Workplace safety and health (WSH) is a top priority for Sembcorp Marine and an integral part of how it conducts business and achieves operational excellence. The Group continues to improve its systems to identify, manage and reduce risks as well as to ensure compliance to both international and national standards, such as the OHSAS 18001 Occupational Health and Safety Management System and the Singapore Workplace Safety and Health Council’s WSH 2018 plan.

- The Group won multiple accolades, including 18 awards at the national Workplace Safety and Health Awards 2012 and the International Sustainability Rating System Lifetime Achievement Award
- Enhancement of workplace safety and health programmes for employees and contractor partners to further raise occupational health and safety standards

A Structured System

The Group’s Safety Management System extends from the Sembcorp Marine Board Risk and Enterprise Risk Management Committees, down to the Group, yard, department and sub-trade levels. Top management representatives and Group-level strategy formulators join yard-level specialists to develop comprehensive, structured and robust systems to ensure the safety and well-being of the Group’s 10,458 staff as well as contractors, clients, shipyard occupiers and other stakeholders.

Sembcorp Marine has four safety strategic thrusts which guide the Group’s activities towards its vision of zero incidents. The Group monitors and evaluates each year’s risk management performance against four severity parameters: 1) people; 2) assets and consequential loss; 3) environment; and 4) reputation. This assessment also identifies the five key risk areas which the Group will focus on for the following year.

The five key risk areas identified in 2012 were 1) falling from height; 2) falling objects; 3) material handling; 4) fire and explosion; and 5) equipment/material failure and damage. The Group responds by adapting the programmes in its strategic thrusts to address the identified key risks, thus ensuring that the WSH strategy remains responsive, relevant and effective.
Safety Performance in 2012

The Group’s WSH performance, covering its employees and business partners, is monitored using several indicators. This enables the Group to continuously monitor and regularly assess the safety levels achieved by the yards during their operations.

The Group’s Accident Frequency Rate (AFR), which measures the frequency of workplace incidents per million man-hours, was 0.70 in 2012.

The year’s Accident Severity Rate (ASR), which indicates the number of man days lost per million man-hours in the workplace, was 86.75. In 2012, there was one fatality that involved an employee at Jurong Shipyard. The Group deeply regrets this loss of life. The yard has since revised the control measures for diving work and implemented them across the entire Group.

The workplace injury rate (WIR), a record of workplace injuries that require more than three days of medical leave, was introduced last year to improve the Group’s assessment and monitoring of safety standards in the workplace. This was 378.81 compared to 143.69 in 2011, 38 per cent of which was attributable to a jack-up rig incident in December 2012 (refer to page 7).

To ensure that shipyard operations are well-prepared to respond promptly to emergencies, the Group and its yards conducted 172 drills which involved all five identified groups of stakeholders. These drills covered a wide range of areas, from evacuation and rescue scenarios to pollution control, yard security threats and business risk drills.
Continuous Enhancement in HSE Competencies & Capabilities

To create and foster an internalised safety culture including proactive risk management and shared ownership by all stakeholders.

Activities include:
- Bi-monthly and quarterly meetings by representatives in the Group HSE Committee that manage the deployment of WSH strategy at various levels.
- Workforce Skills Qualifications capability training by the WSH Council, higher learning institutes and other Ministry of Manpower-accredited training providers to raise HSE competencies across 13 specialist trades.
- Annual safety innovation competitions by the yards for employees and contractor partners to develop process and equipment solutions that improve safety and efficiency.

Involvement & Support from Stakeholders

To increase the connectivity and communication networks to enhance outreach to all relevant stakeholders through promotion activities and an information sharing portal.

Activities include:
- Increased efforts to identify and bridge the gaps in safety management systems between the yards and their contractor partners, with trials planned for 2013 to include changes to the audit systems and on-site inspection guidelines.
- Regular formal and informal interaction platforms for senior management and operations personnel to interact and stay connected with contractor partners and clients.
- Proactive inclusion of contractors, clients, shipyard occupiers and other relevant stakeholders in WSH enhancement activities such as training programmes and emergency drills.
Improvements in Risk & Safety Management Systems

To develop and enhance the HSE management system through the development of benchmarking and statistical tools, incident reporting and continuous improvement.

Activities include:

- Review, Educate & Validate (REV) programme used by the yards and their contractor partners to address key risk areas such as falling from height, materials handling and equipment failure.
- Alignment of the Group’s Focused Risk Intervention Programme to ASMI’s 2015 Work Plan initiatives, in collaboration with WSH Council, covering areas such as safety during confined space operations, work-at-height safety operations and lifting processes.
- WSH Council’s bizSAFE five-step programme to guide contractor partners towards integrated risk management.

