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The Sembcorp Marine ("SCM") Code of Business Conduct ("the Code") is built on the foundation of SCM’s core values. Each topic in the Code sets out the company’s expectation in terms of standards of behaviour and actions from our employees.

As employees of SCM, we are expected to adhere to the standards prescribed in the Code in the course of our daily activities and dealings with others, both internally and externally.

As a responsible corporate citizen, SCM complies with all laws and regulations and contributes positively to society. The Code requires the commitment from every employee to uphold the company’s core values.

The Code is not intended to provide guidance for every situation that we may face in the course of our employment and the performance of our duties. Its primary purpose is to identify specific guiding principles to assist us in making decisions consistent with SCM’s core values.

This Guide to the Code of Business Conduct must be read in conjunction with the Code and other SCM policies and procedures that provide more specific details.
**Customer Alignment**
Meeting customers’ needs is fundamental to our success. We provide innovative solutions that are aligned with the changing requirements and expectations of our customers and build lasting relationships with them based on trust and shared purpose.

**Integrity**
We perform our duties with honesty, dedication and respect for confidentiality. We value loyalty, trustworthiness and openness as essential personal attributes in our corporate culture.

**Innovation**
We believe innovation and creativity are essential for staying ahead of the competition. We achieve industry leadership through constant innovation in technology and engineering solutions.

**Health, Safety & Environment**
We are committed to promoting a healthy and safe work environment for our customers, employees, contractors and the community. We take responsibility for our personal safety and accountability for the safety of others. We also take concrete steps to ensure environmental sustainability.

**Quality**
We are committed to achieving quality standards in fulfilling our customers’ requirements. We uphold Quality as we do in Health, Safety and Environment.

**Teamwork**
We work together as one cohesive team, with mutual trust and respect, to achieve our collective goals. We embrace diversity, foster close relationships and develop team spirit through effective communication and caring for one another.

**People-Centric**
We respect and value every individual in our organisation. We provide our people with opportunities, rewards and recognition, as well as a conducive environment to enjoy their work and realise their potential.

**Community Responsibility**
We view our business as an integral part of society. We are committed to being a responsible corporate citizen, both locally and globally, by building a caring organisation and contributing to the community.
WHAT YOU MUST DO

Who must follow the Code?

- **SCM Directors & Employees**
- **Subsidiaries & controlled JV Entities**
- **Non-controlled & JV Entities**
- **Business partners and 3rd Parties engaging in business transactions with SCM (including agents, consultants, vendors & contractors)**

Who must follow the Code?

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- **Subsidiaries & controlled JV Entities**
- **Non-controlled & JV Entities**
- **Business partners and 3rd Parties engaging in business transactions with SCM (including agents, consultants, vendors & contractors)**

**Employees must**

- Understand SCM policies
  - Internalize the policy requirements summarized in the Code.
  - Learn the details of the policies relevant to their jobs.
  - Approach their managers, or relevant SCM resources with any questions about the policies.
- Raise their concerns
  - Bring up promptly any concerns about potential violations of any SCM policies.
  - Know the various channels for raising integrity concerns.
  - Pursue the issue if a concern you have raised is not resolved. Feel free to raise it through another SCM channel.
  - Cooperate in SCM investigation related to integrity concerns.

**Managers**

Managers must also take the following steps to build an infrastructure to prevent, detect and respond to compliance issues:

- Promote & lead compliance and ethics by example – Their behaviour must show what it means to act with integrity.
- Make sure that their staff understand the Code’s requirements and have the resources to meet the requirements.
- Monitor compliance and ethics of the people they supervise.
- Use reasonable care to monitor third parties acting on behalf of SCM; ensure that they work in a manner consistent with the Code.
- Enforce the Code consistently.
- Support employees who, in good faith, raise questions or concerns.
- Approach relevant SCM resources with any questions about the policies.
SPEAKING UP

**You have the responsibility to speak up.**

Everyone at SCM has the duty to speak up whenever there are any concerns that an action may violate the Code. Speaking up protects our company, our colleagues and our stakeholders. The longer you wait to address a concern, the worse it may become.

You can raise a concern orally or in writing. SCM offers several channels for raising concerns. Use the channel you are most comfortable with:

A. Send an email to whistleblow@sembmarine.com

B. Send a hard copy letter to SCM AC Chairman and SCM Head of Internal Audit

C. Call or meet with

- Head of Internal Audit (Email: stephen.wan@sembmarine.com / Tel: +65 69717033)

Concerns about compliance with SCM policies will be investigated. The investigation process includes assigning an investigation team, conducting investigation, recommending corrective actions to appropriate managers for implementation, and giving feedback on the outcome to the person raising the concerns.

We encourage you to identify yourself, so that we can follow up with you and provide feedback. Your identity and the information you provide will be kept confidential and will be shared only on a “need to know” basis with those responsible for resolving your concerns.

SCM absolutely prohibits retaliation against anyone who gives feedback through the Whistle Blowing Channel. Retaliation includes actions such as dismissal, transfer, demotion, public criticism, or personal attacks. Retaliation also includes subtle actions such as avoiding or ostracising someone, leaving him or her out of professional or social activities and so on. Retaliation is ground for disciplinary actions up to and including dismissal.
WHEN IN DOUBT

SEEK GUIDANCE

For clarification on the interpretation of the Code, you can consult:

• Your manager
• Chief Risk Officer
• Chief Human Resource Officer
• Head of Legal and Corporate Secretariat
• Head of Internal Audit
• Chief Financial Officer
• Head of Corporate Communications
• Head of Investor Relations

Guiding Principles When In Doubt

It is not possible for the Code to address every situation. However, if in doubt, ask yourself:

• Is such an action legal as per the laws of the land where it is being practised?
• Is it legal as per the laws in Singapore?
• Does it comply with the requirements of the Code?
• Does it preserve SCM’s values and reputation?
• Is it ethical?\(^1\)

If the answer is “No” to any of the questions above, you must not do it. If you are still uncertain, obtain necessary guidance.

