



RIVERSTONE HOLDINGS LIMITED

SUSTAINABILITY REPORT

2017

A pair of hands, one from the left and one from the right, are shown holding a large, translucent blue globe. The hands are positioned so that their fingers and thumbs meet at the center of the globe, forming a heart shape. The globe has a slight gradient and a soft glow. The background is a light blue with subtle, concentric circular patterns.

**Leader in the
Manufacturing of
Cleanroom and
Healthcare Gloves**

Content

Page

Board Statement	2
About this Report	2
About Riverstone Holdings Limited	3-5
Sustainability Statement	6
Materiality Assessment	7
Key Stakeholders' engagement	8
Environmental Material Factors	
- Water Conservation	9
- Energy Usage	10
- Effluents and Scheduled Waste	10
Social Material Factors	
- Occupational Health and Safety	11
- Labour Relations:	
Respect Human & Labour Rights and Fair Remuneration	12-13
Training and Education	13-14
Governance Material Factors	
- Anti-Bribery and Anti-Corruption	14
- Whistle-Blowing Policy	14
Global Reporting Initiative (GRI) content index	15-21

Board Statement

The Board of Directors is pleased to present Riverstone Holdings Limited's first sustainability report.

We believe sustainability forms an integral part of the Group's business strategy and we are committed to striking a balance between profit and Environmental, Social and Governance ("ESG") considerations while achieving our business profit objective.

We have reviewed ESG topics and have determined the material ESG factors that our business faces, which will help us to better understand the challenges and impacts on our business.

Our sustainability governance structure mainly consists of senior management team who will be the front-runner reporting to the Group CEO and Board of Directors on sustainability matters in ensuring we move in a sustainable direction by monitoring the material ESG factors while meeting our business objectives.

We reaffirm our commitment to sustainability with the publication of this report guided by the Global Reporting Initiative ("GRI") Standards: Core option.

About This Report

This is Riverstone Holdings Limited's first sustainability report. The report contains information regarding the Group's Environmental, Social and Governance ("ESG") topics from 1 January to 31 December 2017. Information regarding the Group's financial performance is obtainable from the Annual Report ("AR") of Riverstone Holdings Limited for the financial year ended 31 December 2017 ("FY2017").

We refer to the Global Reporting Initiative ("GRI") Standards: Core option, the latest set of standards issued by the GRI Global Sustainability Standards Board as the framework for disclosure inclusion.

This report only includes the Group companies having significant operations during the period under review.

We have not sought external assurance for this report and will consult stakeholders in future on the form of assurance they would seek from us.

We welcome our stakeholders' feedback to help us improve our sustainability practices. Please reach out to us at bizsupport@riverstone.com.my

About Riverstone Holdings Limited

Riverstone Holdings Private Limited was incorporated in the Republic of Singapore on 3 August 2005 under the Act as a private company limited by shares. Our Company was converted into a public company and the name of our Company changed to Riverstone Holdings Limited in connection therewith on 27 October 2006. The company was subsequently listed on the Main Board of Singapore Exchange Securities Trading Limited (the "SGX-ST") on 20 November 2006.

The company and its subsidiaries ("The Group") are specialised in the production of Cleanroom, Healthcare gloves and non-glove consumable items namely finger cots, cleanroom packaging bags and face masks. Our products are widely qualified and used by major global players in the electronic and healthcare industries. On top of the achievements, the Group exports more than 85% of our products to key developed countries in Asia, the Americas and Europe.

