



10 celebrating
2009-2019

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) PERFORMANCE

SUSTAINABILITY REPORT **2019**





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ABOUT THIS REPORT

SCOPE

The purpose of this report is to enable key stakeholders to understand Civmec’s sustainability approach, actions, performance and key material issues for the financial year ended 30 June 2019 (FY2019). This report was approved by the Civmec Board of Directors (the ‘Board’) on 29 November 2019.

Civmec Limited (Company Registration Number 201011837H) is the ultimate holding company of the Civmec group of companies. In this report, unless otherwise stated, references to ‘Civmec’, the ‘company’ and the ‘group’ refer to Civmec Limited and its controlled entities. The information in this report covers all operational activities undertaken by Civmec. Our share of operations from joint venture projects is reported on a proportionately consolidated basis, unless otherwise stated.

REPORTING APPROACH

Civmec’s Sustainability Report 2019 links our sustainability principles to our mission, vision and values. The report has been prepared in accordance with the Global Reporting Initiative (GRI) Sustainability Reporting Standards 2016 core-level reporting, which focuses on identifying and reporting on topics that are material to our business and key stakeholders, in relation to environmental, social and governance (ESG) performance.

The GRI Standards create a common language for organisations and stakeholders, with which the economic, environmental, and social impacts of organisations can be communicated and understood. The Standards are designed to enhance the global comparability and quality of information on these impacts, thereby enabling greater transparency and accountability of organisations.¹

We report our sustainability performance annually. To support this commitment, we are continuing to evolve and refine how we collect information to ensure quality data and insights are available in order to drive improvement in our sustainability performance over time. This process includes undertaking an internal audit of this report and the reporting process.

For ease of reference, a GRI Standard Content Index is located on **page 45** of this report.

¹ Consolidated Set of GRI Sustainability Reporting Standards 2016 – GRI 101: Foundation 2016



MESSAGE FROM THE BOARD

The primary role of the Board is to deliver mutually beneficial outcomes for all stakeholders and to ensure that the company is managed in accordance with best international corporate governance practices, meeting all obligations of the Singapore Exchange (SGX) and the Australian Securities Exchange (ASX).

Central to Civmec's approach to sustainability is our *Never Assume* philosophy, which underpins the company's culture and drives behaviour, attitudes, decisions and actions.

As we celebrate 10 successful years of operation this year, the sustainability of our business over the past decade is intrinsically linked to the successful management of our environmental, social and governance (ESG) risks, obligations and opportunities. Proactively identifying and understanding the risks faced by the business and adopting sustainable practices to mitigate these, in addition to capitalising on identified opportunities, has facilitated our growth.

This report outlines Civmec's management approach and performance across the key material risk areas identified, as a fundamental component of future strategy to continue to drive sustainable growth. As part of its strategic formulation, the Board has carefully considered the material ESG factors that present the greatest risk and opportunity to the business and oversees the management and monitoring of these factors.



Aerial view of west coast facility, Henderson, Western Australia

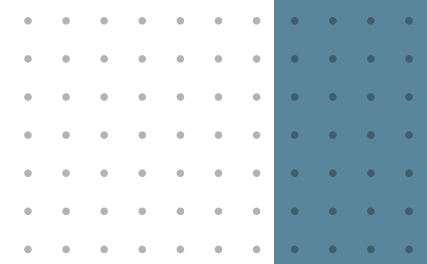
Civmec's sustainability agenda is focused on:

- continuing to operate with integrity;
- actively contributing to the success and welfare of our people and the communities in which we operate;
- ensuring our operations have minimal environmental impact, and
- achieving our safety, health, environment, people and financial targets.

Overwhelmingly, the company's success relies on its ability to foster positive, meaningful and productive relationships with its key stakeholders, including employees, clients and partners, all of which play an integral role in our ongoing success.

Yours sincerely

**The Board
Civmec Limited**





ABOUT CIVMEC

Civmec is an integrated, multi-disciplinary construction and engineering services provider to the Oil & Gas, Metals & Minerals, Infrastructure and Marine & Defence sectors.

Established in 2009, we are one of Australia's leading providers of turnkey solutions across a range of core capabilities.

During FY2019, we created employment opportunities for 3,400 people, including direct employment for 2,700. Our vast self-performance capability enables us to respond agilely to our clients' needs and our commitment to innovation and technology enables us to work smarter, providing value-driven solutions. Focused on establishing long-term partnerships and working collaboratively with clients and delivery partners, we have played a significant role in the delivery of some of Australia's most complex projects, including in remote, logistically challenging environments.

Our strategically located facilities in Western Australia and New South Wales support our vertically integrated operating model. Our state-of-the-art west coast facility in Henderson is set on 200,000m² of land at the Australian Marine Complex, with direct waterfront access. It is the largest fabrication facility of its kind in Australia and, on completion of our new Main Assembly and Sustainment Hall during FY2020, will offer over 100,000m² of usable undercover space, serviced by 52 overhead travelling cranes. On the east coast, Civmec's facility in New South Wales is

located on 227,000m² of waterfront land, just 14 kilometres from the port of Newcastle, with 30,000m² of undercover facilities serviced by 24 overhead travelling cranes.

These world-class facilities, and our extensive construction equipment base, enable us to provide manufacturing, technical, administrative and logistical support to deliver projects of all sizes and complexities, with the capability and capacity to comprehensively service our projects located across Australia.





OUR VALUES

Our culture, the way we think and operate, is underpinned by our values.

Our commitment to achieving our targets; our focus on continual improvement and innovation; our performance driven attitude and pursuit of excellence; our confidence to influence and challenge; and our commitment to working together collaboratively with our people, partners and clients, guides our future success.



COMMITMENT

Our individual commitment facilitates our success



INNOVATION

Our innovative approach drives continuous improvement



VALUE DRIVEN

Our performance-driven culture delivers value



MAKE A DIFFERENCE

Our ability to influence and challenge drives sustainability



EXCELLENCE

Our pursuit of excellence makes us a world-class service provider



COLLABORATION

Our focus on working together drives sustainable partnerships



OUR LOCATIONS AND PROJECTS

Our facilities are strategically located to support our vertically integrated delivery model and drive efficiencies in our onsite activities.

Headquartered in Henderson, Western Australia, we also have extensive office and manufacturing facilities in Newcastle (New South Wales), with a regional presence in Gladstone (Queensland). Our operations are predominately undertaken in Australia, however we do have minor associated entities operating in Papua New Guinea and Uganda, which did not make any material contribution to revenue for the group in FY2019.



Key projects in delivery or completed during FY2019 include:

Project	Client	Location
1 Kemerton Lithium Project	Albermarle	Near Bunbury, WA
2 South Flank	BHP & thyssenkrupp	Henderson, WA (fabrication)
3 Roy Hill Ultrafines	Roy Hill Iron Ore	Pilbara, WA
4 Gruyere Gold Project	Gold Road Resources Limited & Gold Fields Limited	Eastern Goldfields, WA
5 Pinjarra Residue Filtration Facility	Alcoa Australia	Pinjarra, WA
6 Amrun Project	Rio Tinto Iron Ore & Sandvik Mining & Construction	Weipa, QLD
7 Pilgangoora Lithium Project	Altura Mining	Port Hedland, WA
8 Tianqi Lithium Processing Plant	MSP Engineering	Kwinana, WA
9 Refractory replacement	Cockburn Cement	Perth, WA
10 Civil & mechanical site upgrades	CBH Grain	Regional WA
11 Refractory replacement & mechanical upgrades	Queensland Alumina Limited	Gladstone, QLD
12 Refractory replacement & mechanical upgrades	Alcoa Australia	Regional WA
13 Refractory replacement & mechanical upgrades	Rio Tinto	Yarwun, QLD
14 Conveyor & TLO mechanical repairs & upgrades	FMG	Pilbara, WA
15 Boiler refractory replacement & mechanical repairs	Orica Mining Services	Yarwun, QLD
16 Ship loader mechanical repairs & upgrades	Roy Hill Iron Ore	Port Hedland, WA
17 Boiler refractory replacement & mechanical repairs	NRG Services	Gladstone, QLD
18 Ichthys LNG Onshore Combined Cycle Power Plant (CCPP)	JKC	Darwin, NT
19 Gorgon LNG Plant	Chevron Australia	Henderson, WA (fabrication)
20 Phillip Creek Gas Treatment and Compressor Station (Northern Gas Pipeline)	Jemena	Tennant Creek, NT
21 Princes Highway Upgrade – Berry to Bomaderry	Downer Seymour Whyte JV	Newcastle, NSW (fabrication)
22 Woodman Point Wastewater Treatment Plant Upgrade	Water Corporation	Woodman Point, WA
23 WestConnex	CPB Contractors Dragados Samsung JV	Newcastle, NSW (precast)
24 Clarence Correctional Centre	John Holland	Lavadia, NSW
25 Sydney Metro Northwest	Northwest Rapid Transit	Sydney, NSW
26 Sydney Light Rail	Acciona Infrastructure	Sydney, NSW
27 SEA 1180 Offshore Patrol Vessel Program	Luerssen Australia	Henderson, WA



OUR OPERATING SECTORS – OIL & GAS

Providing tailored solutions for upstream and downstream Oil & Gas projects, we can deliver in remote, highly challenging environments, offering innovative logistical solutions to enable the fundamental project metrics of time and cost to be achieved.

With our multi-disciplinary capability, we fabricate and modularise specialist subsea equipment and support onshore processing plant requirements. We have the capacity to deliver works on site and from our Henderson facility, which includes a dedicated subsea workshop, enabling us to produce high quality products without the threat of material cross-contamination. Our robust systems ensure we deliver quality products and services to the exacting standards required by the Oil & Gas industry.

Our significant capabilities in this sector include the fabrication and assembly, surface treatment and testing of high integrity structural steel, carbon and exotic stainless/duplex/inconel steel for piping; subsea spools, manifolds and PLET and PLEM structures; offshore jackets and topsides; suction piles; process modules; vessels; and propane and LNG spheres.

Through our involvement in some of the largest Oil & Gas projects undertaken in Australia, our expertise extends to the provision of multi-disciplined, in-house construction services, including structural, mechanical & piping; electrical, instrumentation & control; precast concrete solutions; thermal, acoustic and cryogenic insulation installation; refractory; and site civil works.

We specialise in delivering projects across the sector, including, but not limited to:

- Oil and gas plants (LNG)
- Process and non-process infrastructure
- Fuel stations
- Compressor stations
- Power stations
- Materials handling systems
- Wharfs and caissons
- Tank farms

We also have the capability and expertise to provide this sector with specialist maintenance services, providing a diversified and integrated turnaround and maintenance solution to service the Australian onshore and offshore LNG sector. We offer a full range of industrial services, including predictive analytics, monitoring, engineering, procurement, construction, fabrication, maintenance and turnarounds, through to commissioning and startup.





OUR OPERATING SECTORS – METALS & MINERALS

Our vertically integrated model supports the delivery of projects in the Metals & Minerals sector, developing tailored solutions for small or large Greenfield and Brownfield projects. Providing a full turnkey service, we have the flexibility to improve methodology, leveraging the synergies of our multi-disciplinary capability to provide our clients with cost and schedule efficiencies.

