLIANCE

- **Non-compliance with environmental laws and regulations**

IEV believes in reducing our footprint and impact to as low as reasonably practicable. As such, we support the precautionary principle and aim to avoid negative impacts on the environment where feasible. To this end, we aim to ensure all risks generated from our operations are identified, assessed, and mitigated to a reasonably practicable level.

We have adhered to all relevant Codes and Regulations on the environment. In FY2018, there were no incidences of non-compliance with laws and regulations that resulted in significant fines or sanctions, and we aim to maintain this in the next financial year.



SOCIAL

OCCUPATIONAL HEALTH AND SAFETY

- Occupational health and safety management system

Providing engineering services to offshore and onshore oil facilities carries a certain degree of risk that requires the installation of carefully calibrated processes to minimise injury and danger. As such, occupational health and safety (“OHS”) is of great importance to IEV and we have put in place robust systems for engendering a safety culture that goes beyond compliance to one where our people feel listened to, cared for, and comfortable raising concerns.

As a basic requirement, we adhere to applicable health and safety laws in the countries where we operate. These laws include Malaysia’s Occupational Safety and Health Act 1994, Factory & Machinery Act 1976, and Environmental Quality Act 1974. Malaysia is where the Group’s manufacturing facility is based. Other country offices manage sales and marketing operations and do not produce industrial waste but nevertheless abide by laws imposed by their respective governments.

We have also put in place an integrated health and safety culture that runs throughout all levels of our organisation. We believe putting in place proper training and effective communication and consultation can ensure all accidents and incidents are preventable.

IEV’s OHS is managed by the Quality, Health, Safety, and Environment (“QHSE”) department. This department is led by a QHSE Manager, who is responsible for ensuring the management system is established, updated, and maintained according to local and international standards requirements. This position is part of senior management, which reports directly to the President and CEO of the Group.

Also, IEV’s OHS management system is implemented to and governed by ISO 45001:2018 standard and its prevailing requirements. In order to obtain the internationally-recognised certification, we have to continually improve the suitability, adequacy, and effectiveness of the OHS management system by ensuring that we have put in place numerous checks and communication channels for identifying and rectifying hazards and risks. These checks and communication channels will be elaborated upon further in the next sections.



OCCUPATIONAL HEALTH AND SAFETY

- Hazard identification, risk assessment, and incident investigation

Our dedicated QHSE department ensures health and safety practices are carried out across all our operations from corporate to manufacturing and engineering services. Before embarking on any engineering service work, our project management team will conduct a job safety induction. In addition, we conduct a job hazard analysis (JHA), which dissects the job procedure by procedure to identify existing as well as potential hazards, prioritise corrective actions, and reduce/eliminate the hazards.

Our whistle-blowing policy supports our health and safety commitment by enabling employees to, in confidence, raise concerns internally and disclose any impropriety through well-defined and accessible channels. Our people need not fear reprisal for reporting any shortfalls in our health and safety practices.

Should employees view an activity to be a potential hazard, we have a Stop Work policy, which can be exercised by any employee, regardless of position, seniority, or discipline. We do not apportion blame or fault on any employee who calls for a Stop Work order even if, upon investigation, the Stop Work order was deemed unnecessary. Work that has ceased due to a Stop Work order resumes only after all safety checks have been conducted.

When investigating incidents, we have a reporting process that must be completed within 12 hours for incidents involving a fatality, within 24 hours for loss

time incidents (“LTI”), and a maximum of 48 hours for incidents involving medical treatment or the application of first aid. This involves filling up a “Work Incident Report” form and submitting the form to the immediate supervisor. Within the same time periods (12 hours for fatal incidents and 24 hours for LTI), supervisors must form a team to investigate the incident. For medical treatment incidents, supervisors must form an investigative team within 72 hours.

The team is responsible for analysing the incident, evaluating the risks, and preparing concluding remarks that will be presented to all staff to raise awareness and put in place prevention measures. This process should be completed within seven days for fatal incidents, within 10 days for LTI, and within 14 days for medical treatment incidents.

Each year, we also conduct an internal audit and check against all the relevant clauses of the ISO 45001:2018 requirements. The outcome of the audit is analysed and presented at our management review meeting. Further action is then taken where warranted. This can involve, among others, changing policies and processes that do not work/have resulted in accidents and identifying new risks and opportunities.