Building up Commitment & Leadership Towards Better WSH Culture

To encourage innovation in promoting safety and health continuous assessment to ensure the competencies of stakeholders are of the highest standards.

Activities include:

- Best HSE Practices Manual developed and improved by the Group’s yards.
- HSE Officers Inter-yard Exchange Programme which ensures and enhances Group-level knowledge sharing and best practices.
- Yard and inter-yard quizzes, and competitions on WSH-related topics.
- Workshops and talks on topics such as occupational health, chemical-handling safety and noise-induced deafness, often in collaboration with health authorities or clients.
- Prominent visual reminders around the yards to engage shopfloor operators.
- Daily reminders and work safety highlights during morning toolbox briefings and work meetings.

Reinforcing the message that safety is everyone’s responsibility with events that involve shipyard employees, contractor partners and clients.

Regular WSH audits to assess and mitigate workplace risks.
**Reward and Recognition Programmes**

The Workplace Safety and Health Awards is an annual event organised by the National Workplace Safety and Health Committee to recognise organisations and individuals from a range of industries who have contributed to achieving WSH excellence. The Sembcorp Marine Group was recognised with a total of 18 awards in five categories (see pages 76 & 78 for list of awards). The shipyards clocked over 16.5 million man-hours without lost-time incidents from the 11 projects which won WSH Performance Awards (Safety and Health Award Recognition for Projects). In addition to five awards honouring the yards’ innovation and safety processes, there were also two individual safety awards.

In addition, all of the Group’s shipyards adopt a structured system of in-house recognition and incentive-driven programmes to encourage good safety performance and build a safety-oriented culture, such as safety performance awards as well as merit and demerit point systems. The shipyards periodically update these programmes to ensure that the Group continues to champion WSH’s evolving requirements. The revamped and new programmes that were launched in 2012 include:

- **HSE Excellence Award** – An award for contractors who achieve zero incidents in a continuous period of six months.
- **HSE STAR Award** – An extension of the above award to recognise contractor partners who achieve zero incidents for 12 months.
- **WSH Best Supervisor** – Supervisors who go the extra mile to promote and champion workplace safety and health excellence.
- **WSH Best Worker** – To recognise employees who are role models with exemplary safety records and who actively promote a safe work culture.
- **Hazard Reporting Programme** – Encourages and rewards workers to spot and rectify potentially unsafe work conditions. In addition to providing a positive platform for workers to mitigate risk, the programme cultivates proactive ownership of WSH responsibility.

Engaging contractor partners for a cohesive WSH culture.

Exchanging safety best practices during a visit by the Ministry of Manpower’s senior officials and internationally renowned work-at-height practitioners.
WSH in the Community

The Group supports events and platforms that promote the exchange of WSH knowledge and expertise, such as the National WSH Campaign organised by the Workplace Safety and Health Council. The programme extends beyond the marine and offshore industry to promote workplace safety and health in different work sectors of Singapore. In 2012, Sembcorp Marine was also a key supporter of the National WSH Conference, a regional platform to share and network with workplace safety and health professionals and decision makers.

Sembawang Shipyard, which has incorporated the International Sustainability Rating System (ISRS) in its operations and safety management over the last 20 years, received the ISRS Lifetime Achievement Award in recognition of its HSE excellence efforts. The ISRS is a system developed by the international audit classification society, Det Norske Veritas, to assess, improve and demonstrate the health of an organisation’s business process. It utilises a range of well-established tools to develop, train, implement and audit an organisation’s safety and sustainability management. The yard also shared its journey towards HSE excellence with the ISRS community at the 5th International ISRS Conference during the year.

Sharing workplace safety and health best practices across borders, Sembcorp Marine and Jurong Shipyard played host to internationally renowned work-at-height practitioners and senior officials from the Ministry of Manpower. Besides exchanging information on new WSH standards and technology, the sharing session included a hands-on display on the practical use of personal protective equipment as well as an on-site demonstration of work-at-height safety in the marine and offshore industry.

Shipyard and Community Security

Sembcorp Marine and its shipyards comply with the International Ship and Port Facility Security Code, a comprehensive and standardised framework to evaluate the risks associated with the vulnerability of ships and port facilities as well as to mitigate the risks through the corresponding security measures. The shipyards are also part of their community Security & Safety Watch Group, a platform for businesses to engage in dialogue and formulate security measures with Home Team agencies such as the Singapore Police Force and the Singapore Civil Defence Force. During the year, Jurong Shipyard continued to hold joint exercises with neighbouring companies on terrorist and hostage situation scenarios as part of efforts to ensure vigilance and emergency preparedness.

Sharing insights on shipyard security excellence.