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\(^1\) The questions that you should consider before deciding whether an action is ethical include:

• Does the action in any way contradict SCM’s core values?
• Is anyone else likely to be adversely affected by this action (others in SCM, key customers, our social communities, etc.)?
• Is the action inconsistent with that of a reasonable person under similar circumstances?
• Having initiated the action, will we continue to be disturbed or distracted by it?
• Would we be embarrassed if others knew we took this course of action?
• Is there an alternative course of action that facilitates better decision making?
CONDUCTING OUR BUSINESS

1. BRIBERY AND CORRUPTION

Do not offer or accept bribes.

Q1: I was authorised to hire a consultant to help us get the permits needed for a new project from a foreign government. The consultant asked for a $20,000 retainer fee to ‘move the permits up the queue’. Should I agree to this payment?

Ans: Before agreeing to make any payment, know how the money will be utilised. Ensure that this money will not be used as ‘bribe’, Facilitation Payment (see Q4 of this topic) or to obtain any undue advantage. If unsure, consult your manager or SCM Legal and ensure all the required approvals are obtained before engaging any Third Party Representatives.

Q2: We are a 25% partner in a relatively small but profitable joint venture (JV). We established this JV in a country where we did not have any presence previously. The JV is operated entirely by the employees of our JV partner. We came to be aware that the JV made questionable payments to a high-ranking government official to secure a lucrative government contract. My colleague thinks that since SCM is simply an investor in the JV and has no effective control, we do not need to be concerned. Is my colleague’s interpretation acceptable?

Ans: No. Although we operate in the said country in the capacity of a minority partner, we cannot knowingly condone misconduct by the JV; in this case, bribery. Merely by association, SCM risks reputational damage and in certain jurisdictions even criminal liabilities and fines. As a minority partner, we require the JV partner to adopt principles that are similar to ours. Should the JV appear to be in breach of any laws, we need to act early to protect SCM from potential legal liability. When aware of any similar situation, raise your concerns through the Whistle Blowing channel immediately.

Q3: In my country, it is customary to offer small gifts such as shopping vouchers to customers and business partners during festive seasons. By doing this, am I contravening the Code?

Ans: Shopping vouchers, cash or any other cash equivalent gifts are not allowed under any circumstances. Small gifts may be allowed if they are (a) not in contravention of the local laws (b) clearly not meant to influence any SCM business and (c) pre-approved under the Corporate Gifts and Entertainment Policy for the purpose of nurturing good business relationships in the longer term. However, providing gifts with the intention of obtaining unfair advantages over our competitors is strictly prohibited.

Q4: I am trying to obtain a necessary permit for our new office. The process normally takes six weeks, but the government officer told me that for $50, she could expedite the process and get approval for the permit by tomorrow. Can I pay her the $50 fee?

Ans: No, Unless it is a government-authorised, government-collected and transparent processing fee (in accordance with an official and published price list) to legitimately fast track the application for approval. SCM prohibits Facilitation Payments, which are unofficial payments made to public officials in order to secure or expedite a routine or necessary action. Make sure you do not make Facilitation Payments (no matter how small the payments are); or allow third parties (including advisers, agents, consultants, and vendors) to make Facilitation Payments on behalf of SCM. Inform your manager or SCM Legal of such a situation.
1. **Bribery and Corruption**

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<tr>
<td>✓ Obtain appropriate approval before offering, promising or providing any gifts, personal articles or services of high commercial value to an individual outside of the company with whom SCM may have an existing business relationship, for the purpose of maintaining good business relationship.</td>
<td>✗ Make payment to a business partner that appears disproportionate to the services rendered.</td>
</tr>
<tr>
<td>✓ Communicate to business partners SCM’s stance on bribery and corruption, and ensure that the activities of our business partners do not contravene the Code.</td>
<td>✗ Accept any requests for payment that appear suspicious or to a party unrelated to the transaction.</td>
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<tr>
<td>✓ Report any corruption-related activities that come to our notice at the earliest so that appropriate responses can be initiated.</td>
<td>✗ Violate government regulations that establish gratuity restrictions, recruiting and hiring restrictions or certification procedures.</td>
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<tr>
<td>✓ Watch out for special requirements that apply to transactions with governments, including commercial transactions between private parties financed by government agencies.</td>
<td>✗ Negotiate with government officials or with their family members to secure employment with the objective of influencing the decision-making or to secure contracts with the government.</td>
</tr>
<tr>
<td>✓ Abide by applicable laws and regulations relating to working with governments, particularly special requirements associated with government contracts and transactions.</td>
<td>✗ Never give a gratuity or make a payment that is not published on an official price list to expedite an administrative action.</td>
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<tr>
<td>✓ Require anyone providing goods or services on behalf of SCM for a government project to agree to comply with SCM’s Code of Business Conduct and policies.</td>
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CONDUCTING OUR BUSINESS
2. GIFTS AND ENTERTAINMENT

Do not solicit gifts or entertainment, or seek favours or preferential terms for personal benefit from any business partners.

Before giving a gift or engaging in customer entertainment, make sure that you comply with the applicable legal requirements, the customer’s own rules and SCM policies.

Never offer, promise, pay or authorise anything of value to a government official or employee of a customer to obtain or retain an improper advantage.

Follow SCM’s due diligence procedures when selecting persons or firms to represent SCM.

Q1: A regular vendor has offered me a pair of tickets to the concert of a famous musical group. The tickets are complimentary as the vendor is one of the sponsors of the concert. If I accept these tickets, will my action violate the Code?