Our facilities, complemented by our large and experienced workforce and extensive construction equipment base, enable us to provide manufacturing, technical, administrative and logistical support to service projects of all sizes and complexities.

Our vast capabilities to service this sector include fabrication and assembly; surface treatment; testing of structural steel; modularisation; piping; and platework.

Through our involvement in some of the largest Metals & Minerals projects undertaken in Australia, we have the experience to deliver multi-disciplined construction services including structural, mechanical & piping; electrical instrumentation & control; insulation installation; refractory; bulk and detailed earthworks; precast concrete works; site and in-situ concrete; trenching works; and dewatering.

We specialise in delivering projects across the sector, including, but not limited to:

- Process plants
- Materials handling and conveyor systems
- Non-process infrastructure
- Power stations
- Tailings facilities
- Wharfs
- Tanks
- Fuel storage and refuelling stations

We also provide specialised maintenance and shutdown support as a single, multi-disciplinary solution across the spectrum of services, ensuring the longevity of our clients' assets. Working with our clients to optimise operations, whilst minimising the impact of maintenance works on ongoing operations, our capability extends to major and modular shutdowns; sustaining capital works; optimisation and equipment upgrade projects; minor works; emergency repair and replacement; and routine maintenance.





OUR OPERATING SECTORS – INFRASTRUCTURE

Our expertise and diverse range of integrated services and capabilities has been instrumental in the successful delivery of some of the most significant infrastructure projects undertaken in Australia.

Our state-of-the-art fabrication facilities in Western Australia and New South Wales enable us to reduce project risk, by pre-casting and modularising scope elements in a controlled environment, providing significant advantages including reduced site working hours, optimum quality control, and weather-proofing critical schedule elements.



Our significant capabilities in the delivery of process and non-process infrastructure extend to fabrication and assembly; surface treatment; and the manufacture and installation of precast concrete structures and in-situ concrete.

Delivering multi-disciplinary vertical packages, we provide construction services including planning; project management; earthworks; civil; mechanical; electrical; structural, mechanical & piping; and commissioning.

We can deliver projects across the sector, including, but not limited to:

- Roads and bridges
- Stadiums
- Airports
- Ports and harbours
- Water and wastewater infrastructure
- Renewable energy – wind, solar and wave
- Conventional power stations

Woodman Point Wastewater Treatment Plant Upgrade, Western Australia





OUR OPERATING SECTORS – MARINE & DEFENCE

Our ability to provide the Marine & Defence sector with a fully integrated service offering for the construction of Naval vessels and future sustainment, maintenance and repairs, and the provision of defence estate works, is underpinned by our multi-disciplinary capabilities and specialised waterfront facilities.

Construction of our new Main Assembly Hall at Henderson progressed significantly during FY2019.

Designed to be one of the most efficient and innovative in the world, the new facility is a significant piece of industrial infrastructure, adding a world-class resource to the Australian maritime landscape. The 53,000m² (usable floor area), 70 metre high ship and module construction, ship repair and sustainment facility will be the largest undercover facility of its kind in Australia. With crane capability at a height of 60m, the facility has a 400T crane capacity at 40m and will be large enough to house complete Air Warfare Destroyers, Frigates and Offshore Patrol Vessels, for construction or sustainment.

Our extensive waterfront facilities and specialised equipment, on both the west and east coast, enable us to provide a comprehensive service offering for the construction, repair and sustainment of vessels.

Our strategy is to position the company to be well placed to support the Federal Government's initiative to develop Australia's sovereign shipbuilding capability and their commitment to undertake the continuous build and sustainment of minor war vessels at Henderson. The delivery of the Royal Australian Navy's Offshore Patrol Vessel program commenced in late 2018, with the preparation and profile cutting of steel plates for the first two vessels currently being built in South Australia now well underway at Henderson.

Through our core capabilities, we can also provide vertically integrated services in the delivery of Defence estate projects, including new developments and facilities upgrade and maintenance works aimed at restoring or sustaining capability of existing facilities and infrastructure.





OUR SUSTAINABILITY APPROACH

Our vision is to sustainably grow the business, delivering mutually beneficial outcomes for all stakeholders.

This means:

- managing the health and safety of our people;
- working collaboratively with our customers and partners to deliver a product or service that meets their needs across the spectrum of safety, quality, environment, value and time;
- achieving a diverse workforce and inclusive workplace;
- positively contributing to the communities in which we operate; and
- delivering financial growth and value for our shareholders.

Our culture is built on our *Never Assume* program, where we train and encourage our people to look out for their workmates as well as themselves. Our commitment to continual improvement means we are always seeking opportunities to innovate and learn from our experience.

We understand that driving sustainable business practices is fundamental to our future success and our commitment to sustainability is reinforced in our operating policies.

NEVER ASSUME



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Policies

Amrun modules, Henderson,
Western Australia





PERFORMANCE HIGHLIGHTS

FINANCIAL

A\$'000	FY19	FY18	Change %
Sales Revenue	488,511	702,415	(30.5)
EBITDA	24,012	39,685	(39.5)
NPAT	7,030	17,418	(59.6)
Work in Hand	819,042	699,972	17

NPAT – Net Profit After Tax
 EBITDA – Earnings Before Interest, Tax, Depreciation and Amortisation

SAFETY

Metric	FY19 Target	FY19	Result	FY20 Target
LTIFR per million hours worked	0.0	0.22	✘	< 0.22
AIFR per million hours worked	45	42.66	✓	< 42.66
Fatalities	0	0	✓	0
Fines and prosecutions	0	0	✓	0

LTIFR – Lost Time Injury Frequency Rate
 AIFR – All Injury Frequency Rate

PEOPLE

Metric	FY19 Target	FY19	Result	FY20 Target
Women employed (as total % of head office based employees)	Sustain FY18 result (42%)	40%	✘	Sustain FY19 result ²
Women employed (as total % of all employees)	Sustain FY18 result (6%)	6% ¹	✓	Sustain FY19 result ²
Women in management roles (as total % of head office based management employees)	Sustain FY18 result (32%)	28% ¹	✘	Sustain FY19 result ²
ATSI representation (as total % of blue collar employees)	Sustain FY18 result (3%)	4% ¹	✓	Sustain FY19 result ²
ATSI representation (as total % of all employees)	Sustain FY18 result (3%)	4% ¹	✓	Sustain FY19 result ²
Apprentices and trainees employed (as total % of blue collar employees)	20% increase on FY18 result (3%)	4% ¹	✓	10% increase on FY19 result

ATSI – Aboriginal and Torres Strait Islander
¹ Based on average employee number
² Strategy is to maintain current levels as a minimum

ENVIRONMENT

Metric	FY19 Target	FY19	Result	FY20 Target
Significant Environmental Incidents (≥ Level 4)	0	0	✓	0
Prosecutions	0	0	✓	0
Infringement Notices (number of fines)	0	0	✓	0
Infringement Notices (A\$)	0	0	✓	0
Energy Intensity (TJ/\$m AUD)	Year on year reduction (FY18: 0.24)	0.23	✓	≤ 0.23
Emissions Intensity (tCO ₂ -e/\$m AUD)	Year on year reduction (FY18: 30.99)	29.44	✓	≤ 29.44
Recycling Participation Rate ¹ (co-mingled v general waste)	Year on year improvement (FY18: 5%)	8%	✓	≥ 8%

¹ Rate derived from the amount of co-mingled recycling compared to the general waste stream (it measures how good we are at recycling our day-to-day waste and does not include bulk recycled materials like concrete, steel and timber etc)



STAKEHOLDER ENGAGEMENT AND MATERIALITY

The material issues addressed in this report reflect the priorities identified by our key stakeholders.

A materiality assessment was undertaken consistent with Global Reporting Initiative (GRI) Standards requirements. Members from key stakeholder groups, including management, staff, clients and the Board, were invited to participate in the survey.

As expected, results were generally consistent with the FY2018 survey results, further reinforcing the topics for inclusion again in this FY2019 report. In determining the material environmental, social and governance (ESG) factors selected, their relevance to the business, including our strategy, business model and key stakeholders, was considered.

In 2015, the United Nations agreed on 17 Sustainable Development Goals (SDGs) as part of its 2030 Agenda for Sustainable Development. The interrelated SDGs are a blueprint to achieve a better and more sustainable future for everyone across the planet. They address the global challenges we face, including those related to poverty, inequality, climate, environmental degradation, prosperity, and peace and justice. As a supporter of the SDGs, we understand we can positively contribute towards these goals through our own sustainable business practices. The table following highlights the correlation between our ESG focus areas and the SDGs.

MATERIAL ESG FACTORS

	Topic	Related United Nations Sustainable Development Goal (SDG)
E	Environment	<ul style="list-style-type: none"> Environmental Compliance Energy Effluents and Waste Emissions 6. Clean Water and Sanitation 7. Affordable and Clean Energy 13. Climate Action 14. Life Below Water 15. Life on Land
	People	<ul style="list-style-type: none"> Employment Training and Education Diversity and Equal Opportunity Non Discrimination 1. No Poverty 4. Quality Education 5. Gender Equality 10. Reduced Inequalities
S	Community	<ul style="list-style-type: none"> Local Communities Socio Economic Compliance 1. No Poverty 11. Sustainable Cities and Communities 12. Responsible Consumption and Production
	Health & Safety	<ul style="list-style-type: none"> Occupational Health and Safety 3. Good Health and Well-Being
G	Financial	<ul style="list-style-type: none"> Economic Performance 1. No Poverty 8. Decent Work and Economic Growth 9. Industry, Innovation and Infrastructure 11. Sustainable Cities and Communities 17. Partnerships for the Goals
	Governance	<ul style="list-style-type: none"> Anti-Corruption Anti-Competitive Behaviour Procurement Practices 16. Peace, Justice and Strong Institutions 17. Partnerships for the Goals

United Nations Sustainable Development Goals





STAKEHOLDER ENGAGEMENT

Maintaining open lines of communication with our key stakeholders, both internal and external, is an ongoing priority for the business. This extends well beyond the formal consultation process undertaken to determine the business' material issues. The following table highlights our key stakeholders and how we engage with them on an ongoing basis to drive our long-term sustainability.



Stakeholder	How we engage
Directly impacted	
Employees	Day-to-day operational interaction; internal communications; company updates; intranet; meetings; town hall forums (for local engagement); surveys; social media; community and social events
Partners	Day-to-day operational interaction; joint venture boards and operating committees; meetings; workshops; social media; community and social events; industry associations and events; facility tours
Subcontractors and suppliers	Day-to-day operational interaction; meetings; inductions and training; compliance audits (safety, quality, environment); social media; industry associations and events
Clients	Day-to-day operational interaction; meetings; surveys; social media; community and social events; industry associations and events; facility tours
Board	Reporting; meetings
Communities	Project-specific community engagement plans; local media; social media; local industry associations and events; community events; employment opportunities; local supply arrangements
Shareholders and investor community	Annual General Meeting; Annual Report; Sustainability Report; ASX/SGX releases; quarterly, half-year and full-year results presentations; media; website; social media; facility tours
Actively interested	
Government and regulators	Reporting; meetings
Media	Media releases; briefings and interviews; website; social media; facility tours
Industry associations	Memberships; representation on boards and committees; meetings; industry events
Unions	Meetings
Non-government organisations	Participation in forums; meetings; industry associations and events



OUR PEOPLE

Our committed and talented people underpin our business. The evolution of the company over the past decade has enabled our people to grow their career with us. As we celebrate our 10-year anniversary, we acknowledge and thank the many people in the organisation who have been with us for much of this time and who have played an integral role in shaping Civmec into the successful company it is today.

