

# DOLPHIN

A PUBLICATION OF SEMBCORP MARINE LTD

## SEMBCORP MARINE SECURES NEW CONTRACTS VALUED AROUND S\$175 MILLION

GETTING TO KNOW SEVAN SSP

SEMBCORP MARINE  
LONG SERVICE AWARDS

EJA'S COMMITMENT TO THE  
COMMUNITY



# DOLPHIN

DOLPHIN is published quarterly by  
Sembcorp Marine Corporate Communications.

Sembcorp Marine Ltd  
29 Tanjong Kling Road,  
Singapore 628054  
Tel: (65) 6265 1766  
Registration no. 196300098Z

## EDITORIAL

Editorial Advisor

**David Wong**

Editorial Committee

**Shirley Yan**

**Nirmal Vineeth Menon**

**Wang Huiping**

**Derrick Low**

**June Chua**

Contributors

**Woon Kee Soon**

**Tan Khek Tiong**

**Rosilah Binti Mosli**

**Francisca Selidonha**

**Line Bliksmark**

**Suhaimi Bin Yusof**

**Serene Lam**

**Monique Moro Machado**

**Jasmine Yeong**

## CONTACT US

We want to hear from you. If you have any comments about the articles in this issue, ideas for future issues, or requests related to DOLPHIN mailing list, please send them to [corp.comms@sembmarine.com](mailto:corp.comms@sembmarine.com).

DOLPHIN newsletter is printed on  
FSC-certified, eco-friendly paper.

No part of this newsletter may be reproduced or transmitted by any means or stored in any information storage or retrieval system without Sembcorp Marine's written permission.



## CONTENTS

### NEWS UPDATES

- 04 — 4Q & FY 2018 Results  
Changes to the Sembcorp Marine Board
- 05 — Semb-Eco Pte Ltd now a fully-owned Sembcorp Marine subsidiary



Retail Shareholders, Analysts and Fund Managers visit  
Tuas Boulevard Yard

- 06 — Sembcorp Marine wins new contracts valued around  
S\$175 million

### PROJECT HIGHLIGHTS

- 07 — Sembcorp Marine retains position as Asia's top cruise  
ship repair and upgrade solutions provider
- 08 — FPSO Kaombo Sul ready for Angola
- 09 — Tokens of Appreciation from MOL LNG Transport  
(Europe) for Job Well Done

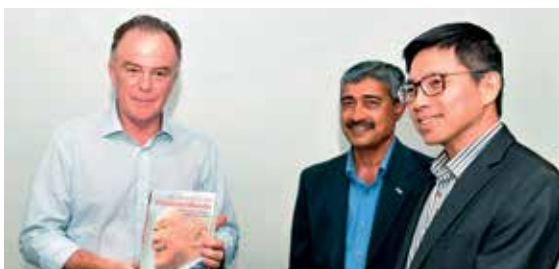


### AROUND THE YARDS & OFFICES

- 10 — NTUC and e2i's Learning Journey at Sembcorp Marine  
Tuas Boulevard Yard
- 11 — WSH Campaign at Pandan Yard  
Union Members' Bowling Night  
CultureSAFE Programme

**On the cover** - Artist's impression of a 12,000cbm LNG bunker vessel that Sembcorp Marine is designing and building for Mitsui O.S.K. Lines. Measuring 112m (length) by 22m (width) and equipped with two GTT Mark III Flex membrane tanks, this vessel will be the biggest of its kind constructed in Singapore, in terms of size and LNG tank capacity.

- 12 — Getting to know Sevan SSP
- 14 — Governor Renato Casagrande visits EJA



- 15 — EJA receives ISO 9001: 2015 certification  
EJA recognised for Social Sustainability efforts
- 16 — Danish maritime delegation visits Tuas Boulevard Yard  
ITE staff visit Tuas Boulevard Yard
- 17 — Shaping a Sustainable Future for the Ocean  
Staff Updates on Transformation
- 18 — Sembcorp Marine hosts visitors from St Patrick's School  
Drone Applications for Quality and Safety Inspections

## STAFF SPOTLIGHT

- 19 — Long Service Awards 2018
- 20 — EJA commits to the Community
- 22 — Sembcorp Marine employees shine at cricket  
tournaments  
Coastal Cleanup Day



- 23 — Tuas Lodge Activities

## Dear reader,

In this first Dolphin edition of 2019, we cover Sembcorp Marine happenings in 4Q2018 as well as a number of interesting developments thus far this year.

As is our usual practice, we begin with a brief summary of Sembcorp Marine's financial performance. In FY2018, the Group turned in a revenue of \$4.89 billion, with \$1.18 billion worth of new orders bringing its net order book to \$6.21 billion. The Group's full-year net loss of \$74 million included a \$34 million loss on the sale of the West Rigel rig. Sembcorp Marine will continue to manage its costs, cash flows and gearing carefully and to capitalise on new business opportunities. Find out more on page 4.

On a brighter note, Sembcorp Marine secured new contracts worth about S\$175 million in February 2019, for projects comprising the design and construction of a 12,000-cubic-metre (cbm) LNG bunker vessel as well as repair and modernisation works on 13 cruise ships. See page 6.