Ans: You should try to decline the gift. However, if you feel that it is not appropriate to reject, you may accept it subject to you declaring the gift to your immediate supervisor and that you may be allowed to purchase the tickets in accordance to the Gift & Hospitality policy. If in doubt, you can seek guidance from Human Resource.

Q2: I plan to invite selected senior members from the Technical Department of a consulting firm for dinner at the new Michelin Star restaurant as we wish to partner with them for the upcoming government tender. Given their reputation for the high success rate on winning government projects, I intend to build a good rapport with them. If I go ahead with my plan, will I contravene the Code?

Ans: You can host dinner as long as you have obtained the required prior approval and it is not offered with the intention to gain an improper advantage or influence official decisions. The value spent must be within the monetary limits set out in the Reimbursement & Claims Policy or approved by the appropriate authority pursuant to the said policy. You will need to ensure that the high success rate of your prospective business partner is not due to any inappropriate arrangements between them and the government officials.

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| ✓ Declare all gifts and/or entertainment received in accordance with the Corporate Gifts Policy. | ✗ Offer, give or receive any favours, gifts or entertainment that:  
- Could be construed as a kickback, bribe or payoff;  
- Violate any laws or other company policies or procedures;  
- Is cash or a cash equivalent, such as a blank cheque, vouchers and cryptocurrency (e.g. Bitcoins);  
- Is indecent, sexually oriented, does not comply with SCM’s commitment to mutual respect or could adversely affect SCM’s reputation.  |
| ✓ Record all gifts and entertainment offered to clients and/or government officials, even if the offer was declined. | ✗ Solicit gifts or seek favours or preferential terms for personal benefit from any business partners.  |
| ✓ Obtain prior approval in accordance with the Corporate Gifts and Hospitality Policy for any gifts or entertainment we wish to offer any business associates to build business relationships. | ✗ Give or receive any gifts or entertainment from third parties when we are involved in or could influence a tender or competitive bidding process with them, unless approved in advance in accordance with the Corporate Gift and Hospitality Policy. |
3. BUSINESS PARTNERS AND THIRD PARTY REPRESENTATIVES

Beware of reputational, compliance and regulatory risks related to actions of Business Partners and Third Party Representatives.

Be mindful that in this highly integrated world, providers in the value chain are perceived to be relevant contributors to the solutions we provide. As primary sponsor of the solution, we may be held accountable for actions of Business Partners and Third Party Representatives, with no acknowledgement of the value chain.

Liability is based on actual knowledge as well as wilful blindness.

Communicate SCM’s zero-tolerance approach to bribery and corruption to all Business Partners and Third Party Representatives at the outset of the business relationship, and as appropriate thereafter.

Q1: We wish to engage a business partner, however the business partner has been subject of previous enforcement actions for unethical conduct and corruption-related offenses. Can we proceed with the engagement?

Ans: Before engaging the business partner, please find out whether the business partner has put in place any remediation or corrective actions and approach SCM Legal or Risk Management for assistance early. Such engagement may warrant additional due diligence because SCM can be implicated and legally responsible for the conduct of our business partners.

Q2: In the first meeting with a marketing agent from a reputable company, he shared a potential deal that he can facilitate to close. He proactively provided his company’s info for you to complete the due diligence screening procedure. Subsequently, while completing the Third Party Due Diligence Checklist, the agent called you and requested to change the address, contact info, and bank account info he had provided. He also requested for the payment terms to be 30% upfront in cash. The agent verbally explained that his company has decided to use a newly formed subsidiary to close this deal and needed cash flow. What should you do?

Ans: Any request to change key information e.g. payment terms, using of “newly formed” entities are all red flags for potential fraudulent practice. While the marketing company may be reputable, the individual whom you are liaising with may be doing things, for his own personal benefit, without his/her employer’s knowledge. You should verify changes of key information with other members of the marketing company and request for an official confirmation on this new “subsidiary” from the Managing Director of the marketing company. Subsequently, resubmit the info (including updated Third Party Due Diligence Checklist) for due diligence screening. The Third Party Representative Committee will review and evaluate the appropriate payment arrangement the marketing company.

Q3: My low-cost supplier offers good quality and reliable delivery at attractive prices. But I am uncomfortable with the working and living conditions that the supplier provides to its workers. The supplier also seems not to be adhering to employment regulations and appropriate employment practices. Should I shrug it off or make an issue of it?

Ans: SCM’s reputation depends on doing business only with suppliers that deal responsibly with their workers and environment. You must ensure that the supplier’s practices are aligned with the Code and the applicable laws.
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<tr>
<td>✓ Understand how Business Partners or Third Party Representatives plan to accomplish the task assigned.</td>
<td>✗ Pay commissions or fees which vary greatly from reasonable compensation for similar services. Services to be provided and the compensation structure must be clearly specified in writing.</td>
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<tr>
<td>✓ Ensure the Third Party Representative completes the SCM Third Party Representative Questionnaire.</td>
<td>✓ Make payments without satisfactory documentation of work performed, clear invoices and complete receipts.</td>
</tr>
<tr>
<td>✓ Complete the SCM Anti Bribery Due Diligence Checklist for Third Party Representatives.</td>
<td>✓ Agree with competitors to create segments for customers, territories or markets.</td>
</tr>
<tr>
<td>✓ Ensure that Business Partners and Third Party Representatives have qualified and experienced personnel, and are adequately resourced to provide the goods and services expected.</td>
<td>✗ Ignore incomplete due diligence documentations, refusal to provide reasonable information, or discovery of new information that is inconsistent with information provided.</td>
</tr>
<tr>
<td>✓ Perform due diligence review annually but not later than 18 months from the date of last due diligence.</td>
<td>✗ Engage Business Partners and Third Party Representatives who do not understand and do not comply with SCM compliance requirements.</td>
</tr>
<tr>
<td>✓ Consider impact of any changes to SCM operating environment and how these changes may impact third party relationships.</td>
<td>✗ Enter into a contractual agreement without consulting SCM Legal.</td>
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| ✓ Ensure Business Partners and Third Party Representatives acknowledge their obligations to comply with SCM Code of Business Conduct; document such acknowledgements. | }
4. COMPETITION, ANTI-TRUST LAWS AND INTERNATIONAL TRADE CONTROLS

Comply with all applicable competition laws and regulations, competition law decrees, orders and agreements with any competition regulators about how business will be conducted.