Our focus on developing and enhancing employee skills and capability is fostering the organic growth of talent across the business. Continuing to build expertise in our key areas of operation and diversifying into new markets provides ongoing opportunities to attract and retain the best available talent, with the retention of this talent a fundamental priority.

During FY2019 we implemented a number of initiatives to deliver best-practice in the way we support and manage our people, delivering on key items identified in the 'Future Focus' section of our 2018 Sustainability Report. These included:

- The launch of Civtrac People, an addition to Civtrac, our proprietary, web-based integrated business management system. This new employee management platform, initially incorporating three modules – Recruitment, Onboarding and Employee Central – is facilitating our ability to source and transition quality personnel throughout and into the business.

- The introduction of online corporate and project specific induction programs, with a face-to-face site orientation component.
- The implementation of our new Supervisor LEAD Program training course, incorporating four nationally accredited units, supporting leadership training, the identification of high potential individuals, and succession planning.
- Completion of a remuneration review to ensure equity and alignment across the business.
- Review of our employee benefits program, offering additional incentives for our people.
- Appointment of a fulltime Learning & Development Manager.

Data included in this section has been captured through the COINS payroll and HR system.





EMPLOYMENT

Civmec continues to hold its position as a significant employer in our industry, with 2,700 direct employees engaged during FY2019, and approximately a further 700 employed as a result of our activities.

We take great pride in our self-performance capability, enabling us to provide our clients with quality products and services that support their activities, and offering our people sustainable opportunities to grow their career with us. Multi-skilling our workforce provides a significant competitive advantage, with employees adaptable and able to be mobile across jobs, sites and locations.

New Employee Hires and Employee Turnover

The attraction and retention of skilled employees is a critical focus, and also a potential risk, for our business, particularly given the cyclical nature of the industry in which we operate. The tables below illustrate new employee hires and employee turnover during FY2019, by age group and gender. The statistical pattern illustrated is typical of our industry, where cyclical/short-term project contracts are awarded, and therefore these numbers represent the on-hire/off-hire process. The statistics also highlight the challenge of attracting females into operational roles, given the nature of the work we do across traditionally male-dominated trades and disciplines.

Metric	Under 30 years	30 to 50 years	Over 50 years
Total number and percent of new employee hires during the reporting period by age group	318 21%	864 56%	363 23%
Total number and percent of employee turnover during the reporting period by age group	444 17%	1,439 55%	720 28%

Metric	Male	Female
Total number and percent of new employee hires during the reporting period by gender	1,495 97%	50 3%
Total number and percent of employee turnover during the reporting period by gender	2,494 96%	109 4%

TRAINING AND EDUCATION

As a progressive, technology-driven company, we recognise the importance of continually investing in the training and development of our people, providing progressive career pathways as a fundamental component of our retention strategy. Our core value of *Collaboration* means we work in partnership with our people to identify their individual training and development needs.

Registered Training Organisation

We have invested significantly in facilities and training programmes and are a recognised Registered Training Organisation (RTO code 52645). Our RTO is registered nationally with the Australian Skills Quality Authority (ASQA) and delivers skills and competency-based training in every state across Australia, overseen by our full-time Learning and Development Manager. During FY2019, almost 3,000 enrolments were processed for nationally accredited training courses and Verification of Competency units delivered by our RTO. The role of the RTO is to create a skilled and diverse workforce that drives our high-performance culture and supports the growth and retention of our people.

The RTO has scope to deliver three nationally accredited qualifications in Work Health and Safety and Leadership and Management, offers 142 units of competence, and provides training across 10 skill sets. It specialises in high risk activities including crane operations, rigging, scaffolding, forklift and elevated work platform operations. It has expertise in mobile plant operations such as excavator, backhoe and roller operations, and offers specialised training for tilt up panel works. It has also developed a program of management training for supervisors that covers leadership, team management, project management and health and safety. In particular, focus across the business over the year has been on providing leadership training, including the identification of high potential individuals and succession planning. To support this, we implemented our new Supervisor LEAD Program training course, incorporating four nationally accredited units – Apply Risk Management Processes; Communicate Information; Supervise On-site Operations; and Show Leadership – delivered through our RTO.



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Access and Equity Policy](#)



Health and safety is a significant aspect of every course that the RTO provides, which increases the overall knowledge and safety of Civmec employees as they participate in training. Through the RTO, employees are trained to see and manage risks in a more proactive way within their workplace.

Apprentices and Trainees

Our commitment to supporting the future of our industry is reflected in the engagement of more than 60 apprentices and trainees across our operations. Our apprentices include fabrication (boilermakers and welders), carpenters, and electrical, and our trainees are providing functional support in business administration, human resources and logistics.

Our apprenticeship program incorporates advanced technical capability, modern facilities, and individualised training and development opportunities. We provide apprentices with unparalleled opportunities to work across a diverse range of specialist capabilities and sectors, including heavy engineering, fabrication and construction, in the resources, infrastructure and defence markets.

Apprenticeship trades offered include:

- **Boilermaker** – Certificate III in Engineering – Fabrication Trade (Heavy/Welding)
- **Carpenter** – Certificate III in Carpentry and Joinery
- **Electrician** – Certificate III in Electrotechnology Electrician or Certificate III in Engineering – Electrical/Electronic Trade
- **Welder** – Certificate III in Engineering – Fabrication Trade First Class Welder

We also offer a comprehensive traineeship program that provides trainees with insight across all operational aspects of our business. Trainees are guided and

mentored by our highly experienced team of technical and management specialists, making Civmec traineeships an excellent way to start a career.

Traineeship qualifications offered include:

- Human Resources
- Business Administration
- Logistics/Warehousing
- Non-certified construction skills such as concreting and steel-fixing

Civmec apprenticeships and traineeships are recognised nationally and are highly regarded in the industry. We encourage applications from women and people with diverse backgrounds, including Aboriginal and Torres Strait Islanders.

During FY2019, we partnered with Luerssen Australia and ASC to launch the Shipbuilding Education and Apprenticeship (SEA) program, which will help build the skills needed for Australia’s multi-billion dollar naval shipbuilding industry. Under the program, 12 scholarships have been awarded to engineering and trade students in Western Australia, South Australia and the Northern Territory. In addition, three of the scholarship recipients have also been awarded internship placements, including one with Civmec.



I hope one day to become a supervisor or leading hand in my trade at Civmec.



Joshua’s Story

“When Civmec took me on for my apprenticeship I started off with very little experience and skills in welding. Over the last two years I have developed my skills in welding, and I hope that after I finish I can continue to grow and learn as a qualified welder.

I see myself working here for many years to come. I hope one day to become a supervisor or leading hand in my trade at Civmec.”

Joshua Corley
Apprentice Welder



Apprentices and Trainees (continued)

We partner with local high schools to provide outreach programs to mentor high school students to take science and engineering pathways. As such, we are an industry partner in the P-TECH and Subs in School programs and are also collaborating with South Metropolitan TAFE and local high schools, to introduce a school-based traineeship program during 2019. Initially, this provides the opportunity for five local students completing Year 10, 11 or 12, who have an

interest in the Metal Fabrication trades, to undertake work experience at our Henderson facility, whilst continuing their school education. On completion of their studies and traineeship, they will be considered for an opportunity to join our apprenticeship program. This commitment between the schools and Civmec, provides a mutual benefit to develop the next generation of trade professionals to meet expanding workforce requirements, including for the delivery of the Royal Australian Navy's Offshore Patrol Vessel program over the next decade.

Victoria's Story

"I was working at Bunnings, straight out of high school, and looking for my next big step. I gave university a go, but it wasn't for me. Then a family member suggested I apply for an advertised Business Administration Traineeship with Civmec.

I knew this could be the opportunity I was looking for; a paid traineeship at a well-known company, with the opportunity to complete a Certificate III and potentially earn myself a full-time position at the end of it.

I applied straight away and after a few days I was booked in for an interview and was successful in securing the opportunity. The traineeship was set to run for 12 months, but it was my goal to finish it earlier which I hoped would give me a good chance of landing a role within the business.

I worked across many different areas of the business, providing me with the opportunity to see how the business and its divisions work together, including Project Administration, Marketing, Payroll, Refractory/Shutdowns

and Accounts. I had my own responsibilities and tasks and I felt I was contributing and making a difference.

I finished my traineeship in half the time and was immediately offered a full-time position in our Receivals yard.

The traineeship was hugely beneficial. Not only did I complete my Certificate III, I also gained six months experience at one of Western Australia's fastest growing businesses. I found a purposeful job with an opportunity to improve my skill-set while getting a taste of how multiple departments collaborate within the business. This is an experience I could never have gained in a classroom.

I've now been at Civmec for an entire year. I have developed many skills and picked up a few new ones along the journey of my traineeship. It's amazing to think that just over a year ago, I was confused about what I wanted with my career, whereas now I'm eager to keep trying new things, continue making a difference in my team, keep broadening my horizons and grow as an individual. It's been incredible so far, and I'm excited for the years to come."

Victoria Riddiough
Trainee



I finished my traineeship in half the time and was immediately offered a full-time position in our Receivals yard.





Performance and Career Development

In addition to encouraging regular, informal, performance discussions between employees and their managers, a formal Performance and Career Appraisal process is undertaken annually at the beginning of each year. This process requires employees to review their previous year's performance, meet with their manager to discuss this assessment, and set goals and targets for the coming 12 months. Learning, development and career opportunities are identified through this process and monitored and progressed throughout the year.

As we celebrate our 10-year anniversary, we are fortunate to have a significant number of employees who have been with the business for many years, including some since its inception. This is testament to Civmec's ability to provide people with viable career pathways to nurture a sustainable career, developing and growing with the company.



Kristie-Lee's Story

"I started my career with Civmec as a Technical Clerk back in 2013, and a year later became a Project Administrator. Over the years, I have had the opportunity to work across a lot of different roles and departments, including Project Administration, Project Controls, Cost-Control, Contracts Administration, Payroll, Recruitment and Commercial.

My biggest challenge yet has been taking care of the Research & Development for all departments/projects Australia-wide.

Over the past five years Civmec has provided me with the opportunity to really develop my career, while at the same time, understanding that I am raising a young family and enabling me to achieve a good work-life balance. As a woman in a male dominated industry, I have always felt very respected and valued here."

Kristie-Lee Last
Cost Controller



As a woman in a male dominated industry, I have always felt very respected and valued here.





Tyler's Story

"In 2012 I was selected for a Boilermaker apprenticeship with Civmec. Throughout my apprenticeship, I gained a variety of skills and knowledge, from structural steel fabrication and assembly works, to subsea piping and stainless fabrication, whilst working on a wide range of different projects.