The new cruise ship contracts came on the back of Sembcorp Marine's success in 2018 as Asia's top cruise ship repair and upgrade solutions provider (page 7).

Also get to know Sembcorp Marine subsidiary Sevan SSP better through an interview with its Managing Director, Reese McNeel (page 12).

And finally, despite ongoing market challenges, the Group and its subsidiaries continue to support the local communities. On pages 20 and 21, read about the various community projects and initiatives at Estaleiro Jurong Aracruz, Sembcorp Marine's yard facility in Espirito Santo, Brazil.

**Sembcorp Marine. Integrated Synergies, Global Possibilities.**



## 4Q & FY 2018 RESULTS

Sembcorp Marine posted a group revenue of \$4.89 billion for the 12 months ended Dec 31, 2018, with \$1.18 billion worth of new contracts bringing its net order book to \$6.21 billion. The Group reported a net loss of \$74 million, including a \$34 million loss on the sale of the West Rigel semi-submersible rig.



◀ Mr Wong Weng Sun addressing analysts and media at the results briefing

### Key highlights:

(For the 12 months to December 31, 2018)

- Group revenue of \$4.89 billion
- Net loss of \$74 million
- \$1.18 billion in new contracts secured in FY 2018
- Net order book of \$6.21 billion to date

### OUTLOOK

Global capex spend for offshore exploration and production (E&P) is expected to improve further. While offshore drilling activities have increased, offshore rig orders will take some time to recover as the market remains over-supplied.

Offshore production units are expected to dominate orders pipeline and Sembcorp Marine is responding to increasing enquiries and tenders for innovative engineering solutions.

The ship repair and upgrade segment remains intensely competitive although the market is expected to improve with higher work volume from the new IMO regulations requiring the installation of ballast water treatment systems and gas scrubbers.

Overall business volumes and activities for the Group, while stabilising, are expected to remain relatively low. The Group will continue to take steps to manage its costs, cash flows and gearing and to capitalise on new business opportunities.

"Financial prudence and discipline are the main considerations as we rebuild and strengthen the Group's financial position in the face of a prolonged cyclical downturn. Growing our order book, maintaining a strong balance sheet and ensuring healthy cash flow are our key priorities."

**Mr Wong Weng Sun**

*Sembcorp Marine President & CEO*

## CHANGES TO THE SEMBCORP MARINE BOARD



**Tan Wah Yeow**

*Non-Executive/Independent Director of Sembcorp Marine*

### A new Director has joined the Sembcorp Marine Board.

Mr Tan Wah Yeow is an independent director and a member of the Audit Committee. He started his career with KPMG UK and later joined KPMG Singapore, holding various leadership positions in the Singapore and Asia Pacific offices. He was most recently Deputy Managing Partner of KPMG Singapore and Head of the Asia Pacific Healthcare Practice, before retiring in September 2017.

Mr Tan is currently an independent director on the boards of M1 Limited, Mapletree Logistics Trust Management

Limited and Genting Singapore Limited. He also chairs the audit and risk committee of Genting Singapore Limited and the audit committee of M1 Limited. In addition, Mr Tan is a board director of the Public Utilities Board, PUB Consultants Pte Ltd, Gardens by the Bay and VIVA Foundation for Children with Cancer.

Mr Tan holds a Bachelor of Science in Economics from the London School of Economics and Political Science. He is a Fellow of the Institute of Chartered Accountants of England & Wales, the Singapore Institute of Directors and the Institute of Singapore Chartered Accountants, where he also chairs the Corporate Reporting Committee.

## SEMB-ECO PTE LTD NOW A FULLY-OWNED SEMBCORP MARINE SUBSIDIARY

On January 15, 2019, Sembcorp Marine subsidiaries Sembcorp Marine Repairs and Upgrades Pte Ltd (SMRU) and Semb-Eco Pte Ltd (Semb-Eco) entered into a share swap agreement with Ecospec Global Technology Pte Ltd (EGT) and their shareholders Mr Chew Hwee Hong and Neonlite Investments Pte Ltd, to exchange 10,000,000 ordinary shares representing 20% of the issued share capital of EGT for 23,801,653 ordinary shares representing 45% of the issued share capital of Semb-Eco.

As part of the Transaction, EGT has assigned to SMRU certain of its intellectual property and proprietary rights for a consideration of approximately S\$7.2 million. SMRU has also acquired five groups of Semb-Eco core patents, which are applied in the development of:

- Ballast water treatment
- Exhaust gas cleaning
- Biofouling control
- Corrosion control



▲ Semb-Eco L-UV Ballast Water Management System

“Through this transaction, Sembcorp Marine further strengthens its intellectual property and knowledge to facilitate research and development of solutions for the global offshore and marine sectors. This in turn supports our ongoing efforts to move up the value chain so that we can do more for our customers and partners.”

**Mr Wong Weng Sun**  
Sembcorp Marine President & CEO

Following the transaction, Semb-Eco, Semb-Eco Technology Pte Ltd and Semb-Eco R&D Pte Ltd are now wholly-owned Sembcorp Marine subsidiaries, while EGT ceases to be an associated company of the Group.