Do not collude (whether expressed or implied, formal or informal, written or oral) with any competitor regarding any aspects of the competition between SCM and the competitor.

Consult SCM Legal early to help reduce the risks of non-compliance in the evaluation of any proposed merger, acquisition, joint venture or any other business arrangement that could raise competition law issues.

Follow relevant International Trade Controls regulations on importing and exporting goods, technology, software and services of all countries in which SCM operates.

Screen your transactions against all applicable rules that restrict transactions with sanctioned countries, persons and prohibited end users, and engage SCM Legal and Risk management.

Screen business partners, suppliers and parties in your international transactions against government-provided watch-lists. Follow SCM “Know your customer / Know your supplier” procedures.

Do not co-operate with any restrictive trade practice or boycott that is prohibited or penalised under applicable local laws.

Q1: During a meeting, one customer shared with me a project proposal from a competitor with detailed price breakdown to support his claim that our bid is pricier. Can I use this document for pricing of future proposals?

Ans: If any customer has provided you with pricing information of a competitor and you wish to use such information, you must first check whether the customer is prohibited from sharing this information by a confidentiality agreement. If the customer confirms that it is not obligated to protect the information, you may accept the information. You must also consult SCM Legal before using or disseminating such information.

Q2: During an industry networking session, two of our competitors were discussing their declining profit margins and complaining about the ever increasing expectation for deeper discounts from customers. At some point during the discussion, both agreed to increase their prices for the next project. While I did not comment on their discussion, I could hear every word uttered. Recently in a project tender, both competitors have raised their prices exactly in the manner discussed in their earlier meeting. Could I or should I have reacted differently?

Ans: The Anti-Competition Authority of the jurisdiction may conclude that every organisation that was represented at the seminar implicitly agreed to the stance on price fixing. The fact that you did not speak at the earlier discussion will not come to SCM’s defense. If you faced such a situation and you feel that the conversation is inappropriate, you should excuse yourself immediately. If in doubt, you may enquire with SCM Legal whether the action contravenes any provision of the anti-competition laws in the country; if so, what the next course of action should be.

Q3: I seek lower-cost suppliers in key areas and have found a non-domestic supplier that looks promising. Can I purchase from this supplier?

Ans: You should follow the SCM Procurement Policy and screen the relevant vendor to check whether there are any issues regarding sanctions or international trade controls. If you are in doubt, seek clarification from SCM Legal and SCM Risk Management.
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<tr>
<td>✓ Ensure we are familiar with how competition laws impact business in our jurisdiction and consult SCM Legal as and when appropriate.</td>
<td>✗ Agree with competitors to fix prices to third parties or agree on matters related to pricing mechanism or payment terms.</td>
</tr>
<tr>
<td>✓ Avoid making any arrangements with SCM competitors that may be interpreted as collusion. When we are in a meeting where questionable discussions are taking place, we must formally clarify that we consider the discussion inappropriate, excuse ourselves at the earliest opportunity and promptly inform SCM Legal.</td>
<td>✗ Provide any indication on future prices to competitors either through customers, industry journals or other means.</td>
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<tr>
<td>✓ Promptly reject proposals from competitors to share price or other competitive marketing information or to allocate markets or customers.</td>
<td>✗ Agree with competitors to create segments for customers, territories or markets.</td>
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<td>✗ Discuss competitive bids with competitors or collude on a competitive bid.</td>
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<td>✗ Agree with a competitor to refuse to deal with a specific customer.</td>
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5. **MONEY LAUNDERING PREVENTION**

Conduct due diligence on customers, business partners and agents to ensure that they are involved in legitimate business activities and their funds come from legitimate sources.

Comply with all applicable laws and regulations that prohibit money laundering and support and financing of terrorism, and all regulations that require reporting of cash or suspicious transactions.

Raise your concern with SCM Legal and SCM Chief Risk Officer if you encounter a warning sign of suspicious activity. Be sure to resolve your concern promptly before proceeding further with the transaction. Ensure that the resolution is well documented.

**Q1:** A customer has paid us an amount more than what was due and now requests for the excess money to be refunded to a personal account in a different legal jurisdiction. What should I do?

**Ans:** Advise the customer that we prefer to refund the money to the bank account of the entity that we transacted with earlier, or to any other corporate account for which proper documentation is provided to us.

**Q2:** My business unit has procured goods from a supplier located in country “A.” The supplier asked if we could wire the payment to a third party’s bank account in country “B.” I’ve never heard of the third party and country “B” is not a logical location for the customer or for the transaction. Am I right to be concerned?

**Ans:** Yes, you should be concerned about the supplier’s request to pay an unrelated third party in a country other than the supplier’s principal place of business. The supplier may be using the third party and the bank account in country "B" to evade tax or to launder money. Inform the supplier that SCM requires payment to suppliers directly into their bank account.