SOCIAL



OCCUPATIONAL HEALTH AND SAFETY

- **Worker participation, consultation, and communication on occupational health and safety**

IEV and the Group have in place a formal joint management-worker health and safety committee. This committee comprises of representatives from senior management and the workers. This committee meets every quarter and reports to the committee's chairman, who represents IEV's senior management.

The committee is responsible for assisting in the development of health and safety rules and safe work systems; reviewing the effectiveness of health and safety programmes; carrying out studies on accident trends, near-misses, dangerous occurrences, occupational poisoning/disease; reporting on unsafe/unhealthy practices and providing recommendations for corrective action; and reviewing workplace health and safety policies and making recommendations for revising any existing policy.

- **Work-related injuries**

Between January and December 2018, we recorded 110,536 man-hours across our operations with zero Loss Time Incidents and zero Medical Treatment Injuries. In 2017, the Group recorded 4.38 million man-hours with 4 Loss-Time Incidents and 2 Medical Treatment Injuries. The reduction in man-hours in FY2018 compared to FY2017 is due to the disposal of the Mobile Natural Gas Sector in FY2018. Moving forward, we aim to maintain zero Loss Time Incidents and zero Medical Treatment Injuries.



DIVERSITY AND EQUAL OPPORTUNITY

• Diversity of governance bodies and employees

IEV considers our employees our most valuable asset, and as such, endeavour to offer our people a fair and safe work environment. We do not discriminate against race, age, gender, religion, ethnicity, nationality, or physical abilities. This is codified in our employee handbook, which is disseminated to all our people when they start working with us.

In addition, we have put in place a strict policy against sexual harassment in order to ensure a safe and conducive work environment. We define sexual harassment as conduct of a sexual nature which can take verbal (e.g. innuendoes, comments), non-verbal (e.g. leering, obscene gesticulations), visual (e.g. posters, signs), physical (e.g. touching, coerced sexual act), and textual/electronic (e.g. e-mails, texts) forms. A thorough investigation is launched when a complaint is received and those found guilty will be meted punishments, ranging from a warning to dismissal.

In 2018, we received zero complaints for discrimination and we aim to replicate this in future.

We aim to sustain a diverse workforce and an inclusive environment that respects and shows care for all our people, which in turn, we believe will improve our business performance.

In FY2018, IEV employed a total of 61 permanent employees (including senior management and Chief Executive Officer). The employee gender breakdown was 41% female and 59% male. The employee age breakdown was 7% below 30 years old; 86% for 30-50 years old; and 7% for over 50 years old.

All IEV staff are employed on a permanent and full-time basis. Out of the 61 employees, IEV's senior management team comprised of 17 employees holding positions ranging from Assistant Manager to Chief Executive Officer. The gender breakdown of the senior management positions was 47% female and 53% male. Out of a total of 17 senior management members, 82% were 30-50 years in age while 18% were over 50 years old.

IEV's Board of Directors for FY2018 comprised 20% female and 80% male. All were over 50 years old.

We have endeavoured to have an equal gender mix, where possible. However, in the engineering sector and the kinds of industries (such as oil and gas) that we target, we do see more applications from males than females. This can account for the slightly lower overall percentage of female employees but this has not hampered their upward mobility as our women employees account for 67% of senior management.

GOVERNANCE

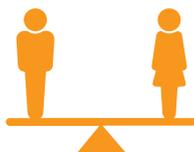
ETHICS & INTEGRITY

• Values, principles, standards, and norms of behaviour

IEV has an internal Code of Conduct that stipulates how we conduct our business and practices. Our Code of Conduct provides guidance to our employees on our key commitments, which include:



High standards in workplace health, safety, and the environment



No discrimination in pay based on gender



Fair and transparent employment practices



Provision of whistleblowing channels in event of breach



Responsible behaviour while on-site (no drugs or alcohol policy)



Provision of a safe work environment free from harassment



Prevention of improper payments/corruption

We recognise that the creation and maintenance of a safe and secure workplace, free of risk or exposure to personal harm, property damage, or adverse impacts on the environment, hinges on keeping our employees informed of the Code of Conduct. The Code of Conduct is disseminated to our employees via our company's intranet, bulletin boards, employee handbooks, and regular briefings. Senior management is also responsible for ensuring that guidelines set out in the Code of Conduct are communicated to and understood by all employees, and for ensuring compliance.

We endeavour to remain cognizant and ever-vigilant of the needs of our employees, stakeholders, and environment. In that regard, we review our Code of Conduct annually so as to ensure they remain true to our core values of respect, integrity, professionalism, and accountability.