## RETAIL SHAREHOLDERS, ANALYSTS AND FUND MANAGERS VISIT TUAS BOULEVARD YARD

As part of Sembcorp Marine's proactive investor relations efforts, programmes such as yard tours and dialogue sessions are organised for retail shareholders as well as the investment community.

On Nov 21, 2018, Sembcorp Marine hosted 60 retail shareholders at Sembcorp Marine Tuas Boulevard Yard. Led by Mr William Goh, Director, Group Finance; Mr Tan Cheng Tat, Chief Financial Officer; and Ms Lisa Lee, Head of Investor Relations, Sembcorp Marine presented the Group's enhanced capabilities, diverse operations and advanced facilities to these shareholders.

A guided tour of the new facilities and ongoing projects at Tuas Boulevard Yard gave the shareholders a deeper understanding of the yard's competitive strengths and Sembcorp Marine's key initiatives for business sustainability in the global market place.



▲ Retail shareholders with Sembcorp Marine management and staff

The visit concluded with a lunch session, where the shareholders had the opportunity to interact further with Sembcorp Marine management.

Separately on Dec 18, 2018, Sembcorp Marine brought investors and stakeholders from the financial community to Pandan Yard for a view



▲ The tour was well attended by analysts and fund managers who came away with a deeper understanding of Sembcorp Marine and its business

of the Group's proprietary Pacific Class 400 jack-up rig. The participants next stopped by Sembcorp Marine's flagship Tuas Boulevard Yard, where they toured various facilities before concluding the trip with a Q&A and lunch session.

## SENBCORP MARINE WINS NEW CONTRACTS VALUED AROUND S\$175 MILLION

On Feb 25, 2019, Sembcorp Marine announced two new contracts worth about S\$175 million, for projects comprising the design and construction of a 12,000-cubic-metre (cbm) LNG bunker vessel as well as repair and modernisation works on 13 cruise ships.

### 12,000cbm LNG bunker vessel for delivery to MOL in 2021

To be constructed at Sembcorp Marine Tuas Boulevard Yard for Indah Singa Maritime Pte Ltd, a subsidiary of Mitsui O.S.K. Lines, Ltd. (MOL), the 112m long and 22m wide LNG bunker vessel will have two GTT Mark III Flex membrane tanks with a combined 12,000cbm capacity. This makes the vessel the largest of its kind to be built locally, in terms of size and LNG tank capacity. It is also Sembcorp Marine's first LNG bunker vessel construction project.

Sembcorp Marine will fabricate the vessel's unique membrane tanks under a licensing agreement with French LNG containment specialist GTT.

Compared to IMO Type 'C' LNG tanks, the superior Mark III Flex membrane tanks have lower internal pressure, temperature and boil-off rate; which translates into greater tank durability, safer fuel transfer operations and reduced cargo loss through evaporation. The Mark III Flex membrane tanks also weigh less and occupy less ship space, allowing the vessel to carry more cargo and consume less fuel during transportation.

For cleaner propulsion, the LNG bunker vessel will have dual-fuel engines running on LNG or marine diesel oil.

Upon its completion in early 2021, the vessel will be chartered to Pavilion Gas Pte Ltd for deployment in Singapore. Pavilion Gas is a subsidiary of Pavilion Energy Pte Ltd.

### Cruise ship repair and modernisation projects

Sembcorp Marine's cruise ship repair and upgrade business has started the year on a strong footing. Partnering with leading cruise brands such as Carnival Cruise Line, Royal Caribbean Cruise Line, Star Cruises, Norwegian Cruise Line and Star Clippers Monaco, the Group has 13 new cruise vessel repair and modernisation projects to be executed at its Admiralty and Tuas Boulevard yards.

"We are very happy and grateful to have our customers' trust in Sembcorp Marine's ability to offer them competitive solutions of the highest quality. We are especially excited to work with MOL on building our first LNG bunker vessel. This project marries Sembcorp Marine's ship design and construction expertise with GTT's industry-leading membrane tank system. We are confident the outcome will be a sophisticated newbuilding that not only delivers optimal technical performance, but also helps MOL and Pavilion Energy contribute to the expected standard of LNG bunkering operations in Singapore.

"As Sembcorp Marine expands into new innovations, products and energy value chain solutions, we are also proud to retain our traditional excellence in ship repairs and upgrades. We are committing our best resources to complete the 13 new cruise ship repair and modernisation projects on time and to the satisfaction of our cruise operator partners."

**Mr Wong Weng Sun**

*Sembcorp Marine President & CEO*



Artist's impression of MOL's 12,000cbm LNG bunker vessel. Designed by Sembcorp Marine subsidiary LMG Marin, this vessel comes with two GTT Mark III Flex membrane tanks and will be the largest of its kind built in Singapore, in terms of size and tank capacity.