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<tr>
<td>✓ Be aware of SCM’s obligation to report suspicious transactions of any kind.</td>
<td>✗ Do business with anyone known or suspected of wrongdoings unless those suspicions have been appropriately reviewed and resolved.</td>
</tr>
<tr>
<td>✓ Take reasonable and appropriate actions to assess the integrity of the business partners, customers and suppliers.</td>
<td>✗ Accept cash payment.</td>
</tr>
<tr>
<td>✓ Consult your manager, SCM Legal or Risk if a potential business partner refuses to provide information about its identity, ownership or transaction details when requested.</td>
<td>✗ Accept orders or payments that are unusual or inconsistent with the customer’s trade or business.</td>
</tr>
<tr>
<td>✓ Investigate transactions involving locations identified as secrecy havens or areas of known terrorist activities, narcotic trafficking or money laundering activities.</td>
<td>✗ Accept unusually complex deal structures and payment patterns that reflect no real business purpose, or unusually favourable payment terms.</td>
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<td>✓ Check transactions that involve special purpose vehicles closely.</td>
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6. POLITICAL CONTRIBUTIONS

Be politically neutral

Q1: I attended a political fundraising dinner event hosted by a pro-business political candidate in the local government office. Can I include the amount I paid for the dinner in my expense report?

Ans: Your attendance of a political fund raising dinner has to be in your own personal capacity. Any claim for such expenses would amount to political contribution and would contravene the requirements of the Code.

Q2: Local politicians repeatedly visit our premises asking for financial support during local elections and other political events in exchange for protection from the local residents who have in the past made demands for jobs in our company or other forms of welfare for their local communities. Is such a payment allowed under the Code?

Ans: Political contributions are not allowed by SCM unless such contributions are allowed in the country and approval has been obtained. Legal opinion on the legality of the contribution must be obtained prior to obtaining approval. Donations which are legal and are paid for the greater good of the local community and not for the direct benefit of any political party may be allowed under the Code as contributions to our Community. However, you need to obtain prior approval from appropriate authority before committing to any such payment.

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<tr>
<td>✓ Act in accordance with the requirements of the Code and applicable laws relating to anti-corruption in our jurisdiction when dealing with a political party, politician or candidate for public office.</td>
<td>X Be involved in political activities or make contributions that include:</td>
</tr>
<tr>
<td>✓ Obtain appropriate approval before participating in any political events or activities organised by or on behalf of a political party or politician.</td>
<td>• Paying wages or salaries of an SCM employee working for a party or candidate during normal working hours;</td>
</tr>
<tr>
<td></td>
<td>• Using any SCM facilities or resources for the benefit of a political party, political candidate or organisations they are directly or indirectly connected to;</td>
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<td>• Using our position in SCM to influence others to make political contributions or to support any political parties or politicians.</td>
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7. **FAIRNESS AND OPPORTUNITY**

Provide a fair, safe, inclusive and equitable workplace for all employees.
Preserve and respect human rights in our operating locations.
Ensure practices such as child labour, forced labour, human trafficking or slavery are not present in any form in our operating locations.
Train and develop all employees according to their respective needs so that they can achieve their full potential.

**Q1:** There is a vacancy in my department. The job requires extensive travel within the country and overseas. Based on my experience, I strongly believe that a married woman with young children may not be suitable for this position. Do I still need to consider such candidates for interview so that it appears that ‘equal opportunity’ is provided?

**Ans:** You must interview all candidates with the requisite qualifications and experience. You can clear your apprehension at the interview, but you cannot make decisions based solely on your preconceptions or personal judgment. If you conclude without first providing an interview opportunity to a candidate who is otherwise eligible (so that you can clarify your doubts or have a frank exchange), you would have contravened the Code and perhaps even applicable laws.

**Q2:** In my country, there are repeated requests from business partners or politically connected persons to SCM for recruiting their relatives or close acquaintances. If I recruit these people, would I violate the Code? If I don’t, I may lose business opportunities. What should I do?

**Ans:** While accepting someone as an employee without proper assessment of qualifications and experience is unfair to other potential candidates, it is equally unfair to reject a suitably qualified candidate simply due to their background/ connections. You may acknowledge such requests, without making any promise on the outcome. You should advise the candidate to submit their application to HR department, assure them that the HR process is robust and that the most deserving candidate will be selected.

**Q3:** I am a supervisor who has only one minority employee. Unfortunately, this employee is having performance problems. I am afraid to give a negative review for fear of being accused of discrimination. What should I do?

**Ans:** Provide objective feedback to your team member. Substantiate your evaluation and document your proof with facts and examples. If you are accused of discrimination even though you have followed SCM policies, our company will support you. If you need assistance, consult HR.
8. HARASSMENT

Provide a work environment free of harassment and bullying.

Harassment is a conduct that a reasonable person would consider humiliating, intimidating or offensive.

Q1: I feel uncomfortable when my supervisor shares lewd jokes or stares in a sexually suggestive or offensive manner at me when no one else is around. Can I report such incidents as harassment?

Ans: Yes. You should not be afraid to report any act or behaviour that makes you uncomfortable and/or that you find offensive. You can report the matter to HR or use SCM Whistle Blowing hotline. You may also choose to remain anonymous while escalating the matter.

Q2: A member of our team comes from a community that requires him to behave and respond in a way that is different from most of us. Some of my colleagues make fun of him at every opportunity. He feels irritated and humiliated, but he is scared to report these incidents. Is there any way I can help him?

Ans: The behaviour is clearly unacceptable in SCM. You can try to appeal to your colleagues’ sense of respect for other cultures. If the unacceptable behaviour persists, you can raise your concerns with HR and request HR to intervene.
9. HEALTH, SAFETY AND ENVIRONMENT

Provide a safe, secure and healthy workplace to employees, contractors, suppliers and stakeholders. Conserve natural resources through the effective implementation of the HSE policy in various aspects of our business.

Q1: In my country, a lot of the work inside our facilities is out-sourced to contractors, who bring their own workers to perform the work. Despite repeated reminders and specific requirements in the out-sourcing contracts to meet our HSE requirements, the contractors fail to comply. Is this a non-compliance with the Code?