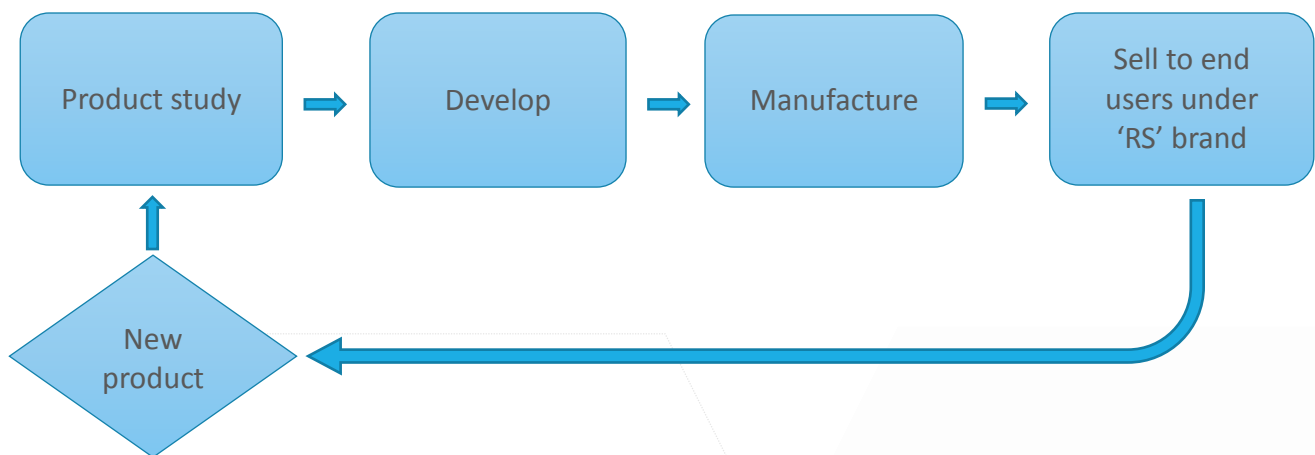
As a global supplier of Cleanroom Consumables and Healthcare gloves we have five manufacturing facilities located in Malaysia, Thailand and China and have established network of sales offices and strategic partners in Asia, the Americas and Europe. In Malaysia, we are also an ordinary member associated with the Malaysian Rubber Glove Manufacturers Association ("MARGMA") which provides a common platform for discussion and exchange of views aimed at furthering the commercial objectives of its members and promoting a solid trade fraternity amongst them.

Vision and Mission Statement

The Group strives to be a global leader in the manufacture of cleanroom and healthcare gloves. To achieve this vision, we never compromise quality for short-term gain, strive to exceed customers' satisfaction through superior product quality, on-time delivery and fair pricing, develop innovative new product and high degree of flexibility and adaptability in glove production, forge strong business partnership to reduce cost of doing business and provide a conducive working environment for its employees.

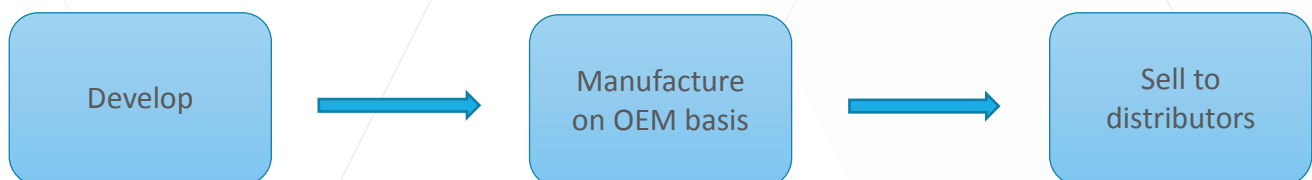
Cleanroom Division

Our cleanroom manufacturing facilities are National Environmental Balancing Bureau (“NEBB”) certified Class 10 and Class 100 Cleanrooms built with unique features to produce gloves that meet our customers’ stringent requirement:



Healthcare Division

We produce mainly premium nitrile gloves for the healthcare industry. These gloves are MNC qualified and are manufactured in a Good Manufacturing Practice (“GMP”) controlled environment on an OEM basis:



Our products are nitrile examination gloves and hand-specific, high risk examination gloves, accelerator-free nitrile and halogen free nitrile gloves.

Non-Glove Consumables

Our consumables plant produces finger cots, packaging bags and face masks. These products are developed, manufactured to our end users.

The packaging bags we manufacture are for cleanroom use whereas the face masks are made either from breathable fabric with efficient filtration and minimum particles generation or high bonded white nonwoven fabric that is hypoallergenic, odourless with efficient filtration.

The production processes of these non-glove consumable items are performed in NEBB certified cleanroom to meet stringent customer requirements and are made free of Silicone Oil, Amide and Dioctyl Phthalate (“DOP”). In-house testing is conducted prior to each shipment.