## SENBCORP MARINE RETAINS POSITION AS ASIA'S TOP CRUISE SHIP REPAIR AND UPGRADE SOLUTIONS PROVIDER

Sembcorp Marine cemented its position as Asia's top cruise ship repair and upgrade solutions provider in 2018 with the successful completion of repairs on the Costa Fortuna, the Group's 10th and final cruise ship project for the year. Other luxury liners that underwent repairs and upgrades at Sembcorp Marine facilities over the past 12 months included vessels from the group's long-term partners Carnival Cruises, Princess Cruises and Royal Caribbean Cruise Line, as well as new customer Norwegian Cruise Line.

Sembcorp Marine has already confirmed 13 cruise ship repair and upgrade

jobs for 2019, including projects from companies such as Carnival Cruise Line, Royal Caribbean Cruise Line, Star Cruises and Star Clippers Monaco. The Group will also manage the turnkey upgrade of Zen Cruises' first upmarket cruise liner in India, the Pacific Jewel. All of the projects secured thus far are slated to take place at Sembcorp Marine's Tuas Boulevard and Admiralty yards, both equipped with large and deep-drafted dry docks ideal for mega-size cruise vessels.

"We are very pleased to strengthen our track record in this niche market with 10 more successful projects in 2018, and at the same time contribute to Singapore's

progress as a leading cruise hub by providing reliable services to the cruise liners calling here," said Mr Alvin Gan, Sembcorp Marine Head of Repairs & Upgrades.

"Given the continued strong growth of cruise tourism, especially in Asia, Sembcorp Marine is well positioned to capitalise on the boom with our proven capabilities and facilities," he added.



▲ Costa Fortuna, operated by Costa Crociere, sailed away from Sembcorp Marine Admiralty Yard on 16 December 2018 after repairs at the yard



▲ Golden Princess, operated by Princess Cruises, underwent repairs at Sembcorp Marine Tuas Boulevard Yard



▲ Norwegian Cruise Line's Norwegian Jewel docked at Sembcorp Marine Admiralty Yard



▲ Azamara Journey, operated by Azamara Club Cruises, docked at Sembcorp Marine Admiralty Yard

## FPSO KAOMBO SUL READY FOR ANGOLA



▲ Group photo at the blessing ceremony

On Nov 21, 2018, Sembcorp Marine, its key partners and other stakeholders involved in the Kaombo Sul conversion project held a blessing ceremony for the vessel at Admiralty Yard. The event had a special significance as it marked the successful completion of the second of two Saipem-awarded FPSO conversion projects, to be deployed at the ultra-deepwater offshore Block 32 of the Kaombo Field, located off the Angola coast. This location is also where the FPSO Kaombo Norte, from the first conversion project, is currently deployed.

The blessing ceremony was attended by the Ambassador of Angola, His Excellency Dr Fidelino Loy de Jesus Figueiredo; Deputy Head of Mission of Italy, Mr Marco Cardoni; Kaombo Sul Lady Sponsor and Sonangol Executive Administrator Ms Dra Alice Sopas Cruz; Total E&P Angola Managing Director Mr Olivier Jouny; Sonangol Block 32 Chairman Mr Hermenegildo Manuel; Saipem SA Head of Maintenance, Modification and Operations Mr Fabio Pallavicini; as well as guests from Saipem, TOTAL, ExxonMobil, Bluewater Energy, Bureau Veritas and Sembcorp Marine.

Both Kaombo Norte and Kaombo Sul will be connected via a 300km network of subsea pipelines to 59 wells in six fields across an 800km<sup>2</sup> area in the southern and central parks of Block 32.

Blessing Ceremony: Lady Sponsor  
Ms Dra Alice Sopas Cruz with TOTAL  
E&P Angola Managing Director  
Mr Olivier Jouny



"The successful completion of Kaombo Sul is a strong endorsement of our capabilities in the highly specialised field of FPSO conversion, modification and upgrading work. This can only be achieved through close cooperation and partnership amongst the key partners."

**Mr Wong Weng Sun**

*Sembcorp Marine President & CEO*

While the Kaombo Norte will service the Gengibre, Gindungo and Caril fields, the Kaombo Sul will cater to the Canela, Mostarda and Louro fields.

Kaombo Sul sailed away on Dec 11, 2018 and was scheduled to reach Angola in January 2019.



▲ Kaombo Sul sailaway from Sembcorp Marine Admiralty Yard on Dec 11, 2018



## TOKENS OF APPRECIATION FROM MOL LNG TRANSPORT (EUROPE) FOR JOB WELL DONE

Sembcorp Marine received tokens of appreciation from Favoured Customer Contract (FCC) partner MOL LNG Transport (Europe) for the successful refit of two LNG carriers, Kumul and Beidou Star, at Tuas Boulevard Yard.

In a celebration event held in October, Sembcorp Marine Head of Repairs and Upgrades Mr Alvin Gan thanked MOL LNG Transport for their strong support, commitment and long-term partnership with the Group.

Since 2016, Sembcorp Marine has repaired five LNG carriers under an FCC partnership with MOL LNG Transport.