Ans: Yes. SCM HSE requirements apply not only to SCM employees but also the contractors. The periodic reports specifically request for information which includes non-compliance of the HSE regulations of SCM and those of the contractors. Even for JVs where SCM does not have management control, any major HSE incident is required to be reported within 24 hours. In certain jurisdictions, the applicable laws may even impose fines and criminal liabilities on SCM and its relevant employees for the subcontractor’s breaches of HSE rules, especially when such breaches lead to accidents.

Q2: When I walk through the yard premises, I see activities that are potentially dangerous. Although these activities are unlikely to be fatal, they could cause injury. I am not sure whether I have the responsibility to stop people and tell them that what they are doing is dangerous.

Ans: Everyone in SCM has the responsibility to intervene and stop something that is dangerous. The person may not realise that it is dangerous until you have pointed it out. As a general rule, if it looks dangerous, it probably is. You may seek HSE’s guidance where needed and report any non-compliance of HSE requirements.

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<tr>
<th>DO</th>
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<tr>
<td>✅ Comply with applicable HSE policies, standards and practices.</td>
<td>✗ Commence work in any form when we may be incapacitated by use of alcohol or drugs (whether illegal, legal or prescribed).</td>
</tr>
<tr>
<td>✅ Maintain general good housekeeping and pollution prevention practices.</td>
<td>✗ Work in an unsafe work environment or unsafe manner which may lead to imminent risk to us or others.</td>
</tr>
<tr>
<td>✅ Conserve and recycle materials, water and energy.</td>
<td>✗ Intentionally or recklessly interfere or misuse any appliance, personal protective equipment or other means provided for securing the safety, health and welfare of persons (including ourselves) at work.</td>
</tr>
<tr>
<td>✅ Be responsible for our safety, health and welfare while at work through the use of suitable appliances or personal protective equipment in compliance with applicable requirements and guidelines.</td>
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<tr>
<td>✅ Be responsible for stopping any unsafe act;</td>
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</tr>
<tr>
<td>• refuse to work in an unsafe work environment which may lead to imminent risk to us and others.</td>
<td></td>
</tr>
<tr>
<td>• give feedback on HSE incidents and non-conformance with HSE Management System and requirements.</td>
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</tr>
<tr>
<td>• assess EHS legal and reputational risks before starting a new activity, venture or project, acquiring a new business or participating in a hazardous business.</td>
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10. **CONTRIBUTING TO OUR COMMUNITIES**

Contribute positively to communities where we operate.
Foster environmental stewardship.
Improve quality of life for our communities.

**Q1:** Our company wish to make donation to a local charity. Are there any restrictions on who to donate to?

**Ans:** There are no restrictions on giving donations. However, you must be clear about the social objective of the charity. Avoid charities run by religious organisations which propagate unorthodox beliefs, or those that benefit only specific religions. Any donations on behalf of SCM should always be made with the prior approval of the senior management of our company.

**Q2:** Our community team has decided to fund major renovations at a school in a rural town. One of the town leaders with whom we negotiate on access rights to the land for our facility expansion is a part-owner of the school. Will this situation pose any potential problem? What should I do?

**Ans:** Even well intentioned community projects can sometimes provide personal benefit to government officials or people in a position of trust (such as local leaders). The above facts alone do not lead to the conclusion that anti-corruption laws are violated. Discuss details of this situation with SCM Risk Management.

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**DO**

- Assess and responsibly manage the impact of our business to the community.
- Seek to engage our stakeholders and nurture open communication in the communities that we operate in.
- Ensure that all charitable contributions and community investments:
  - are lawful and not made to secure any improper advantage;
  - are properly recorded in the company’s books;
  - focus on issues and opportunities that are relevant to both our business and to the stakeholders important to our business success;
  - make a real difference and achieve real outcomes and progress.

**DO NOT**

- Embark on any single or collective charitable contributions or community investments that are:
  - in support of a religious organisation whose principal aim is to propagate a particular faith or belief or that only benefits one religion;
  - Prohibited by law or regulation;
  - Sponsored by organisations which hold beliefs and values contrary to those of SCM.
- Do business with any people or entities whose working conditions are degrading and in breach of the applicable laws.
- Make any donations to individuals or to for-profit organisations on behalf of SCM.
PROTECTING OUR ASSETS

11. PROTECTION OF COMPANY ASSETS

Ensure that SCM’s assets (tangible as well as intangible) are used in a manner that prevents any damage, waste, theft and unauthorised use.

Q1: One of my friends has requested me to borrow one of SCM’s trucks over the weekend to assist him in moving to a new house. Can I do it if a truck is available and I pay for the fuel?

Ans: No. SCM trucks are strictly for company business. Bear in mind that if you meet with an accident which leads to destruction of property or injury to passers-by, the insurance for SCM trucks will not cover such an incident since the truck was used for an unauthorised purpose.

Q2: A former colleague has requested for copies of materials we worked on together when he was with the company. I somehow feel I cannot do this. Am I right?

Ans: Yes. You must not provide any information requested. This information is the property of SCM and should not be used by a former employee who is an unauthorised person. Report this request to your manager immediately.

Q3: Is it okay to exchange personal e-mails with family and friends using my work computer?

Ans: Yes, occasional personal use is allowed. However, make sure you comply with all the applicable laws, regulations, SCM policies and the Code. Remember that SCM has the legal right to monitor, review, record, copy, access or disclose any or all your activities and/or communications while using the company equipment, systems and services, whether on- or off-site (including remote work). When sending e-mails, ensure that you are transmitting information only to those authorised to receive it. E-mail recipient auto-fill functionality raises the risk of inadvertently sending confidential business information to individuals who are not authorised to receive it. If such an error occurs, you must immediately inform IT.