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if Applicable	
GENERAL DISCLOSURE			
GRI 102: General Disclosures	Organisational Profile		
	102-1	Name of the organisation	3
	102-2	Activities, brands, products, and services	5
	102-3	Location of headquarters	5
	102-4	Location of operations	6
	102-5	Ownership and legal form	AR p4
	102-6	Markets served	5-6
	102-7	Scale of the organisation	5-6, 11, AR p 16-20
	102-9	Supply chain	8
	102-10	Significant changes to the organisation and its supply chain	5, AR p 14-20
	102-11	Precautionary principle or approach	IEV supports the intent of the precautionary principle, but has not expressed a specific commitment.
	Strategy		
	102-14	Statement from senior decision maker	4
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	20	
Governance			
102-18	Governance structure	7, AR p 21-45	

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if Applicable	
GENERAL DISCLOSURE			
GRI 102: General Disclosures	Stakeholder Engagement		
	102-40	List of stakeholder groups	9
	102-41	Collective bargaining agreements	NA
	102-42	Identifying and selecting stakeholders	9-10
	102-43	Approach to stakeholder engagement	9
	102-44	Key topics and concerns raised	9
	Reporting Practice		
	102-45	Entities included in the consolidated financial statements	AR p 47-67
	102-46	Defining report content and topic boundaries	3
	102-47	List of material topics	10
	102-48	Restatements of information	NA
	102-49	Changes in reporting	NA
	102-50	Reporting period	3
	102-51	Date of most recent report	Inaugural Sustainability Report (FY2017) published on 28 December 2018
	102-52	Reporting cycle	3
	102-53	Contact point for questions regarding the report	Back cover
	102-54	Claims of reporting in accordance with the GRI Standards	3
102-55	GRI content index	21-23	
102-56	External assurance	NA	
MATERIAL FACTORS			
Economic Performance			
Economic Performance	103-1	Explanation of the material topic and its boundaries	11-13
	103-2	The management approach and its components	11-13
	103-3	Evaluation of the management approach	11-13
	201-1	Direct economic value generated and distributed	11, AR p 16-20, 57-67
	201-2	Financial implications and other risks and opportunities due to climate change	12

GRI STANDARDS CONTENT INDEX

GRI Standard	Disclosure	Page Reference and Reasons for Omission, if Applicable
MATERIAL FACTORS		
Anti-Corruption		
Anti-Corruption	103-1 Explanation of the material topic and its boundaries	13
	103-2 The management approach and its components	13
	103-3 Evaluation of the management approach	13
	205-1 Operations assessed for risks related to corruption	13
	205-2 Communication and training about anti-corruption policies and procedures	13
	205-3 Confirmed incidents of corruption and actions taken	3
Effluents and Waste		
Effluents and Waste	103-1 Explanation of the material topic and its boundaries	14-15
	103-2 The management approach and its components	14-15
	103-3 Evaluation of the management approach	14-15
	306-2 Waste by type and disposal method	14-15
Environmental Compliance		
Environmental Compliance	103-1 Explanation of the material topic and its boundaries	14-15
	103-2 The management approach and its components	14-15
	103-3 Evaluation of the management approach	14-15
	307-1 Non-compliance with environmental laws and regulations	15
Occupational Health and Safety		
Occupational Health and Safety	103-1 Explanation of the material topic and its boundaries	16-18
	103-2 The management approach and its components	16-18
	103-3 Evaluation of the management approach	16-18
	403-1 Occupational health and safety management system	16
	403-2 Hazard identification, risk assessment, and incident investigation	17
	403-4 Worker participation, consultation, and communication on occupational health and safety	18
	403-9 Work-related injuries	18
Diversity and Equal Opportunity		
Diversity and Equal Opportunity	103-1 Explanation of the material topic and its boundaries	19
	103-2 The management approach and its components	19
	103-3 Evaluation of the management approach	19
	405-1 Diversity of governance bodies and employees	19
Ethics and Integrity		
Ethics and Integrity	103-1 Explanation of the material topic and its boundaries	20
	103-2 The management approach and its components	20
	103-3 Evaluation of the management approach	20

IEV HOLDINGS LIMITED

(Company Registration No.: 201117734D)

(Incorporated in the Republic of Singapore on 26 July 2011)

Level 5, Menara PKNS
Block A, No. 17 Jalan Yong Shook Lin
46050 Petaling Jaya
Selangor Darul Ehsan, Malaysia
Tel : +6 (03) 7931 9921 Fax : +6 (03) 7931 9964
info@iev-group.com

www.iev-group.com