Not long after I completed my apprenticeship in 2015, I was approached by Civmec with an opportunity to further my career as a Junior Estimator. Over the past few years, I have been supported and mentored by the Estimating team, developing key skills in estimating, client negotiations and business development."

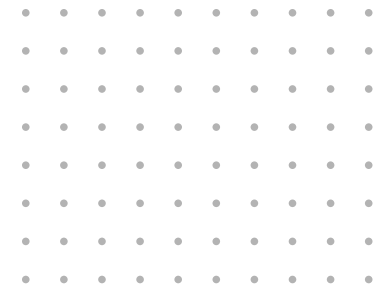
Tyler Hurrelbrink
Estimator



Over the past few years, I have been supported and mentored by the Estimating team, developing key skills in estimating, client negotiations and business development.



Staff performing functions within administration, support services, operational support, project management and management receive regular performance and career development reviews. During FY2019, 70% of eligible employees participated in the formal Performance and Career Appraisal process.





DIVERSITY AND EQUAL OPPORTUNITY

Diversity

Our commitment to driving diversity in the workplace is founded on a belief that a more balanced workforce, across age, gender and ethnicity, positively contributes to our culture and makes Cimtec a more attractive place to work for all employees.

As we continue to strive for a supportive and inclusive workplace for all people, we are focused on actively capitalising on the diversity of skills, talents and perspectives of our people to harness an organisation where everyone works better together and feels valued and able to contribute. Across our entire operations, 6% of all employees are female.

As is typical of organisations in our industry, the ability to achieve a diverse workforce in the corporate environment is much easier than achieving this balance in operations and project delivery, particularly given our vast self-performance capability. It is extremely challenging to attract females into these roles, given the nature of the work we do across traditionally male-dominated trades and disciplines.

From a head office perspective, we have a much higher female participation rate, at 40%. Therefore, our continued focus remains at the grass-roots level, encouraging female apprentices to grow their career with Cimtec, with three female apprentices working with us and one of our five school-based trainees being female. Going forward, we will continue to identify and support suitable candidates to join us in trade and operations roles onsite and in our manufacturing facilities.

Furthermore, Kayla Roemer-Hanisich, who undertook work experience with us in 2018 as part of the P-TECH program, is our internship placement under the Shipbuilding Education and Apprenticeship program, and we look forward to providing Kayla with further hands-on experience to enable her to forge a career in the Australian shipbuilding industry.

There is an opportunity to improve the composition of our Board, with the future appointment of a female member. Notwithstanding this, there is regular participation at Board meetings of other senior managers from across the business, including a number of women. At the Key Management Personnel/General Managers/Group Managers level, women hold 20% of positions.

The following tables demonstrate the breakdown of our employee categories by gender and age, reflecting the Australian Government's Workplace Gender Equality Agency (WGEA) reporting categories.

White Collar	Under 30 years	30 to 50 years	Over 50 years
Chief Executive Officer and Board			
Male	0%	33%	67%
Female	0%	0%	0%
Key Management Personnel/General Managers/Group Managers			
Male	0%	60%	20%
Female	0%	20%	0%
Senior Managers			
Male	0%	80%	20%
Female	0%	0%	0%
Other Managers			
Male	1%	50%	45%
Female	0%	3%	1%
Professionals			
Male	20%	48%	21%
Female	4%	5%	2%
Technicians and Trade			
Male	16%	57%	26%
Female	0%	1%	0%
Clerical and Administrative			
Male	6%	21%	16%
Female	17%	29%	11%



Diversity (continued)

Blue Collar	Under 30 years	30 to 50 years	Over 50 years
Technicians and Trade			
Male	17.2%	56%	26.1%
Female	0.1%	0.5%	0.1%
Machinery Operators and Drivers			
Male	10.1%	48.1%	37.1%
Female	0.4%	3.5%	0.8%
Labourers			
Male	21.6%	56.4%	18.5%
Female	1.0%	1.4%	1.1%

Note: Apprentices are not included in the above statistics.

The company is committed to ensuring women and men receive equal pay for equal work and this is reinforced within our remuneration principles. We will continue to undertake an annual remuneration review. If there are any apparent gaps, they will be analysed to ensure that such gaps can be explained with reference to market forces which may include, for example, different rates of pay in different industries; location and the relative supply and demand for different qualifications; individual performance; experience; and capacity of hours able to work. The company lodges its compliance reports with the Workplace Gender Equality Agency (WGEA) annually. A copy of these reports may be obtained via the WGEA website.



[CLICK TO VIEW Diversity Policy](#)

[CLICK TO VIEW Equal Opportunity Policy](#)



Aboriginal Engagement

Our Reconciliation Action Plan (RAP), developed in partnership with Reconciliation Australia, supports our commitment to building positive, sustainable relationships with Aboriginal and Torres Strait Islander (ATSI) people and their communities. The RAP identifies practical actions based on the three pillars of Relationships, Respect and Opportunities. Its intent is to provide employment, training and commercial partnership opportunities for ATSI people, businesses and community organisations and to develop a better understanding of cross-cultural sensitivities to improve relationships across the organisation.

We are also a member of Supply Nation, further developing our supplier diversity footprint and incorporating ATSI businesses into our supply chain. Supply Nation connects Australian buyers with verified

Indigenous businesses to build a prosperous, vibrant and sustainable Indigenous enterprise sector.

During FY2019, we provided employment and training opportunities for some 75 people of ATSI heritage across our business. Overall, 13% of our apprentices, including two females, are of ATSI descent.

Continuing to grow our understanding and awareness and build relationships, we participated in National Reconciliation Week and NAIDOC Week during the year. Our Gruyere Gold project in the Eastern Goldfields supported Cosmo Newberry, a small Aboriginal community located between Laverton and Warburton in the Goldfields-Esperance region of Western Australia, with the donation of funds towards the construction of basketball courts for the local people.



[CLICK TO VIEW
Aboriginal People Policy](#)

Supporting Cosmo Newberry, a small Aboriginal community in the Goldfields-Esperance region of Western Australia





NON-DISCRIMINATION

We monitor the number of filed, addressed and resolved grievances regarding labour practices. Civmec's confidential whistleblowing line is available to all employees and external stakeholders for raising concerns.

During the year, nil incidents of discrimination were reported through the confidential whistleblowing line.



Gruyere Gold Project,
Goldfields, Western
Australia



[CLICK TO VIEW
Equal Opportunity Policy](#)

[CLICK TO VIEW
Workplace Behaviour Policy](#)

OUR FUTURE FOCUS

We will continue to drive best-practice in the way we manage our people going forward, with future focus on:

- Continued commitment to leadership training, including identification of high potential individuals and succession planning.
- Implementation of a succession planning strategy focused on three key areas:
 - Executive Management
 - Key Operational Roles
 - Diversity Targets
- Focus on strengthening our position as an 'employer of choice' and adopting industry practices aligned with that of our competitors.
- Development of a formalised graduate program.
- Expanding the reward and recognition strategy to target the direct workforce, implementing recognition mechanisms through management and peer-to-peer.

- Review of payroll software platforms to drive continuous improvement and efficiency capitalisation.

Initiatives specifically focused on increasing female participation, include:

- Focused recruitment campaigns.
- Review occupations (including non-traditional female roles) which can provide a more flexible roster, including part-time and job sharing.
- Strengthen partnership programs with key stakeholders including clients, community groups and job networks, providing the foundation skills required for employment in the resource industry or pathways to higher level qualifications.
- Increase opportunities through our RTO, with personalised training programs that provide flexibility and ease of access which remove the barriers that discourage women from gaining the skills and knowledge required to enter our industry sectors.



OUR COMMUNITY

CONTRIBUTING TO LOCAL COMMUNITIES

Our value of *Make a Difference* empowers our people to positively impact the communities in which we live and work. In addition to providing local employment opportunities, we are also committed to making a difference through our various partnerships, sponsorships and donations.

Our support during FY2019 saw us work with numerous charities and community groups, including:



St Vincent de Paul Society's Drive-In, Sleep-In

A number of our people and their families participated in the 2018 Drive-In, Sleep-In, helping raise awareness and funds to support people who are experiencing or are at risk of homelessness. Braving the cold, wet conditions and sleeping in their cars for the night, an impressive \$12,495 was raised for the St Vincent de Paul Society.

Cancer Council

Raising funds to support the Cancer Council's mission to work with the community to reduce the incidence and impact of cancer, we hosted events during the year including Pink Ribbon Day and Australia's Biggest Morning Tea.



City to Surf

Participating in Chevron's City to Surf, our people took to the streets of Perth, walking and running to raise funds for Activ, supporting people living with intellectual and developmental disability.

Clean Up Australia Day

Employees at our Henderson and Newcastle facilities, and across our projects, participated in Clean Up Australia Day, cleaning up their local area and contributing to a cleaner environment.

Euroz Big Walk for the Perth Children's Hospital Foundation

The Euroz Big Walk is a chance for the community to come together, have fun and raise money for sick kids in hospital. Civmec was proud to support the event, with a St Patricks Day lucky dip for the kids to enjoy as they undertook the 6km adventure walk across the Matagarup Bridge and along the banks of the Swan River.



CEO Sleepout

Our CEO Pat Tallon braved the cold once again this year, participating in the St Vincent de Paul Society's CEO Sleepout to raise much needed funds for those around the nation finding themselves without a home. Setting an ambitious fundraising target of \$25,000, actual funds raised were more than \$26,000, placing Pat in the top five fundraisers in Western Australia. According to St Vincent de Paul, the money raised is equivalent to providing 82 individual support programs, 217 beds and 868 meals.



International Women's Day Sparkling High Tea

In support of the Women's Council for Domestic & Family Violence Services (WA), we sponsored a table at their Sparkling High Tea in celebration of International Women's Day.



National Tree Day

Participating in National Tree day, Australia's largest community tree-planting and nature care event, we planted trees at both our Henderson and Newcastle facilities.

Christmas Spirit

To support those in our community who need our help, we made a special Christmas donation to the St Vincent de Paul Society Christmas Appeal and the Women's Council for Domestic & Family Violence Services (WA) in December.



Jeans for Genes Day

Our staff wore their jeans to work for a day, raising funds for the Children's Medical Research Institute, working to find treatments and cures for children's genetic diseases.

ATSI Engagement

Our commitment to building positive, sustainable relationships with Aboriginal and Torres Strait Islander (ATSI) people and their communities continued during the year, with our participation in National Reconciliation Week and NAIDOC Week. We also supported Cosmo Newberry, a small Aboriginal community located between Laverton and Warburton in the Goldfields-Esperance region of Western Australia, with the donation of funds towards the construction of basketball courts for the local people.

Sponsored Concerts and Events

We regularly make a corporate suite at Perth Arena available for charities to host families and children that benefit from them, for events including the basketball and netball, Disney on Ice, and other stage shows. Recipient charities during the year included the Perth Children's Hospital Foundation, Wirrpanda Foundation, Variety, Anglicare and Friends of the Cancer Council.

Project Initiatives

Throughout the year, our projects and staff around Australia participated in fundraising events for a variety of charities, including Movember and RUOK Day.