DO | DO NOT
---|---
Take reasonable care of SCM’s assets at all times, making sure these are not lost or put at risk of theft. | Use SCM assets, facilities or equipment for personal activities.
Identify and protect SCM’s intellectual properties. | Ignore any security alerts or security procedures that safeguard SCM assets.
Respect valid patents, copy-righted materials and other protected intellectual properties. | Accept proprietary information belonging to an outsider without first consulting SCM Legal.
Comply with applicable policies, procedures and laws regarding the use and transfer of SCM assets. | Use another company to develop new products or software without a written agreement in place covering ownership and other rights in the developed intellectual property.
Ensure third parties working with SCM follow established policies, procedures, guidelines or practices when dealing with SCM assets. | Introduce or provide information about a new product or service before patent applications have been filed or a decision has been made not to file an application.
Consult SCM Legal concerning necessary licences or seek approval to use protected intellectual properties of others such as patents, trademarks or proprietary information. | Introduce a new product or service (or a new product or service name) before checking for patent or trademark infringement.
Understand your responsibilities to SCM regarding new inventions and ideas that you may develop an SCM employee. | Employ a new person (especially someone who previously worked for a competitor) without putting in place safeguards to prevent the person from inadvertently disclosing or using the proprietary information of the previous employer.
PROTECTING OUR ASSETS

12. PROTECTION OF INFORMATION AND DATA INTEGRITY

Preserve and ensure quality and reliability of all business information and data.
Use systems and controls to protect information assets and store information consistently and correctly.
Respect privacy of individuals and protect personal information that we have collected and processed while conducting our business.
Make timely and unbiased financial and transaction reporting and apply approved rules to classify transactions and balances appropriately.

Q1: I received a report that there had been an accident on our premises two days before the close of this quarter. But I have already submitted a report to HQ that this quarter is “incident-free”. I am thinking of changing the date of the incident to next month and to mention the accident in the next quarter’s report. Should I do so since it would only be ‘timing difference’?

Ans: Changing the timing of an event is falsifying data. This contravenes the Code and the applicable SCM reporting guidelines.

Q2: I read negative comments about SCM which were posted on an online forum. Shall I respond?

Ans: No, unless you are authorised to speak on behalf of SCM. Report what you have read to your manager, SCM Head of Investor Relations or Head of Corporate Communications so that an authorised spokesperson may respond.

Q3: My department consistently produces revenue that is the envy of most others in the Company. However, because of an unexpected increase in our costs, we recently sustained our first quarterly loss. My manager instructed me to spread some of the cost increases over both this and the next quarter. He said that it is acceptable for us to simply submit the invoices and send out some of the cheques later than usual, three months after receipt of the bill instead of our usual 30-day payment. Should I proceed as instructed?

Ans: Do not change the accounting method for these costs. Doing so may violate accounting principles as well as our company policies. Violations of accounting principles can lead to misleading financial information in our company’s financial records and reports, embarrass our company, and harm SCM’s reputation. Explain your objections to your manager. If he does not agree to report the expenses accurately, report this problem to his supervisor, to SCM CFO or through the Whistle Blowing channels.

Q4: SCM takes security of our premises very seriously, as such all guests and visitors entering our premises need to be registered. As the host, what should I inform them when they provide their personal data for security clearance?

Ans: You should let your guests know the following: SCM has a personal data protection policy, SCM requires their personal data for security clearance purpose and will require explicit consent from them to allow SCM to process their personal data, SCM respects their rights to request for amendment or removal of their personal data as long as not in breach of regulations. They should also be informed that the security guard house will collect and process their personal data.
Q5: SCM intends to engage a potential subcontractor to fabricate vessel parts. As part of due diligence, you requested for the company's info and the key personnel's info. When they sent over the info, your supervisor requested you to urgently email the info to the Risk Management team for due diligence checks, copying members of the Project team, Procurement team and Commercial Unit team. Should you do so?

Ans: The purpose of conducting due diligence is right. However, as personal data is involved, additional care should be taken. Such as limiting the number of recipients to only the Risk Management department, encrypting the data in a password protected folder and then disclosing the password in a separate email or message. If in doubt, please consult SCM Data Protection Officer.

Q6: I found a report on the network printer that contains a lot of confidential HR records, including payroll information for some members of the senior management team. It appears someone had set the document for printing and forgot to collect it. I feel it is not right for this kind of information to be left in a public place. What should I do?

Ans: Report your discovery to HR. Pass the report to HR. When the person responsible for this oversight has been identified, he will be counselled on his duty to protect confidential and personal data in SCM.

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<tr>
<td>✓  Keep accurate and complete company records, reports, accounts and documentation.</td>
<td>✗  Create or include inaccurate/misleading statements in a record, report or document.</td>
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<tr>
<td>✓  Ensure all information necessary for transactions (e.g. company name, registration numbers for business licence and tax purposes, postal address, contact person details, bank details etc.) with counterparties such as customers, suppliers, agents, consultants or JV partners are validated and appropriately approved before these are set up in the company’s IT systems.</td>
<td>✗  Disclose any material information.</td>
</tr>
<tr>
<td>✓  Ensure that there are no undisclosed or unrecorded (&quot;off the records&quot;) amounts, funds or assets.</td>
<td>✗  Make a false expense claim.</td>
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<td>✗  Falsify or assist in the falsification of any documents or records, whether financial or otherwise.</td>
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<td>✗  Conceal or manipulate records or documents.</td>
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<td></td>
<td>✗  Provide personal information of business contact (e.g. employee, business partners and customers) to anyone without appropriate approval or consent.</td>
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13. **CONFLICTS OF INTEREST**

Avoid actions or relationships that may cause potential conflicts or create an appearance of a conflict with your job or SCM’s interests.

Use good judgment in all personal and business dealings outside your SCM job.

Do not use or misuse SCM’s resources, intellectual property, time or facilities for personal gains.