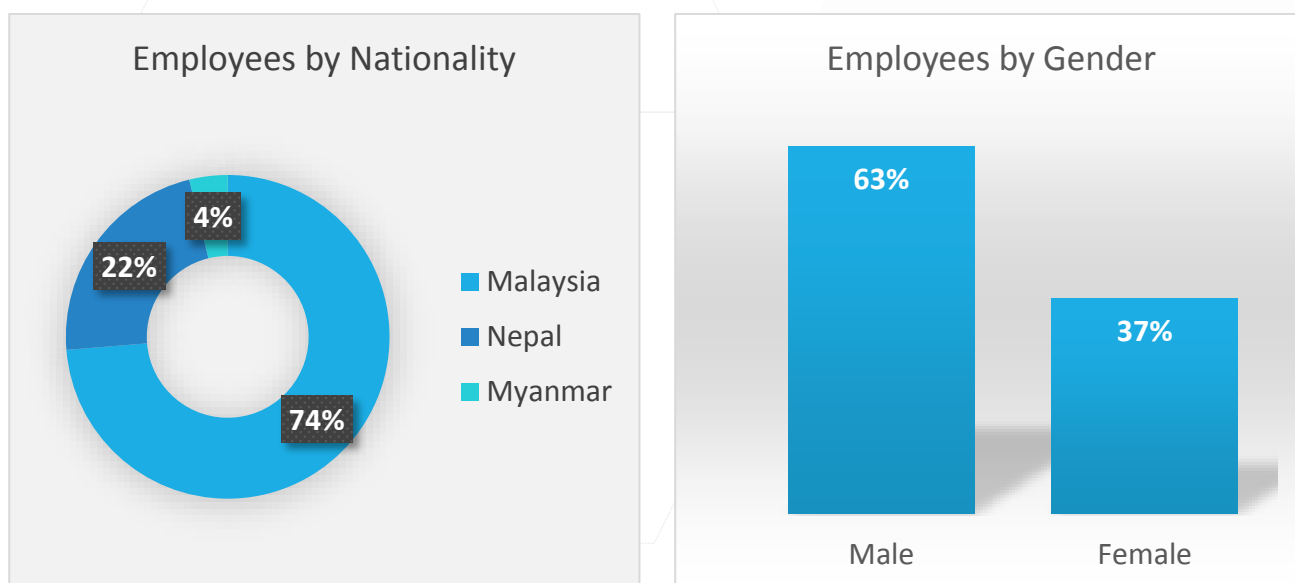
Quality Assurance

Quality Management System is applied to our manufacturing processes and our Quality Assurance (“QA”) laboratory is equipped with a complete range of state-of-the-art testing facilities. Our products are ISO certified, i.e. ISO 9001: 2008, ISO 13485: 2013 and ISO 14001: 2015.

Human Capital information

The Group employed over 3,500 workers and we have structured remuneration system fairly and transparently to retain and motivate employees through monetary benefits, ongoing job training and career advancement opportunities. Performance reviews are conducted annually to appraise staff and to reward them accordingly.

Our workforce of the significant operations reflects typical composition found in our sector and the diversity of Malaysia as depicted below as at 31 December 2017:



Sustainability Statement

Sustainability Governance and Commitment

The Board of Directors of the Group recognises that sound corporate governance practices are important to the proper functioning of the group companies and is committed to enhancing shareholder value by maintaining high standards of integrity and complying with all applicable laws and regulations.

The Board comprises six directors of which half of the Board are independent directors with strong financial and business background, providing the necessary experience and expertise to direct and lead the Group in relation to overall business management. Our senior management team that leads the Group's Sustainability Committee, is assigned the responsibility for overseeing sustainability and reports to the Group CEO and Board of Directors.

The Group adopts environmentally friendly, resource-efficient and responsible practices as part of the core sustainability values. Sustainability forms an integral part of its corporate strategy and decision-making process in achieving its vision of becoming a global leader in the manufacture of cleanroom and healthcare gloves. The Group ensures that the concerns and opinion of the key stakeholders are taken into consideration in the course of achieving its vision.