▲ Mr Allan Yau, General Manager of Tuas Boulevard Yard, receiving a plaque from Captain Tomic Niksa and Mr Vineet Bhalla, Vessel Manager of Kumul



▲ Concurrent repairs of Kumul and Beidou Star in Tuas Boulevard Yard



▲ Mr Allan Yau receiving a plaque from Captain Josko Ruzic and Mr Sergey Visochin, Vessel Manager of Beidou Star



▲ Senior management and project management teams of Kumul and Beidou Star





▲ Delegates from NTUC, Employment and Employability Institute (e2i) and Association of Singapore Marine Industries (ASMI) visiting Tuas Boulevard Yard

## NTUC AND E2I'S LEARNING JOURNEY AT SEMBCORP MARINE TUAS BOULEVARD YARD

On Dec 6, 2018, Sembcorp Marine hosted Mr Ng Chee Meng, Secretary-General of the National Trades Union Congress (NTUC) and 28 other delegates from NTUC, Employment and Employability Institute (e2i) and Association of Singapore Marine Industries (ASMI) at the Tuas Boulevard Yard. Initiated by e2i, this visit was part of the visitors' Marine Week programme, which is under a Learning Journey Programme aimed at providing insights into the marine industry.

Sembcorp Marine representatives made presentations to Mr Ng and the delegates, highlighting the Group's enhanced capabilities and key insights, as well as how the Group leveraged innovation and technology to develop new growth areas and long-term sustainability. Topics covered included Sustainable Innovation & Growth, Green Solutions & Gas Technology and Digitisation & Advanced Manufacturing.

Sembcorp Marine's training and development initiatives and as well as learning facilities at the Sembcorp Marine Academy were also covered, including the Group's Learning Key Thrusts; Learning Roadmap; Leadership Development and Contextualised Programmes on Oil & Gas Upstream Processes; Welding Automation; and LNG Cargo Containment System. The visitors also viewed the Group's Augmented Reality / Virtual Reality (AR/VR) training facility, GTT Cargo Containment System mock-up structure, Digitalised Equipment Tracking System (DETS), and Robotic Welding in the Learning Centre.

The programme ended with a yard tour for the delegates, where they got to see the steel fabrication workshop and ongoing projects such as Heerema's Sleipnir.



▲ Sembcorp Marine senior management welcoming Mr Ng Chee Meng, Secretary-General of National Trades Union Congress (NTUC)



▲ Mr Ng Chee Meng and other delegates at the Augmented Reality / Virtual Reality (AR/VR) training facility

## WSH CAMPAIGN AT PANDAN YARD

As part of Sembcorp Marine's commitment to nurturing a strong culture of Workplace Safety and Health (WSH) responsibility and preparedness, Pandan Yard has put in place a WSH campaign for its employees. Themed "Take Time to Take Care of Your Safety and Health", the campaign was held from Nov 27 to 29, 2018. The objective was to instil and strengthen a WSH culture amongst employees and sub-contractors through a series of exhibits, quizzes and health screening. At the end of the campaign, free health supplements were given out to all participants.



▲ Hypertension and Diabetes Screening



▲ Bone Mass Density Screening



▲ Sembcorp Marine Pandan Yard's employees and their families at the family bowling night

## UNION MEMBERS' BOWLING NIGHT

On Nov 9, 2018, the Union Committee from Sembcorp Marine Pandan Yard organised a family bowling night at the Civil Service Club for employees and their family members. Some 71 participants turned up for the event, which aimed to promote a healthy work-life balance while encouraging greater interaction among employees.

## CULTURES SAFE PROGRAMME

In November 2018, Sembcorp Marine Pandan Yard and Tuas Crescent Yard adopted the CultureSAFE Programme, which is in line with the national WSH Council's initiative. This programme supports the Sembcorp Marine Group in its WSH Culture-building journey by providing a structured platform to cultivate WSH mindsets and attitudes in every employee. Both yards were required to make use of the CultureSAFE model through a perception survey to determine the yards' Culture Index, thereafter identifying strengths and areas of improvement in their WSH culture. Some 280 managers, supervisors and workers participated in this programme.



▲ Employees from Sembcorp Marine Pandan Yard and Tuas Crescent Yard taking part in the CultureSAFE Programme



## GETTING TO KNOW SEVAN SSP

In this issue of Dolphin, we learn more about Sevan SSP, a Sembcorp Marine subsidiary in Norway, by speaking to its Managing Director, Mr Reese McNeel.



▲ Reese McNeel, Sevan SSP Managing Director

### **Dolphin: Tell us more about Sevan SSP**

#### **Mr Reese McNeel:**

Sevan SSP is a marine engineering and design house specialising in the design, engineering and project execution of floating units for offshore applications. Our main product is a cylindrical platform used for floating production and drilling. Founded in 2001, the company is based in Arendal, a city in the southern part of Norway. Sevan SSP pioneered the cylindrical hull as a cost-efficient alternative to traditional ship-shaped and turret-moored designs. With 11 units constructed and over 35 years of accumulated operational experience, the cylindrical hull is a proven alternative to traditional offshore floating designs.

In the early years, the company operated as a lease and operation provider to the FPSO and drilling market. Since 2011, the company has changed its focus to the design, engineering and project execution of floating units for offshore applications. Sevan SSP was acquired by Sembcorp Marine in September 2018. We have three other offices, located in Oslo and Bergen, Norway; and Houston in Texas, USA.