CONTRIBUTING TO INDUSTRY

Civmec is an active member of a variety of industry bodies and associations which have the ability to influence policies on sustainability, including:

- Australian Steel Institute
- Chamber of Commerce and Industry WA (CCIWA)
- Mining & Energy Services Council of Australia (MESCA)
- WA Mining Club
- Petroleum Club of WA
- Subsea Energy Australia
- Rockingham Kwinana Chamber of Commerce
- Industry Capability Network
- Hunter Connect



SOCIO ECONOMIC COMPLIANCE

We operate in a number of different geographical regions and in differing market sectors. This involves dealing with customers, competitors, suppliers, and various other stakeholders. It is integral to our business operations that we capture and report on our significant positive influences at the macro socio-economic level in the regions in which we operate through to the direct impacts of our business activities in the communities which surround our operations.

Socio-economic compliance is a precondition for successful operations. Known legal requirements shall always be met. Legislative compliance is critical, ensuring our business' legitimacy.

We continuously review and analyse the ways in which we respond to issues of concern raised through engagement with our stakeholders and which influence their assessment of the company. These include initiatives, both within and outside the company, including the continuous review of our Code of Conduct, policies and procedures in relation to human rights issues, ethical supply chain relations, our contribution to local economies and capacity development at community level.

We impact a wide range of stakeholders in the regions in which we operate, both within local communities and broader national economies. We try at all times to understand and respond to our stakeholders' interests. Doing so helps us be a good neighbour, an effective partner and a sustainable operator. Our engagement with communities, employees, stakeholders and clients seeks to understand the social, cultural, environmental and economic implications of our

activities so that we can respond to concerns, reduce negative impacts and optimise benefits for local communities and the broader economy.

We are committed to conducting our operations with integrity and in a manner that is consistent with laws and business practices that are aimed at fostering an open, competitive and fair market environment and which will best serve the long-term interests of our customers, our stakeholders and the wider community.

Civmec has not received any fines or major non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic arena during FY2019.

OUR FUTURE FOCUS

The enthusiasm of our people in supporting the community is an enduring quality we are very proud of. It says a lot about Civmec and the company we are. Going forward, we will continue to support our people to make a difference in the communities in which we operate.

Our future focus includes:

- Continuing to grow employee participation in community engagement initiatives, by providing them with the vehicles and opportunities to contribute.
- Continuing to maximise relevant opportunities for community engagement.



HEALTH AND SAFETY

Our health and safety performance is critical to our business success and sustainability. Our strong safety culture is built on the *Never Assume* program, incorporating our core values and providing a framework for the behavioural expectations of our people across the business.

We encourage our people to lead by example, looking out for themselves and those around them. Our commitment to continual improvement means we are always seeking opportunities to innovate and learn from our experience. We will continue to drive our safety culture, systems, planning and risk management to deliver improved health and safety outcomes for our people, clients and delivery partners.

During FY2019, a number of safety initiatives were implemented to support continuous improvement in our safety performance, delivering on key items identified in the 'Future Focus' section of our 2018 Sustainability Report.

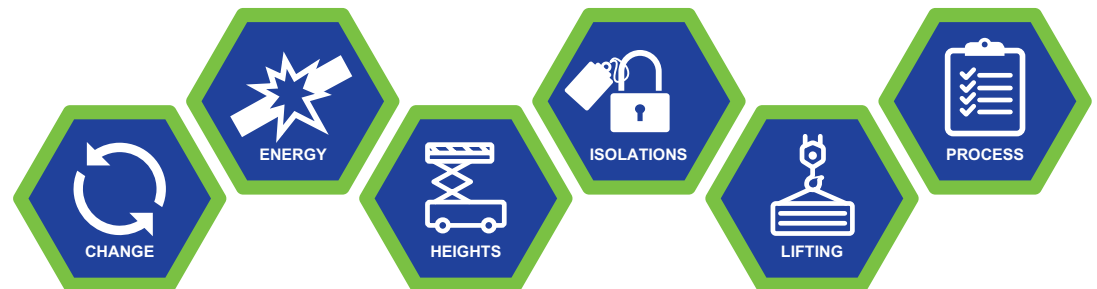
In November, we held our Safety & Leadership Forum, bringing people together from across the business to talk about safety, leadership and opportunities for improvement. A comprehensive list of ideas and improvement initiatives resulted from the forum, which were actioned over the ensuing months, including:

- Implementation of our new Supervisor LEAD Program training course, incorporating four nationally accredited units delivered through our internal RTO:
 - Apply Risk Management Processes;
 - Communicate Information;
 - Supervise On-site Operations; and
 - Show Leadership.

- HSE systems improvement, with the introduction of six new operational level procedures.
- Further enhancement of the *Never Assume* program, with the development of a behaviour-based safety program.
- Revised and updated corporate and project specific induction programs to online platforms, with a face-to-face site orientation component.

Also in November, we launched our Critical Safety Essentials, outlining the business' mandatory expectations for safe behaviour and delivery. The way we manage safety starts with these Critical Safety Essentials and every employee is expected to abide by these underlying rules, which form the foundation of how we operate.

CRITICAL SAFETY ESSENTIALS





During the year, we finalised plans to integrate a mobile/tablet based program into our existing safety software program. This will enable field verification inspections, behavioural observations and hazard reporting to be done on an electronic device, reducing administration time and increasing efficiency. This program will be formally rolled out during the next period.

Going forward, we will continue to evolve our safety culture, systems, planning and risk management to deliver improved health and safety outcomes for our people, clients and delivery partners.

SYSTEMATIC APPROACH

Our commitment to health and safety is built on robust processes and a strong culture. Our systems have recently been re-certified to OHSAS 18001 (the internationally recognised standard for health and safety management) for another three years. Our management system is based around the principles of risk management and the system provides a broad set of requirements to support our wide-ranging scope of business activities. Civmec's executive and senior management remain committed to continually enhancing safety performance throughout the company's operations.

Our *Never Assume* program, incorporating our core values, provides a framework for the behavioural expectations of our people across the business, in order to build a strong and sustainable safety culture. The program is designed to empower every person in the company to ensure their work practices are focused on achieving a safe work environment, reinforcing the right and responsibility of every employee to stop work and intervene if they see an unsafe act, condition or behaviour and be part of the solution. Implementation of our health and safety systems is supported by our on-site fitness-for-work health centre and our status as a Registered Training Organisation (RTO), with extensive training undertaken specific to safety processes, procedures, awareness and improving proficiency.



Rewarding and recognising our people

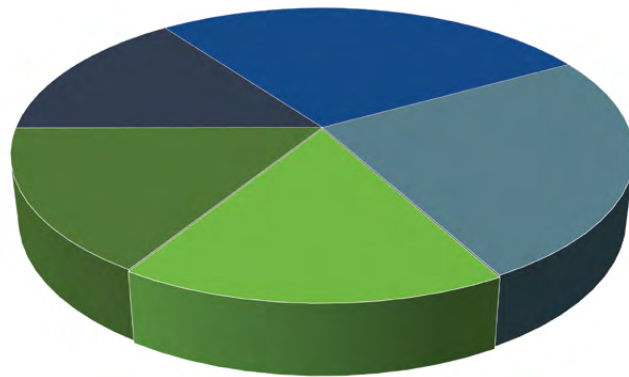


SAFETY PERFORMANCE

As an evolving and diversified business, we strive for best-practice in our health and safety systems, sharing learnings and ideas across projects and throughout the organisation. Our company operates under a continuous improvement model and an increased focus on HSE and field leadership across the business has led to improvements in our risk management approach in a dynamic and constantly changing environment.

FY2019 was again a busy year for Civec, having worked just over 4.6 million hours (including contractors) with the majority of hours accumulated in environments of work considered to be of higher risk. During the period we had a reduction in our all injury frequency rate (AIFR), which records injuries requiring at least a first aid treatment, to 42.66 per million hours worked, a reduction from 44.57 in 2018. We also noted a reduction in our lost time injury frequency rate (LTIFR) to 0.22 per million hours worked.

Over the reporting period for all injuries, the most common injured body parts were hand/fingers which equated to 25% of all injuries, followed by arms/shoulders at 17%, leg/hip at 16% and back injuries at 15%.



leg/hip 16% back injuries 15% arms/shoulders 17% hand/fingers 25% other 27%

There has been a concerted effort by the business during the reporting period to continue to drive strong field leadership and proactive leading indicators such as hazard reporting, workplace inspections and behavioural safety observations. This continues to be a major focus for the business and this approach will assist with a sustained reduction in injuries across the business over the longer term.

Our safety performance across key metrics is outlined in the tables below:

Safety Performance	FY19	FY18
LTIFR per million hours worked	0.22	0.38
AIFR per million hours worked	42.66	44.57
Fatalities	0	1
Fines and prosecutions	0	0

Detailed Safety Performance FY2019	Gender	Total
Percentage of total injuries by gender	Male	97.5%
	Female	2.5%
Severity rate (lost days per million hours worked)	Male	2.16
	Female	0.00
Fatalities	Male	0
	Female	0

The principal area of injuries were strains/sprains which is consistent with industry trends for predominantly manual and physical work undertaken in the engineering and construction environment. We are continuing to review trends and implement proactive initiatives aimed at reducing the incident and severity of these types of injuries.

There were no fines or prosecutions reported during FY2019.



HEALTH AND WELLBEING

Health and wellbeing have a significant impact on an employee's safety at work. We understand injury prevention is a critical part of improving overall wellbeing. Given the nature of the work we do, many employees engage in manual or repetitive tasks, and as such these people may be at risk of degenerative injuries over time. To mitigate this, during FY2019 we have developed a program for the pre-emptive management of musculoskeletal injuries, which will be implemented during FY2020. This program sets a target of 25% reduction in recorded incidences over the following two years.

The health and wellbeing of our employees is supported in various ways across the business, with key initiatives including:

- an onsite medical facility, promoting active lifestyle programs on a range of contemporary public health topics;
- an injury management service to assist employees with both work-related and non-work-related injuries and illnesses to enable their return to work;

- prevention programs including health assessments and pre-employment screening;
- an Employee Assistance Program (EAP) available to employees and their families, providing confidential counselling as well as access to dietitians and financial counselling specialists;
- access to education programs specifically developed to support those with supervisory, or leadership responsibilities;
- early intervention programs such as drug and alcohol testing, and a zero tolerance to the presence of these substances at work;
- participation in health promotion events such as Movember and RUOK? Day;
- provision of comfortable amenities to take a break, including an onsite café at our Henderson facility; and
- benefits such as discounts on gym membership, health insurance, financial advisory services and travel.



[CLICK TO VIEW
Health and Safety Policy](#)

[CLICK TO VIEW
Risk Management Policy](#)

[CLICK TO VIEW
Drug and Alcohol Policy](#)

[CLICK TO VIEW
Smoke Free Workplace Policy](#)

OUR FUTURE FOCUS

Building on the improvements achieved and initiatives implemented in FY2019, we will continue to adopt a strong, proactive approach going forward, driving our Safety Management System towards a best-practice model. In order to achieve this, we will focus on the following key areas in FY2020:

- Continue to develop and implement proactive programs, including the use of Job Demand Assessments (JDA) in the pre-employment process, and training and awareness programs for work-related activities and general health and wellbeing.
- Implement the program for the pre-emptive management of musculoskeletal injuries.