Value Chain Management

We believe that a sustainable supply chain is important in ensuring continuing success for business. As such the procurement activities pertaining to supply chain across the Group is guided by our Group Procurement Policy to ensure the goal of cost-effective, efficient and sustainable deliverability procurement is attained. The Group Procurement Policy guidelines entail the supplier selection and evaluation criteria like good quality products, competitive pricing, service and support reliability are required to minimise supply chain risk and other negative business impact.

The Group seeks to diversify the supplier base as we understand supplier diversity not only drives competition on price, quality and service level between the Group's existing and potential suppliers, it would also encourage the growth of diverse business and economic growth of all communities.

Materiality Assessment

Materiality in the context of ESG is the principle of defining environmental, social and governance factors that matter most to our business and stakeholders. In assessing material factors, we looked at the significance of economic, environmental and social impacts, interests and expectations of stakeholders through their feedback and internal discussions.

We have identified 5 sustainability issues that are most relevant and material to our stakeholders and business, namely:

- Energy and Water (Environmental)
- Effluents and Scheduled Waste (Environmental)
- Occupational Health and Safety (Social)
- Labour Relations (Social)
- Anti-Bribery and Anti-Corruption (Governance)

Influence on Stakeholder Assessment and Decisions	High				*Occupational Health & Safety	*Corporate Governance
					*Energy & Water	*Environmental Compliance
					*Labour Relations	
		*Community Development	*Sustainable Procedure Practices			
		*Diversity & Inclusion				
	Low					
		Low	High			

Significance of Economic, Environmental Social and Governance Impacts on Riverstone Holdings.

Materiality Matrix

Key Stakeholders' Engagement

In accordance with GRI 102-42, we have conducted an exercise to identify our key stakeholders with a significant level of influence and interests in our business operations and ESG factors which are material to the Group and its key stakeholders.

We recognise that by frequently engaging with our key stakeholders, it will help us to better understand their expectations and concerns. This way, we are positioned to better respond to the ESG challenges as they arise.

Key Stakeholder	Key Topic	Mode of Engagement
Customers	- Product quality and safety - Customer satisfaction	- Feedback from customers - Site visit conducted by them at our factory plant - Trade fair
Employees	- Labour relations - Skills and performance	- Periodic meetings - Performance appraisals - Team building oriented events
Government	- Regulatory and industry standards compliance	- Consultations and discussions
Shareholders	- Economic performance	- Annual General Meeting - Corporate website - Queries to the Investor Relations
Suppliers	- Products and services quality - Sustainable deliverability	- Site visit conducted by us at their premises - Regular meetings

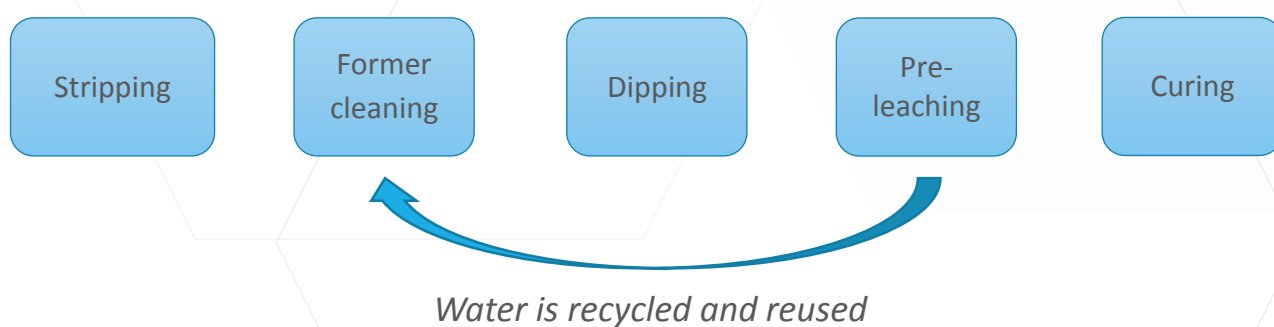
Environmental Material Factors

The Group carries out environmentally friendly practices to protect the environment for the well-being of future generations. The principal operating plant of the Group is in compliance with ISO 14001:2015 Environmental Management and we constantly engage our ISO auditors and in-house engineering team to conduct on-going examination and discussion to ensure the applicable environmental laws and regulations are complied with. The Group is committed to taking continuous effort to minimise the possible adverse impact on the environment.