▲ Sevan SSP Cylindrical Hull designed for FPSO Western Isles

### **D: What is Sevan SSP known for?**

**RM:** We are known for our cylindrical hull design ("Sevan hull"). This innovative geostationary cylindrical hull does away with a costly turret while accommodating a larger number of risers as well as flexibility for future tie-ins. It is also most suitable for deeper, colder and harsher environment.

Sevan SSP is also known for its HiLoad LNG Offloading and Regasification solutions that can be applied to our FLNG hull design as well as traditional ship-shaped FLNG units and floating regasification dock.

### **D: What projects are Sevan SSP currently working on?**

**RM:** We are currently constructing our 12th Sevan hull – the Shell Penguins FPSO Offshore UK – which is going to be deployed in the UK North Sea in 2021. Also, we are providing solutions for three upcoming projects in the UK sector and Norwegian Barents Sea.

### **D: What does Sevan SSP bring to the Sembcorp Marine Group?**

**RM:** Following its acquisition by Sembcorp Marine in September 2018, Sevan SSP is able to strengthen Sembcorp Marine's suite of intellectual properties and knowledge in executing cutting-edge design and engineering solutions for the global offshore and marine sector. With Sembcorp Marine's leading EPC capabilities and Sevan SSP's unique and innovative technological competences, we believe the Group is now more equipped and also in a better position to offer alternative solutions to customers and partners.



▲ Sevan SSP staff gathering on Mount Fløyen in Bergen

**D: Tell us about the Sevan SSP staff and working in the company**

**RM:** The people of Sevan SSP are its most valuable asset and the driving force behind the company's successful evolution and growth. With professionalism, dedication and consistency, the highly experienced team has brought about much achievement for the company in the past 18 years. We believe in providing a positive work environment for our staff through open communication and bonding, which has resulted in Sevan SSP having many long serving staff.

**D: What is Norway known for? What interesting nuggets of information would you tell visitors about your city?**

**RM:** Norway is a Scandinavian country encompassing mountains, glaciers and deep coastal fjords. Oslo, the capital, is a city of green spaces, museums and home to the Nobel Peace Prize Award. Bergen is the second-largest city in Norway and is also the capital of Fjords, surrounded by seven mountains, picturesque hillsides with tiny wooden houses and narrow streets. And Arendal, a pretty town near the southern tip of Norway, can be easily explored by boat, foot or bicycle. It is a great place for deep-sea fishing, swimming or kayaking.

Norwegian society is transparent and well organised. We have a highly developed welfare state, where education and health services are, to a large extent, free. By many standards, Norway is a wealthy country. At the same time Norwegians are modest and appreciate a simpler way of life in the company of family and friends.



▲ Sevan SSP staff starting the day with a friendly ice hockey match outside Sevan SSP office in Arendal, Norway

In winter, Norwegians enjoy cross-country skiing that deserves to be called their national sport, and one in which Norway boasts world-class athletes. In summer, hordes of Norwegians head to their summer cabins in the south of the country or on islands dotted around the fjords to fish and hike.



## GOVERNOR RENATO CASAGRANDE VISITS EJA



◀ The new Governor of Espírito Santo, Mr Renato Casagrande (centre), and other delegates touring Estaleiro Jurong Aracruz

On January 28, 2019, Renato Casagrande, the new Governor of Espírito Santo, visited Estaleiro Jurong Aracruz. He was accompanied by Deputy Governor Jacqueline Moraes; Secretary of State for Development Heber Resende; President of Bandes Ângelo Batista; President of the Legislative Assembly Erick Musso; and Aracruz Councilors Alberto Lopes, Ronivaldo Garcia Cravo, Romildo Broetto and Dileuza Marins Del Claro.

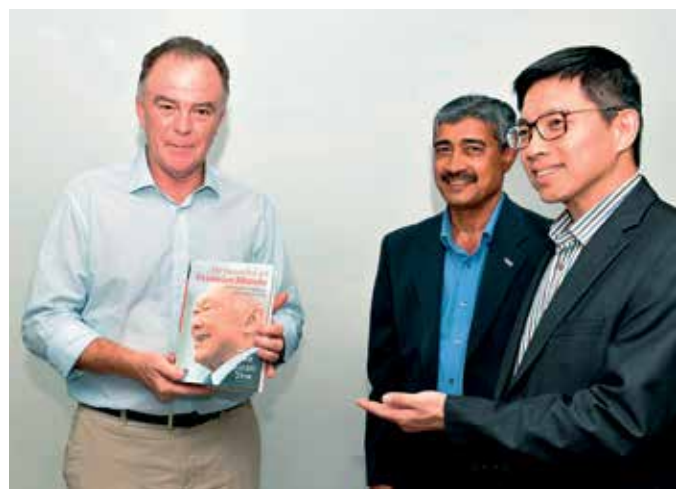
In his welcome speech, EJA President Altaf Hossain recalled that Governor Casagrande participated in the launching ceremony of the yard's foundation stone on December 17, 2011. Mr Altaf said EJA has since become a competitive facility for the international market, with the ability to vie for projects with shipyards in China and Korea.