- Formal rollout of the mobile/tablet based inspection and reporting program.
- Achieve industry benchmark external accreditation to ISO45001 to supersede existing OHSAS18001 accreditation.
- Develop and implement a hand injury prevention program to drive a reduction in hand injuries across the business.
- Embed our behaviour-based safety program (building on the Never Assume principles) into core business activities and company culture to shape the behaviours and actions of individuals and teams, continuing to work towards an interdependent culture.

We will continue to maintain a strong focus on safety, as a critical element of our ongoing business improvement model being applied throughout the business.



ENVIRONMENT

Strong environmental performance is essential to the ongoing success, growth and sustainability of our company. Promoting an environmentally aware culture through training and communication; demonstrating leadership and commitment to applying best-practice in environmental management across our operations; and continually improving our environmental performance and efficiency, is fundamental to our business strategy and operating method.



[CLICK TO VIEW Environmental Policy](#)

National Tree Day

By delivering a strong environmental performance we in turn benefit our clients, the communities we operate in and the environment. Our environmental commitments are articulated in our Environmental Policy.

During FY2019 we continued to implement initiatives to drive environmental best-practice at our fabrication and assembly facilities in Perth and Newcastle and across our project sites, in support of the key items identified in the 'Future Focus' section of our 2018 Sustainability Report. These included:

- Promoting an environmentally aware culture through ongoing training and communication across all levels of the business.
- Ongoing systems review and improvement.
- Improving efficiency through innovation – energy intensity and emissions intensity were reduced by (4)% and (5)% respectively in FY2019 compared to the previous year.
- Further developing and implementing our waste management strategy – co-mingled recycling was up by 47% in FY2019 compared to the previous year.





ENVIRONMENTAL COMPLIANCE

Operating within our industry, we are required to adhere to a wide variety of local, state and federal rules and regulations along with relevant Australian and international standards which have been developed over time to protect and respect the environment and the communities we operate and live in.

We have in place a robust Health Safety and Environmental Management System (HSEMS) that is certified by Lloyds Register in accordance with ISO 14001:2015 Environmental Management System. Our management system provides a sound platform to drive conformity in the way we identify, understand and manage environmental issues across the various jurisdictions and operational environments we work in.

To maintain legal compliance, all of our facilities and projects sites are required to identify, document and monitor all legal and other requirements that are relevant to the works being conducted. Project and facility legal compliance, along with our internal standards and expectations, is further measured as part of our scheduled corporate auditing program.

During FY2019, we received no environmental fines/breaches and/or notices in relation to state or federal laws and regulations.



CCF WA Earth Award for Excellence for our work on the Optus Stadium

ENERGY, EMISSIONS AND OUR CHANGING CLIMATE

Heavy engineering and construction requires high energy inputs and therefore it is imperative we have access to a reliable, affordable and efficient energy supply.

We acknowledge the scientific consensus on climate change and accept we must play our part in reducing Greenhouse Gas (GHG) emissions in line with the Paris Agreement, as signed by Australia and its fellow signatories.

Climate uncertainty presents many known, and many still unknown, challenges to the global environment, its communities and our business, which need to be identified and understood. We will continue to include

these factors in our risk profile, ensuring any material impacts and opportunities are continually assessed and mitigated accordingly. It should be noted, that within our industry a changing climate may also present opportunities, such as the likely investment required to improve and build climate change related infrastructure around the world.

Our Energy

At present 100% of our electricity consumption at our manufacturing/production facilities is sourced from local electricity networks in Western Australia and New South Wales. Energy consumed at our projects is difficult to accurately measure due to the various project arrangements in often remote locations, and therefore it is not included in this report.



Our Energy (continued)

Most of the energy usage at our facilities is attributed to electricity consumed through the fabrication process, comprising handling, cutting, bending, welding, drilling, assembling and coating our products. In addition to this, electricity is consumed to heat, cool, light and provide general power to our corporate and manufacturing facilities. We also consume fuels and gases to power machinery and equipment, with some gases consumed through the welding and cutting processes.

To allow us to measure and compare the energy intensity of our fabrication facilities over time, we measure our total energy input in Terajoules (TJ) per million dollars of turnover (\$m AUD). During FY2019, Cimec facilities consumed a total of 33.70 TJ, which is a decrease of (29)% when compared to FY2018 levels. Our focus on efficiency through innovation is a driving factor behind this improvement. With reduced manual and material handling, materials tracking and traceability, advanced automation, increased in-house modularisation and commissioning and with an ongoing focus on training our local workforce, we believe we will continue to improve our efficiency over time.

Our Emissions

During FY2019, our facilities achieved a decrease in Scope 1 and Scope 2 emissions of (26)% and (28)% respectively.

To allow us to measure and compare the emissions intensity of our facilities over time, we measure the CO₂ emitted in tonnes (tCO₂e) per million dollars of turnover (\$m AUD). In FY2019, our emissions intensity decreased by (5)% when compared to FY2018 levels.

We have continued to invest in and develop both our Henderson and Newcastle facilities. Once the development of these facilities is complete and they are fully operational, we will collect energy data for at least 12 months to understand what our energy profile looks like. This data will then guide us in determining the most suitable renewable energy system to invest in to meet our future requirements.

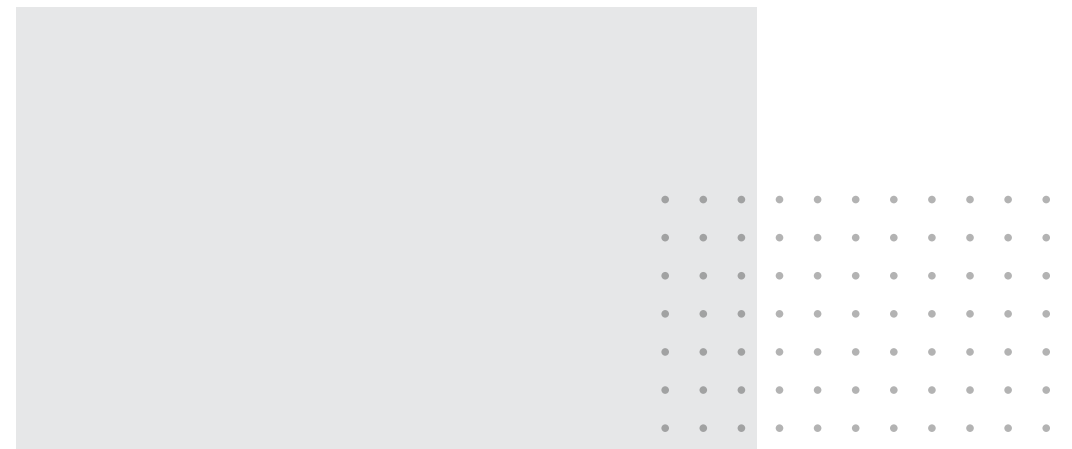
Our ongoing strategy with respect to reducing our overall GHG emissions and emissions intensity shall be delivered through our investment in and implementation of our efficiency programs.

The table below illustrates our facilities' energy and emissions data (Henderson and Newcastle), including:

- **energy data** which includes diesel, petrol, electricity, LPG and welding gas;
- **Scope 1** emissions comprising diesel, petrol, LPG and acetylene;
- **Scope 2** emissions comprising our purchased electricity; and
- **emissions intensity** measuring Scope 1 and Scope 2 against turnover.

Metric	FY19	FY18	% Change
Total Energy	33.70 TJ	47.26 TJ	(29)
Energy Intensity	0.23 TJ/\$m AUD	0.24 TJ/\$m AUD	(4)
Scope 1	1,268 tCO ₂ -e	1,705 tCO ₂ -e	(26)
Scope 2	3,118 tCO ₂ -e	4,309 tCO ₂ -e	(28)
Emissions Intensity (normalised)	29.44 tCO ₂ -e/\$m AUD	30.99 tCO ₂ -e/\$m AUD	(5)

Note: These significant improvements were achieved with similar quantities of steel processed by weight in FY18 and FY19 (-7.5% reduction in FY19, compared to FY18)





CASE STUDY

Conversion to LED Lighting

We are continually striving to improve our environmental performance, with a focus on driving efficiency in the resources and energy we consume.

During FY2019, we investigated the feasibility and potential positive environmental outcomes to be gained through converting to an LED lighting system throughout our 29,300m² heavy engineering workshop and its adjoining office.

LED lights use less power compared to traditional halogen and fluorescent lights, by only producing light rather than creating light and heat, and as such, the overall kWh consumption per year is reduced, thereby reducing CO₂ emissions. In addition, LED lights contain no mercury or lead, which is beneficial to the environment, and waste is reduced because LEDs last longer.

Through our analysis, we determined that changing a total of 624 lights would deliver the following environmental and cost benefits:

- An estimated 284,784 kWh (or a reduction of 52% consumption) per year in the workshop and an estimated 46,368 kWh (or a reduction of 44% consumption) per year in the workshop office.
- This decrease in power usage will deliver a decrease in carbon emissions, with an estimated reduction of 205.04 t-CO₂-e per year in the workshop and 33.38 t-CO₂-e per year in the workshop office.
- This equates to an estimated electricity cost saving of \$65,500 per year for the workshop and \$10,664 per year for the workshop office.

On the basis of these substantial benefits, all lights in the workshop and workshop office are being converted to LED.

29,300m² heavy engineering workshop, Henderson, Western Australia



Forecast savings:

52%	44%	238.42	\$76,164
REDUCTION IN WORKSHOP CONSUMPTION	REDUCTION IN OFFICE CONSUMPTION	t-CO ₂ -e REDUCTION IN CARBON EMISSIONS per year	ESTIMATED ELECTRICITY SAVING per year



EFFLUENTS AND WASTE

Global waste pollution is a significant environmental issue. Producing waste is an outcome of the industry in which we operate, and therefore we accept we have a role to play in reducing our impact. Our waste management strategy consists of the following:

- to continually raise awareness across the business and improve the culture of how we view waste management and recycling;
- to reduce our own waste and waste within the supply chain with a focus on packaging; and
- to capture all recyclable materials and reduce waste going to landfill.

The waste data included in the table below relates to our two manufacturing facilities in Henderson and Newcastle. Obtaining accurate waste management data for projects is difficult, due to some projects having their waste managed by the client or owner.

Civmec facilities do not discharge any waste materials to the environment. All waste materials are contained and removed from site for further processing.

All waste data included in this report has been provided by the relevant waste service providers.

Non-Hazardous Waste (t)	FY19	FY18	% Change
Recycled – co-mingled recycling, wood, green waste, steel and concrete	4,746	3,218	47
Landfill – general waste and construction and demolition waste	603	675	(11)

Note: These significant improvements were achieved with similar quantities of steel processed by weight in FY18 and FY19 (-7.5% reduction in FY19, compared to FY18)

Hazardous Waste (t)	FY19	FY18	% Change
Treated – sewage and oily water	1,036	1,188	(13)
Landfill – spent garnet	235	776	(70)
Energy Recovery – waste paint and thinners and waste oil	25	32	(22)
Incineration – mixed chemicals and oily materials	6	8	(25)

Note: These significant improvements were achieved with similar quantities of steel processed by weight in FY18 and FY19 (-7.5% reduction in FY19, compared to FY18)

Trade Waste License

We utilise a trade waste license to discharge quantities of treated wash water into the sewerage network from the Henderson maintenance and logistics workshop. Wastewater is created from the washing down of equipment using a high-pressure washer that may contain oils and grease. This water is passed through an oily water separator and then discharged into the network for further treatment.