Water Conservation

Saving water helps to preserve our environment as it is limited resource on earth and it will help to ensure a sustainable adequate water supply in future. Total water consumption amounted to 940,000 m³ in FY2017 or 0.29m³ per 1000 units of output with reference to the main plant of the Group. The Group strives to reuse and recycle water where applicable through innovation and water saving features as follows:

- 1) To reduce the water consumption by developing new formulation which requires lesser leaching.
- 2) To reuse the water from leaching to former cleaning.



Effluent Treatment Plant is in place to purify our industrial waste water for its reuse and its aim is to release safe water to the environment. In addition, we will initiate a rain collection system in the coming year that runs the collected water through filtration at raw water treatment plant before release to the production plant for manufacturing use. The Group aims to recycle 30% of water in 3 years and to reduce excessive withdrawal from water system by 5%.

Energy Usage

Using energy efficiently and opting for renewable energy is fundamental in fighting climate change and reducing our overall environmental footprint. To achieve this, we constantly seek new processes to improve energy efficiency, for instance, we select high-efficient industrial burner for glove curing and this typically reduces the natural gas consumption by 10% compared to the regular packaged burner. Furthermore, we use biomass energy as a form of renewable energy source to produce process heat for our boilers thereby lessening the overall consumption of natural gas by 40%. Natural gas usage in FY2017 totaled to 1,277,000 MMBtu or 0.39 MMBtu per 1000 units of output.

With respect to electricity saving, we use the high efficiency motor IE2 to operate the dipping machine oven which should reduce the electricity consumption by 3%. All employees are aware of the basic no-cost ways to save electricity, i.e. turn off unnecessary electrical equipment and facilities whenever not in use. Total electricity usage for FY2017 was 36,601,000 kWh or 11.2 kWh per 1000 units of output.

Effluents and Scheduled Waste

Effluents are discharged strictly according to Department of Environment (“DOE”) requirements.

The amount of hazardous waste generated by the Group is handled with care and diligence in accordance with the applicable environmental laws and regulations. Policies and work instructions in compliance with DOE requirements are in place to oversee the storage, treatment and disposal of hazardous waste generated from our manufacturing activities. Amongst others, scheduled waste is stored with its movement being monitored by certified Competent Person, we then engage licensed and qualified contractors to collect our scheduled waste that is sent to facilities approved by DOE for chemical or recovery treatment.

The waste intensity in FY2017 was 0.14 kg per 1000 units of output.

The Group engaged in-house Competent Person with respect to management of effluents and scheduled waste.

Social Material Factors

Occupational Health and Safety

Safety and health is one of the Group's primary concerns and we are committed to providing a safe work environment where employees can do their jobs without fear of injury. This commitment is reflected by our Occupational Safety and Health Management System ("OHSAS") accreditation ISO18001: 2017 which is subject to annual audit by professional independent consulting firm.

To begin with, the Group has established a Safety Committee consisting of a registered competent Safety and Health Officer and a team of management staff to oversee the implementation of policies and procedures that cover safety rules, duties and responsibilities of employees to prevent accidents. Regular safety talks and trainings are provided to workers from time to time to ensure best safety practices are communicated across the entire workplace. Safety signs and messages are put in the right work places.



Periodic meeting being conducted by Safety Committee



Forklift driver on duty wearing personal protective equipment

As manufacturing plants are exposed to industrial fire risk, the Group regularly conducts fire drills involving our effective Emergency Response Team (ERT) to ensure all workers know how to exit safely as quickly as possible. We have the right type and quantity of firefighting equipment, fire hose and extinguishers are in place complying with Malaysian Fire and Rescue Department. Factory firefighting system is also installed by the government approved contractor, who is also engaged to service the firefighting equipment on a monthly basis.

The group aims to work towards zero accidents and loss time injuries and the following are some health and safety highlights of FY2017:

Indicator	Performance	Target
Number of fatalities	None recorded	Maintain zero incidents resulting in fatality and permanent disability
Accident Frequency Rate (AFR)	1.8 accidents per every 1 million working hours	
Number of permanent disability	1	

Labour Relations – Respect Human & Labour Rights and Fair Remuneration

Globally, the Group employed over 3,500 workers and we are committed to ensuring that the rights of all workers are respected according to national and international laws and our commitment is evident by the award of Business Social Compliance Initiative (“BSCI”) for being compliant with BSCI Code of Conduct.