To advance Brazil's economic progress and attract more projects to EJA and other players in the local offshore and marine sector, Mr Altaf suggested that the authorities should look at reducing service costs by considering a revision of the tax policy and labour laws. He further highlighted that EJA currently employs 4,600 people and has the capacity to hire up to 10,000 workers if more projects come in.

Mr Altaf said: "We have built one of the most modern shipyards in this country. We have completed the construction of our quay and dredged the water depth to 15.5 metres, which is unique in the country. We have generated 4,600 jobs, with 90% filled by Capixaba manpower. We can certainly take in more work at EJA.

Governor Casagrande said that in his previous term, he visited Sembcorp Marine in Singapore in 2014 and conveyed to the Group that EJA had an important role in Espírito Santo. "Today (Espírito Santo) has achieved a strategic position, close to the major oil producing areas. We want to inform you that Estaleiro Jurong Aracruz has our full support to continue carrying out its work and bringing development to the Capixabas," Governor Casagrande said.

The Governor and his entourage toured EJA's facilities, including the fully-automated integrated workshops which are among the most modern in Latin America.



▲ EJA President Mr Altaf Hossain (centre) and Sembcorp Marine Director, Group Finance, Mr William Goh (right) presented the Story of Singapore, written by the late Mr Lee Kuan Yew, to Mr Renato Casagrande



## EJA RECEIVES ISO 9001: 2015 CERTIFICATION

On Nov 22, 2018, Estaleiro Jurong Aracruz (EJA) received the ISO 9001: 2015 certification, which demonstrates EJA's ability to consistently provide products and services that meet customer and regulatory requirements. In 2016, EJA put in place an Integrated Management System (IMS) department that was responsible for ensuring compliance with quality management systems, policies and procedures. The ISO 9001: 2015 certification was made possible because of excellent teamwork and commitment amongst EJA employees.



▲ EJA President Mr Altaf Hossain (left) receiving the ISO 9001: 2015 certification from American Bureau of Shipping Lead Auditor Mr Arpad Koszka (centre)

## EJA RECOGNISED FOR SOCIAL SUSTAINABILITY EFFORTS



▲ EJA representatives at the Human Being Awards

Estaleiro Jurong Aracruz (EJA) participated in the 15th edition of the Human Being Awards held on Nov 27, 2018, in Vitória, Espírito Santo. On this occasion, EJA received the "Human Being Award" under the Sustainability Category for its "We Women: Sustainable Woodworking" project. Organised by the Brazilian Association of Human Resources (ES), the award recognises EJA's best practices in social sustainability.

The "We Women: Sustainable Woodworking" project promotes the recycling and reuse of waste wood from EJA, which is turned into rustic furniture and handicrafts. This is an on-going project that helps generate income and promote social inclusion for women working in ANDESA, an association for social, environmental and economic development.

## DANISH MARITIME DELEGATION VISITS TUAS BOULEVARD YARD

A 15-member delegation from Denmark toured Tuas Boulevard Yard on Nov 23, 2018, as part of their five-day learning visit to Singapore. Representing shipping companies, the shipping association Danish Shipping (Danske Rederier), as well as trade publications and broadcast media, the delegation was keen to know more about Sembcorp Marine's business, its transformation initiatives and R&D developments.

The delegation saw the major facilities at Tuas Boulevard Yard and also boarded the SSCV Sleipnir, where they were given a brief introduction of the vessel by Heerema senior project manager, Martijn Wijdeveld.

"We had the opportunity to inspect the world's largest semi-submersible crane vessel, Sleipnir, which Sembcorp Marine is building for Heerema Marine Contractors. This vessel is intended to operate in our North Sea area, servicing the Tyra oil and gas field. It is truly an impressive new-generation construction for worldwide offshore heavy lifting that everyone at Sembcorp Marine should feel very proud of."

**Mr Christian Kjærgaard-Winthe**

*Head of Danish Shipping Academy, PR & Communications and part of Senior Management at Danish Shipping.*



▲ Simon Kuik, Vice President and Head of Research & Development, explaining to the Danish delegates Sembcorp Marine's capabilities, transformation initiatives as well as research and development progress



▲ The Danish delegation aboard SSCV Sleipnir

## ITE STAFF VISIT TUAS BOULEVARD YARD

Mr Chong Leong Fatt, Deputy Principal of Institute of Technical Education (ITE) College Central, led a team of 10 ITE staff on a visit to Tuas Boulevard Yard on Dec 14, 2018. The visitors were taken on a comprehensive yard tour, which included the yard's dormitory facilities and its highly automated steel fabrication workshop.

The visitors were particularly impressed with Sembcorp Marine's thoughtfulness in caring for workers residing at dormitory, from providing hot and nutritious food to clean beds, centralised laundry services, and facilities such as gym and multi-media room.



▲ The ITE visitors were impressed with Sembcorp Marine's care for workers' well-being, such as providing hot and nutritious food and recreational facilities like the multi-media room

"The visit was well organised and most fruitful. My colleagues and I had a better appreciation of the extensive use of technology at Sembcorp Marine and the importance they placed on the well-being and welfare of their staff. Sembcorp Marine and ITE have a long and established relationship. We are also appreciative of the support as well as the internship opportunities and financial support given by Sembcorp Marine to our students."