Q1: A colleague’s son has just joined our project team. Is this a conflict of interest?

**Ans:** No, unless the local HR policy specifically prohibits such an appointment and so long as the candidate selected has the necessary credentials and has been hired on the basis of merit. However, we need to ensure that the employee is not the person deciding on the hiring, terms and conditions and remuneration of his relative, and that they do not share a direct reporting relationship. You can seek HR for guidance and to report any improprieties.

Q2: My brother-in-law, who stays with me in the same apartment, is an officer in a company that has a reasonable business relationship with SCM. In course of my duties at SCM, I also need to maintain contact with that company on certain occasions. Is this a conflict of interest?

**Ans:** You should disclose the situation to HR and your superior in advance and abstain from direct interaction or decision-making that may be perceived as giving preferential treatment. Your superior together with the Human Resource Department will advise you and take the appropriate measures to avoid any situations giving rise to conflicts of interest.

Q3: I am an SCM employee seconded to one of our JV entities. I report directly to the managing director of the JV entity, who is a nominee of the other partner in the JV. A senior management executive at SCM often requests me to share with him sensitive and confidential information relating to JV transactions and JV employees. Would I contravene any provisions of the Code by disclosing the above information to this SCM executive?

**Ans:** If the secondment agreement with the JV has a clause that requires maintaining confidentiality of information that comes to your possession by virtue of your position at the JV, by sharing any confidential information with an external party, you could have breached that requirement in your secondment contract. Approach SCM Legal for advice on the appropriate stance you should maintain.

Q4: I have befriended John, the head of business development of a customer of SCM. When I met him last week, John told me about a great opportunity to invest in a company that the customer has vested interests in. Can I make the investment for myself?

**Ans:** Not without first presenting the opportunity to SCM and obtaining the approval of SCM Management to invest. As you have learnt about this investment opportunity through your job in our company, the opportunity belongs first to SCM.
### DO

- Obtain appropriate approval for any external engagement or appointment, which may potentially lead to or be perceived as a conflict of interest.
- Disclose all activities, financial interests or relationships that may present a conflict of interest or is perceived to have a conflict of interest in accordance with the Conflict of Interest Policy.
- Disclose any engagement and association with competitors, customers or vendors to your immediate supervisor or line manager and obtain written approval.
- Abstain from making any decision where you have an interest that influences, or is perceived as influencing your ability to make an objective decision and/or fulfil your responsibilities to SCM.
- (As an immediate supervisor or line manager) Organise the work of team members so that they can mitigate (if not avoid) potential conflicts of interest.

### DO NOT

- Hold appointments (where you are in a position to influence the transactions) in organisations that have business transactions with SCM (including competitors, customers, vendors or contractors, or your own or family business), as the appointment itself creates an actual, potential or perceived conflict of interest.
- Hire, promote or directly supervise an immediate family member, unless this has been specifically pre-approved or is in accordance with the Policy.
- Direct business to suppliers when you know they are owned or managed by your family members or close friends.
- Accept gifts, hospitality or entertainment from an organisation or individual competing in a bid or tender against SCM.
- Invest in a customer if you are responsible for dealings with that customer or supervise anyone who has dealings with them.
- Invest in a current or prospective vendor if you are involved in their selection, evaluation or you are required to engage in commercial negotiation with them.
- Personally pursue or undertake any opportunities that SCM could have an interest in, or if such opportunities have been identified by virtue of your position at SCM or through the use of SCM facilities or assets.
14. INSIDER TRADING

Safeguard confidential, material non-public and proprietary information. Do not use such information for personal gains.

Q1: I recently learned that our company will announce disappointing financial results for this quarter. Is this insider information?

Ans: Yes. The Financial results of our company which have not been announced to the public yet is insider information. Such non-public information may impact our company’s stock price negatively. If you trade SCM securities on the basis of this information before it becomes public, you are deemed to have engaged in insider trading, which is illegal.

Q2: I accidentally saw a copy of a confidential memo describing a large contract that SCM will soon sign with another company. If I buy some of SCM stock on the basis of this information and before the news of the contract is made public, am I engaging in insider trading?

Ans: Yes. As the news of this contract is material non-public information, if you purchase SCM securities on the basis of this material non-public information, you are deemed to have engaged in insider trading.

Q3: I was chatting with my sister and mentioned that I had an upcoming business trip to close the deal for SCM to acquire Company X. Would this create a problem?

Ans: Yes, if Company X is a listed company and the possible acquisition of Company X has not been publicly announced. Therefore, if your sister trades SCM stock and/or Company X stock based on your information, both of you could be charged with insider trading.

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<tr>
<td>Protect and never disclose any confidential or proprietary SCM information. This obligation applies during and even after you have left the company.</td>
<td>Disclose or act on inside information.</td>
</tr>
<tr>
<td>Keep electronic data, paper documents and files containing confidential information in a safe place with access limited to only authorised staff.</td>
<td>Trade in the securities of SCM or any other company either directly or through immediate family members and friends while we are aware of inside information relating to SCM or the other company – even if we believe we are not relying on this information, as this may be construed as insider trading.</td>
</tr>
<tr>
<td>Obtain appropriate approval and non-disclosure agreements if necessary from external parties receiving confidential information prior to releasing materials.</td>
<td>Engage in any activities to manipulate the price of publicly listed shares of SCM or any related entities.</td>
</tr>
<tr>
<td>Ensure that information received from third parties (including customers and vendors) is from authorised sources and that information is used in accordance with specified conditions.</td>
<td>Discuss SCM business activities with family and friends.</td>
</tr>
<tr>
<td>Implement necessary safeguards to protect personal/private information against risks of loss, destruction, or unauthorised access, use, modification or disclosure.</td>
<td>Talk about what you are working on and provide details of where you are going on company business or who visited the office.</td>
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