The Group adopts code of conduct that spells out our core values in relation to employment, that we are committed to providing equal employment opportunity for all with a working environment that is free of discrimination and harassment and we do not discriminate on the basis of creed and colour, religion, gender, origin, age, disability, gender identity, marital status, ancestry or sexual orientation. Child labour is not to be used in any stage of manufacturing and no workers under the age of 16 shall be employed. Workers under the age of 18 shall not perform hazardous work. Employees’ privacy is protected and there will be no unauthorised access to employee records.

We have a good and attractive remuneration system in place to reward and retain our employees. Wages are paid at the competitive rates and compliant with the Malaysia minimum wage law. Salary increment and bonus are granted annually in line with the Group’s financial performance and monetary incentives are given periodically to encourage productivity increase.

The Group has also constructed two hostel building blocks housing over 1,000 foreign workers with decent facilities like dining, gymnasium, first aid room, laundry and grocery shops. We outsourced the hostel management service to a facilities management specialist to ensure the hostel facilities are well maintained at all times so that good living conditions and well-being of the workers are taken care of.



Our labour policy, which is published on the Group's website is in place reflecting the Group's pledge to uphold the human rights of workers.

Labour Relations – Training & Education

We ensure that our employees have the skills they need to do their jobs and as they build their career with us. We value our employees as the human capital asset and as the backbone of our operations and hence, we continue to develop our human capital by having them sent for professional training to equip them with skills relevant to their job requirement. Each year, our training policy requires heads of department to conduct Training Needs Identification (TNI) for their staff, who will participate the training identified on specific dates.

Orientation briefings for new joiners and other in-house trainings are conducted on a need basis by our senior executives. On average, employees of the Group requiring external training received 15 hours of training in FY2017.



In-house safety training in progress

Governance Material Factors

Anti-Bribery & Anti-Corruption

The Group seeks to foster an environment where honesty, integrity and ethical practices are maintained. We do not authorise and condone, directly or indirectly through others any unlawful or unethical behaviour, which serves the interests of all stakeholders.

We have zero tolerance for any form of financial misconduct including bribery and corruption and we have put in place a Code of Conduct including anti-corruption policy which entails the prohibition of accepting and offering of bribes, kickbacks, customary facilitation payments and gifts. Employees must also avoid situations giving rise to personal interests that are in conflict with the Group's interests. Declaration forms to pledge for anti-bribery and anti-corruption practices are signed by all employees and vendors aiming to assure all dealings are conducted in an even-handed manner.

Whistle Blowing Policy

Whistle blowing policy and arrangement is also implemented requiring stakeholders of the Riverstone Holdings Limited to raise legitimate concern in relation to criminal activities, breach of legal obligation, miscarriage of justice, activities posing risk of danger to health and safety. The communication channel guide is included in the policy for whistle blowers whose identity will be protected if they elect to remain anonymous. Genuine and legitimate complaint will be investigated, progress updates and outcome of the investigation will be made known to the complainant.

Both Code of Conduct and whistle blowing policies are available for download on the Group's website.

GLOBAL REPORTING INITIATIVE (“GRI”) CONTENT INDEX

GRI CONTENT INDEX			
GRI 102: GENERAL DISCLOSURES		Report header /sub-header	Page reference
ORGANISATIONAL PROFILE			
102-1	Name of the organization	Cover page	Cover page
102-2	Activities, brands, products, and services	About Riverstone Holdings Limited	3-4
102-3	Location of headquarter	Annual Report of FY2017	AR back cover & page 5
102-4	Location of operations	About Riverstone Holdings Limited	3
102-5	Ownership and legal form	About Riverstone Holdings Limited	3
102-6	Markets served	About Riverstone Holdings Limited	3-4
102-7	Scale of the organization	About Riverstone Holdings Limited	3
102-8	Information on employees and other works	About Riverstone Holdings Limited	5
102-9	Supply chain	Sustainability Statement	6
102-10	Significant changes to the organization and its supply chain	No significant changes in FY 2017	-
102-11	Precautionary Principle or approach	Corporate Governance Statement of Annual Report FY2017	AR Page 17