Spills

Due to the nature of our work and the type of equipment we operate, occasionally minor hydrocarbon and chemical spills do occur.

Hydrocarbon and chemical spills affect the environment in different ways depending on the type and volume of material spilt and the receiving environment. If a spill clean-up is managed effectively, the exposure to personnel and environmental damage is minimised.

To minimise the risk of impacting the surrounding environment we shall continue to implement our operational controls. We believe the best form of spill management is spill prevention and it is the responsibility of all personnel to ensure they are aware of and comply with all company and regulatory requirements. To support this, we undertake regular spill training sessions with our people.



Aerial view of east coast facility,
Newcastle, New South Wales

OUR FUTURE FOCUS

To drive ongoing improvement in our performance, we shall continue to implement our environmental programs across the business, focusing on the following key areas:

- Continue to promote an environmentally aware culture through ongoing training and communication to all levels of the business.
- Continually improve our Environmental Management systems and achieve ongoing compliance with our legal and other commitments across all Civmec facilities and projects sites, to be verified through our scheduled corporate auditing program.
- Continue to focus on improving efficiency through innovation, measured via efficiency indicators such as energy intensity (TJ/\$m AUD) and emissions intensity (tCO₂-e/\$m AUD).
- Further develop and implement our waste management strategy, with the aim of increasing year on year the proportion of co-mingled and wood recyclable waste streams compared to the general waste stream.

We believe that by delivering on these key focus areas, we will achieve our long-term sustainability goals, delivering valuable outcomes for the environment and our stakeholders.



GOVERNANCE

Civmec’s Board and management are committed to maintaining a high standard of governance and ethics. They recognise the importance of good governance in ensuring transparency and protecting the interests of shareholders, as well as strengthening investors’ confidence in the management of all aspects of the company’s operations.

The Board and Executive promote high standards of corporate behaviour and, as a dual listed company, endorse both the SGX Principles of the Code of Corporate Governance and the ASX Corporate Governance Principles and Recommendations. Civmec’s Report on Corporate Governance for the year ending 30 June 2019 (in which we report against these principles) is included in our 2019 Annual Report, available on our website.

To assist in the execution of its responsibilities, the Board has established several Board Committees, including an Audit Committee, Nominating Committee, Remuneration Committee and Risks and Conflicts Committee. These Committees function within clearly defined terms of reference and operating procedures, which are reviewed on a regular basis.

Our Code of Conduct sets the standard of behaviour which guides how we act when performing our work, how we make decisions and against which we can measure our performance and hold ourselves accountable. The Code comprises principles that apply in various aspects of our working environment, including how we interact with colleagues and how we engage third parties to perform work for us or to represent us.



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2019 Annual Report](#)



ANTI-CORRUPTION

Assessment Processes

All of the company's legal entities have been assessed by their management teams regarding the implementation of anti-corruption practices and incidents of corruption.

All new major suppliers are required to comply with the Supplier Code of Conduct, committing to respect our zero-tolerance policy concerning bribery and corruption. Suppliers must have systems in place to ensure the proper instruction, training, and auditing of personnel and subcontractors to ensure compliance. We perform supplier audits and evaluations to monitor and assess compliance with the company's requirements and the Code of Conduct. Suppliers are obliged to immediately inform us of any known violations of the Code of Conduct.

Corruption risks are investigated as part of the ongoing internal auditing of the company. If corruption is suspected, the HR Business Unit together with Executive Management and possibly other business units, will carry out an investigation, with the help of specialised third parties, if necessary. The Risks and Conflicts Committee assesses the findings of the investigation and orders disciplinary or other measures against culpable employees, which may also lead to the termination of employment and/or the termination of contracts with business partners, or to such contracts not being extended or changed for precautionary reasons. To prevent corruption risks, we undertake business reviews of high-risk business in high-risk environments with high-risk customers.

Communication & Training

Our approach to anti-corruption is based on the Code of Conduct, which clearly prohibits bribery and corruption. Compliance with the Code of Conduct, as an integral part of the employment contract and the onboarding program, is the personal responsibility of each Civmec employee. In addition, employees receive training at least once a year. Corporate Legal, Internal Audit and Corporate Compliance teams regularly conduct training sessions and audits. Executive General Managers and Business Unit Managers are responsible for the compliance of their departments with applicable laws, internal regulations, including the Code of Conduct, and for the information and training of their staff.

In FY2019 we conducted formal training in proactive avoidance of possible violations against the Code of Conduct, both with e-learnings and with classroom-based (face-to-face) courses. Training is group-specific, based on cases, and modern training tools are used (multi-media). Participation is mandatory for all employees in relevant roles.

Recorded Incidents

Adoption of and compliance with the Code of Conduct by the General Managers and their management teams was reviewed in 2019. Our employees are the most effective channel to detect violation, underlining transparency as a key value at Civmec which must be supported and preserved.

In FY19 there were no formal allegations made against Civmec in relation to bribery, corruption or kickbacks. There were also no legal proceedings against Civmec or its employees for alleged corruption during FY2019.



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Anti-Bribery and
Corruption Policy](#)



ANTI-COMPETITIVE BEHAVIOUR

Purpose

We operate in a number of different geographical regions and in differing market sectors. This involves dealing with customers, competitors, suppliers, and various other stakeholders. It is critical for our ongoing sustainability that the company conducts its operations in compliance with laws and business practices including but not limited to those related to anti-competitive behaviours.

We are committed to conducting our operations with integrity and in a manner that is consistent with laws and business practices that are aimed at fostering an open, competitive and fair market environment and which will best serve the long-term interests of our customers, our stakeholders and the wider community.

We are committed to dealing fairly and honestly with our customers, suppliers, competitors and any other business partners and the community (collectively 'stakeholders'), and observing relevant legislation, regulation, contractual obligations and our corporate policies – in particular the provisions of the Competition and Consumer Act ('CCA'), and the Australian Consumer Law ('ACL').

Civmec had zero legal actions pending or completed in FY2019 in relation to anti-competitive behaviour and violations of anti-trust and monopoly legislation.

Furthermore, to date, Civmec has never received or been the subject of any legal action in relation to anti-competitive behaviour and violations of anti-trust and monopoly legislation.

Guidelines

The key guidelines which govern our approach to anti-competitive behaviour are as follows:

1. The CCA governs anti-competitive and unfair behaviours. It is regulated by the Australian Competition & Consumer Commission ('ACCC').
2. Our corporate policies prohibit entry by any person representing Civmec into any arrangements which are illegal under the CCA, have the purpose or (in some cases) the effect of substantially lessening competition, or breach the ACL.
3. We predominantly operate under the provisions of the CCA and ensure compliance with this Act (amongst others). This includes the prohibition of behaviours such as:
 - a) agreements between competitors to fix, maintain or control prices;
 - b) agreements between competitors to split up a market or customers;
 - c) agreements between competitors not to deal with particular suppliers, customers or other competitors;
 - d) conduct that is prohibited if it has the purpose or effect of substantially lessening competition as defined under the CCA, which may include, depending on circumstances, exclusive dealing and other restrictive arrangements;
 - e) the supply of goods or services on condition that the customer purchases goods or services from a third party; and
 - f) inducing resellers to not sell products below a specified price.
4. We also prohibit agreements, arrangements or understandings that have the purpose, effect or likely effect of substantially lessening competition in a market.



Policy Compliance

Failure to comply with the policy in relation to anti-competitive behaviour may result in substantial fines and penalties being imposed upon Civmec and may expose the company and/or its employees to civil or criminal liability or other financial or reputational damage. It may put our business licences at risk. Employees who breach the policy may face disciplinary action including dismissal.

The Executive General Manager Commercial & Risk is responsible for implementation of Civmec's competition law compliance. This is critical to the business for a number of reasons:

- failure to comply with competition rules can have an extremely high financial cost with regards to fines from the Australian Government;
- any agreement that infringes competition law may be wholly or partially invalid which means that the company cannot enforce it;
- third parties who suffer loss as a result of anti-competitive behaviour may be able to claim damages from Civmec for their loss;
- investigations into the company and findings of infringements attract adverse media comment; and
- investigations and possible legal proceedings resulting from infringements can take years to resolve, incurring high costs and taking up management time that should be devoted to more profitable projects.

We encourage our staff to be vigilant and proactive in circumstances where they have concerns about conduct that may breach the CCA, and encourage employees to escalate any such concerns they might have to their line manager or the Executive General Manager, Commercial & Risk.

PROCUREMENT PRACTICES – LOCAL INDUSTRY PARTICIPATION

Civmec provides full, fair and reasonable opportunity for local industry to take part in all its activities. This maximises participation where subcontractors and suppliers are capable and competitive on the basis of OHS, environment, quality, delivery and value-for-money standards.

Our Local Industry Participation (LIP) Policy articulates our approach to driving opportunities for local participation, including:

- developing project specific LIP plans;
- providing early and fair opportunities to all local industries;
- developing a communications strategy for local industry so that they are informed at the earliest opportunity of upcoming subcontractor/supply opportunities;
- ensuring local capabilities are considered when planning work scope to optimise opportunities for local businesses;
- providing training and development opportunities for local providers in order to enhance their sustainability;
- giving preference to tenderers that use the greatest local content in labour and materials; and
- working with government, industry bodies and communities to improve local industry participation, capability and competitiveness.

In FY2019, 98% of Civmec's procurement spend was in Australia, with only 2% spent internationally.

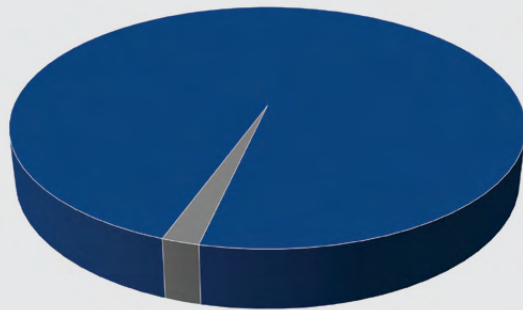


CLICK TO VIEW
Local Industry
Participation Policy



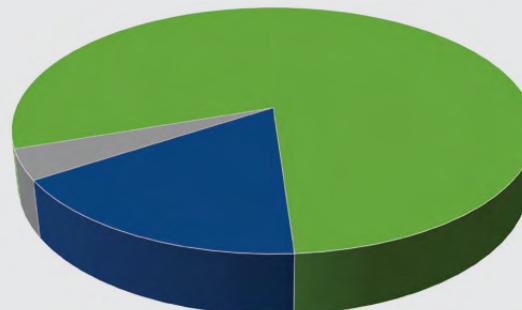
The following graphs illustrate procurement spend per state, based on percentage of spend in the state of project delivery; percentage of spend outside the state of delivery but within Australia; and percentage of spend outside of Australia.