GRI CONTENT INDEX

GRI 102: GENERAL DISCLOSURES		Report header /sub-header	Page reference
102-12	External Initiatives	Riverstone Holdings Limited subscribed to the following external initiatives: - ISO 14001:2004 Environmental Management - Cash contribution to Sports day of a local primary school	-
102-13	Membership of association	About Riverstone Holdings Limited	3
STRATEGY			
102-14	Statement from senior decision-maker	Board Statement	2
GOVERNANCE			
102-18	Governance structure	Sustainability Statement	6
STAKEHOLDER ENGAGEMENT			
102-40	List of stakeholder groups	Key Stakeholders' Engagement	8
102-41	Collective bargaining agreements	Not applicable as the Group's workforce is not unionised	-
102-42	Identifying and selecting stakeholders	Key Stakeholders' Engagement	8
102-43	Approach to stakeholder engagement	Key Stakeholders' Engagement	8
102-44	Key topics and concerns raised	Key Stakeholders' Engagement	8

GRI CONTENT INDEX			
GRI 102: GENERAL DISCLOSURES		Report header /sub-header	Page reference
REPORTING PRACTICE			
102-45	Entities included in the consolidated financial statements	About This Report AR: Group Structure	AR Page 6
102-46	Defining report content and topic Boundaries	About This Report	2
102-47	List of material topics	Materiality Assessment	7
102-48	Restatements of information	Not applicable as this is the first Sustainability Report	-
102-49	Changes in reporting	Not applicable as this is the first Sustainability Report	-
102-50	Reporting period	About This Report	2
102-51	Date of most recent report	Not applicable as this is the first Sustainability Report	-
102-52	Reporting cycle	About This Report	2
102-53	Contact point for questions regarding the report	About This Report	2
102-54	Claims of reporting in accordance with the GRI Standards	About This Report	2
102-55	GRI content index	GRI Content Index	15-21
102-56	External assurance	About This Report	2

GRI CONTENT INDEX			
GRI 103: Management Approach		Report header /sub-header	Page reference
ANTI-CORRUPTION			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Anti-Bribery & Anti-Corruption	14
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205: Anti-Corruption	205-1 Operations assessed for risks related to corruption		
	205-2 Communication and training about anti-corruption policies and procedures		
	205-3 Confirmed incidents of corruption and actions taken	Not applicable as no incidents of corruption reported in FY 2017	-
ENERGY & WATER			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Environmental Material Factors	10
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		

GRI CONTENT INDEX			
GRI 103: Management Approach		Report header /sub-header	Page reference
GRI 302: Energy	302-1 Energy consumption within the organization	Energy Usage	10
	302-2 Energy consumption outside of the organization		
	302-3 Energy intensity		
	302-4 Reduction of energy consumption		
	302-5 Reductions in energy requirements of products and services		
WATER			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Environmental Material Factors	9
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 303: Water	303-1 Water withdrawal by source	Water Conservation	
	303-2 Water sources significantly affected by withdrawal of water		
	303-3 Water recycled and reused		

GRI CONTENT INDEX

GRI 103: Management Approach		Report header /sub-header	Page reference
EFFLUENTS AND WASTE			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Environmental Material Factors	10
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 306: Effluents and Waste	306-1 Water discharge by quality and destination	Effluents and Scheduled Waste	
	306-2 Waste by type and disposal method		
	306-3 Significant spills		
	306-4 Transport of hazardous waste		
	306-5 Water bodies affected by water discharges and/or runoff		
OCCUPATIONAL HEALTH AND SAFETY			
GRI 103: Management Approach	103-1 Explanation of the material topic and its boundaries	Social Material Factors	11-12
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		

GRI CONTENT INDEX			
GRI 103: Management Approach		Report header /sub-header	Page reference
GRI 403: Occupational Health and Safety	403-1 Workers representation in formal joint management-worker health and safety committees	Occupational Health and Safety	11-12
	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities		
	403-3 Workers with high incidence or high risk of diseases related to their occupation		
	403-4 Health and safety topics		