FY2019 OVERALL PROCUREMENT



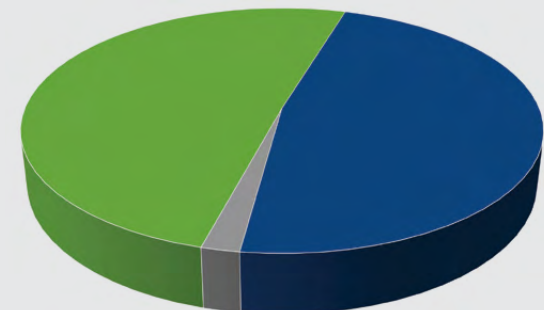
Australia	International
98%	2%

FY2019 WESTERN AUSTRALIA



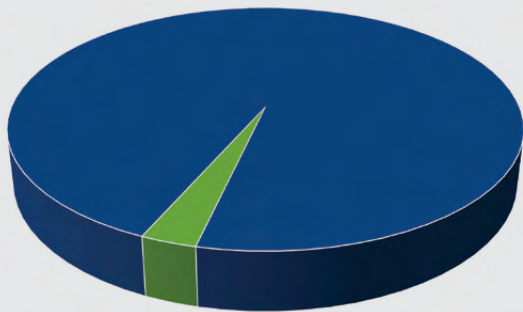
WA	Australia Other	International
80%	17%	4%

FY2019 NEW SOUTH WALES



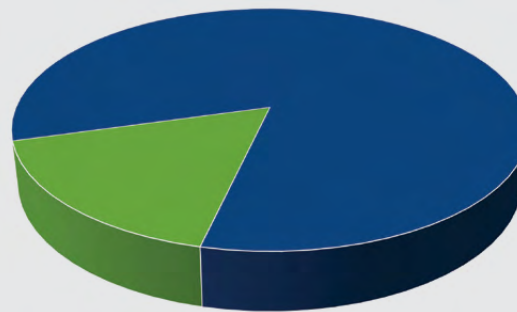
NSW	Australia Other	International
50%	47%	2%

FY2019 QUEENSLAND



QLD	Australia Other
3%	97%

FY2019 NORTHERN TERRITORY



NT	Australia Other
17%	83%





Amrun Project, Weipa,
North Queensland

OUR FUTURE FOCUS

We will continue to advocate good governance and high standards of integrity and ethics across our operations, driven by the actions and behaviours of our people. This is underpinned by our Code of Conduct, which will continue to be reviewed and evolved going forward, to meet the expectations of our business, our stakeholders and the communities in which we operate.



GRI STANDARD CONTENT INDEX

Indicator	Description	Location of Information
GRI 102: GENERAL DISCLOSURES		
1. Organisational profile		
102-1	Name of the organisation	About This Report PAGE 3
102-2	Activities, brands, products, and services	About Cimtec PAGES 5 TO 11
102-3	Location of headquarters	BACK COVER
102-4	Location of operations	About Cimtec/Our Locations and Projects PAGE 7
102-5	Ownership and legal form	Annual Report: Notes to the Financial Statements/16 PAGES 109 TO 110
102-6	Markets served	About Cimtec PAGES 8 TO 11 Annual Report: Our Operating Sectors PAGES 20 TO 27 Notes to the Financial Statements/29 PAGES 124 TO 126
102-7	Scale of the organisation	About Cimtec PAGES 5 TO 11 Annual Report: Our Operating Sectors PAGES 20 TO 27 Consolidated Statements PAGES 76 TO 82 Notes to the Financial Statements/29 PAGES 124 TO 126
102-8	Information on employees and other workers	Our People PAGES 16 TO 25

102-9	Supply chain	About Cimtec PAGES 5 TO 11 Annual Report: Our Operating Sectors PAGES 20 TO 27
102-10	Significant changes to the organisation and its supply chain	Annual Report: Notes to the Financial Statements/16 to 29 PAGES 109 TO 126
102-11	Precautionary Principle or approach	About Cimtec/Our Sustainability Approach PAGE 12 Governance PAGES 39 TO 44 Annual Report: Report on Corporate Governance/Principle 11 PAGES 64 TO 65
102-12	External initiatives	Annual Report: Report on Corporate Governance PAGES 54 TO 70
102-13	Membership of associations	Our Community/Contributing to Industry PAGE 27
2. Strategy		
102-14	Statement from senior decision-maker	Message from the Board PAGE 4
3. Ethics and integrity		
102-16	Values, principles, standards, and norms of behaviour	About Cimtec/Our Values PAGE 6 Governance PAGES 39 TO 44 Annual Report: Report on Corporate Governance/Principle 11 PAGES 64 TO 65



Indicator	Description	Location of Information
4. Governance		
102-18	Governance structure	Annual Report: Report on Corporate Governance PAGES 54 TO 70
5. Stakeholder engagement		
102-40	List of stakeholder groups	Stakeholder Engagement and Materiality/Stakeholder Engagement PAGE 15
102-41	Collective bargaining agreements	We have a wide variety of employment arrangements across the company, including individual contracts of employment and collective agreements. More than 75% of our workforce is covered by collective agreements.
102-42	Identifying and selecting stakeholders	Stakeholder Engagement and Materiality/Stakeholder Engagement PAGE 15
102-43	Approach to stakeholder engagement	Stakeholder Engagement and Materiality PAGES 14 TO 15
102-44	Key topics and concerns raised	Stakeholder Engagement and Materiality/Material ESG Factors PAGE 14
6. Reporting practice		
102-45	Entities included in the consolidated financial statements	About This Report PAGE 3 Annual Report: Notes to the Financial Statements/ 16, 17, 18 and 19 PAGES 109 TO 115
102-46	Defining report content and topic boundaries	About This Report PAGE 3 About Cimtec PAGES 5 TO 11

102-47	List of material topics	Stakeholder Engagement and Materiality/Material ESG Factors PAGE 14
102-48	Restatements of information	No restatements
102-49	Changes in reporting	No changes in reporting
102-50	Reporting period	About This Report PAGE 3
102-51	Date of most recent report	31 May 2019
102-52	Reporting cycle	Annual (based on financial year)
102-53	Contact point for questions regarding the report	BACK COVER
102-54	Claims of reporting in accordance with GRI Standards	About This Report PAGE 3
102-55	GRI content index	GRI Standard Content Index PAGES 45 TO 49
102-56	External assurance	Not undertaken – second year of reporting (for initial years, only internal assurance will be undertaken)

SPECIFIC STANDARD DISCLOSURES

200 Economic Topics

GRI 201: Economic Performance

103-1	Explanation of the material topic and its Boundary	Annual Report: Financial Highlights PAGES 10 AND 11
103-2	The management approach and its components	Executive Chairman's Statement PAGES 14 AND 15
103-3	Evaluation of the management approach	Independent Auditor's Report PAGES 72 TO 75



Indicator	Description	Location of Information
201-1	Direct economic value generated and distributed	Performance Highlights PAGE 13 Annual Report: Financial Highlights PAGES 10 AND 11 Executive Chairman's Statement PAGES 14 AND 15 Directors' Statement PAGES 48 TO 53 Consolidated Statements PAGES 76 TO 82
GRI 204: Procurement Practices		
103-1	Explanation of the material topic and its Boundary	Governance/Procurement Practices PAGE 42
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
204-1	Proportion of spending on local suppliers	Governance/Procurement Practices PAGE 43
GRI 205: Anti-Corruption		
103-1	Explanation of the material topic and its Boundary	Governance/Anti-Corruption PAGE 40
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
205-1	Operations assessed for risks related to corruption	

205-2	Communication and training about anti-corruption policies and procedures	Governance/Anti-Corruption PAGE 40
205-3	Confirmed incidents of corruption and actions taken	
GRI 206: Anti-Competitive Behaviour		
103-1	Explanation of the material topic and its Boundary	Governance/Anti-Competitive Behaviour PAGES 41 TO 42
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	
300 Environmental Topics		
GRI 302: Energy		
103-1	Explanation of the material topic and its Boundary	Environment PAGES 33 TO 38
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
302-1	Energy consumption within the organisation	Environment/Energy, Emissions and our Changing Climate PAGES 34 TO 35
302-3	Energy intensity	
302-4	Reduction of energy consumption	



Indicator	Description	Location of Information
GRI 305: Emissions		
103-1	Explanation of the material topic and its Boundary	Environment PAGES 33 TO 38
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
305-1	Direct (Scope 1) GHG emissions	Environment/Energy, Emissions and our Changing Climate PAGES 34 TO 35
305-2	Energy indirect (Scope 2) GHG emissions	
305-3	Other indirect (Scope 3) GHG emissions	
305-4	GHG emissions intensity	
305-5	Reduction of GHG emissions	
GRI 306: Effluents and Waste		
103-1	Explanation of the material topic and its Boundary	Environment PAGES 33 TO 38
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
306-1	Water discharge by quality and destination	Environment/Effluents and Waste PAGE 37
306-2	Waste by type and disposal method	
306-3	Significant spills	
306-5	Water bodies affected by water discharges and/or runoff	

GRI 307: Environmental Compliance		
103-1	Explanation of the material topic and its Boundary	Environment PAGES 33 TO 38
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
307-1	Non-compliance with environmental laws and regulations	Environment/Environmental Compliance PAGE 34
400 Social Topics		
GRI 401: Employment		
103-1	Explanation of the material topic and its Boundary	Our People PAGES 16 TO 25
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
401-1	New employee hires and employee turnover	Our People/Employment PAGE 17
GRI 403: Occupational Health and Safety		
103-1	Explanation of the material topic and its Boundary	Health and Safety PAGES 29 TO 32
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Health and Safety/Safety Performance PAGE 31



Indicator	Description	Location of Information
GRI 404: Training and Education		
103-1	Explanation of the material topic and its Boundary	Our People PAGES 16 TO 25
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
404-3	Percentage of employees receiving regular performance and career development reviews	Our People/Training and Education PAGES 17 TO 21
GRI 405: Diversity and Equal Opportunity		
103-1	Explanation of the material topic and its Boundary	Our People PAGES 16 TO 25
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
405-1	Diversity of governance bodies and employees	Our People/Diversity and Equal Opportunity PAGES 22 TO 24
405-2	Ratio of basic salary and remuneration of women to men	Our People/Diversity and Equal Opportunity PAGE 23
GRI 406: Non-Discrimination		
103-1	Explanation of the material topic and its Boundary	Our People PAGES 16 TO 25
103-2	The management approach and its components	
103-3	Evaluation of the management approach	

406-1	Incidents of discrimination and corrective actions taken	Our People/Non-Discrimination PAGE 25
GRI 413: Local Communities		
103-1	Explanation of the material topic and its Boundary	Our Community PAGES 26 TO 28
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
413-1	Operations with local community engagement, impact assessments, and development programs	Our Community/Contributing to Local Communities PAGES 26 TO 27
GRI 419: Socioeconomic Compliance		
103-1	Explanation of the material topic and its Boundary	Our Community PAGES 26 TO 28
103-2	The management approach and its components	
103-3	Evaluation of the management approach	
419-1	Non-compliance with laws and regulations in the social and economic area	Our Community/Socio Economic Compliance PAGE 28



SUSTAINABILITY REPORT 2019

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