**Mr Chong Leong Fatt**

*Deputy Principal (Development), ITE College Central*



▲ The ITE visitors were impressed with Sembcorp Marine's care for workers' well-being, such as providing hot and nutritious food and recreational facilities like the multi-media room



▲ ITE staff visiting Tuas Boulevard Yard



▲ ITE College Central staff touring Tuas Boulevard Yard's steel fabrication workshop



## SHAPING A SUSTAINABLE FUTURE FOR THE OCEAN



On Nov 14 to 16, 2018, Sembcorp Marine participated at the 6th Sustainable Ocean Summit in Hong Kong. Themed "Ocean Sustainable Development - Connecting Asia and the World", the summit brought together many leaders from diverse ocean business communities (eg. shipping,

fisheries, oil & gas, aquaculture, offshore renewables, tourism, seabed mining, marine technology, law, insurance and finance) as well as stakeholders from the government, inter-governmental, science and environment communities. The goal – to discuss industry-driven solutions in support of Corporate Ocean Responsibility.

Sembcorp Marine was represented by Mr Simon Kuik, Head of Research and Development, who is also the Group's Sustainability Secretariat. He told the participants about Sembcorp Marine's comprehensive programme focusing on life below water, which is in line with the United Nations Sustainable Development Goal (UNSDG) 14. Sembcorp Marine has been a member of the World Ocean Council since 2015 and is actively engaging and contributing to the ocean community.

Some interesting topics discussed included Climate Change and Ocean Acidification; Sustainable Fishing and Aquaculture; Marine



▲ Sembcorp Marine Head of Research & Development Mr Simon Kuik at the sharing session of the 6th Sustainable Ocean Summit in Hong Kong

Pollution and Solutions (ocean plastics and microplastics); Ocean Knowledge; and Research and Technology.

As part of Sembcorp Marine's commitment to environmental sustainability development, the Group has set in place several initiatives, such as Beach Cleaning and Plastic Recycling & Reduction campaigns, which will be launched this year. These initiatives are also aligned with the ISO 14000 framework.

## STAFF UPDATES ON TRANSFORMATION



▲ Staff briefing at Admiralty Yard

Sembcorp Marine aims to be an employer of choice that creates equal opportunities at the workplace, as well as an engaging and enriching work environment where employees can learn, grow and advance. As part of the Group's commitment towards employee care and welfare, Sembcorp Marine Human Resource Department held briefing sessions over two weeks to update staff on the Group's Transformation progress.

Some 2,400 Sembcorp Marine employees attended the briefing sessions, organised from Nov 19 to 30, 2018. The objective of the briefing sessions was to update employees on:

- Sembcorp Marine's Transformation journey
- Sembcorp Marine's new corporate building and Phase 3A developments at Tuas Boulevard Yard
- The move to Tuas Boulevard Yard
- Proposed transport arrangements for staff working at Tuas Boulevard Yard
- Proposed Flexible Work Arrangement policies

At the end of the presentation, employees were given the opportunity to provide constructive feedback through a Q&A session and online survey.



## SENBCORP MARINE HOSTS VISITORS FROM ST PATRICK'S SCHOOL

On Nov 7, 2018, Sembcorp Marine hosted 18 visitors from St Patrick's School at the Tuas Boulevard Yard Learning Centre. This visit was part of a Learning Journey Programme aimed at providing insights into the marine industry, including career opportunities in this industry.

During the visit, Sembcorp Marine representatives discussed the Group's technological capabilities, Total Workplace Safety & Health commitment as well as leadership and career development initiatives. They also took the visitors on a tour of the yard.



▲ Visitors from St Patrick's School touring Tuas Boulevard Yard

### ? Did You Know

Sembcorp Marine is actively involved in promoting social growth, environmental care and industry development so as to positively impact the community and society. In the area of education and research, Sembcorp Marine supports several educational and industry mentorship projects that foster innovation, competitiveness and sustainable solutions development for the offshore, marine and energy industries.

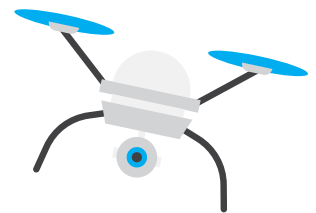
## DRONE APPLICATIONS FOR QUALITY AND SAFETY INSPECTIONS

As part of Sembcorp Marine's continuous development of innovations that deliver faster, safer and more reliable outcomes, the Group has started to adopt the use of drones for inspection. Drone-based inspections reduce preparation time and ensure the safety of the surveyors, ship's crew and other stakeholders, compared to human inspections.

In 2018, the Group started training Civil Aviation Authority Singapore (CAAS) certified pilots from Sembcorp Marine's Quality Assurance and HSE departments

on drone-based inspections at Tuas Boulevard Yard and Admiralty Yard. The Group has now also attained the relevant operator permit from CAAS, applicable for drone inspections conducted at all Sembcorp Marine yard locations in Singapore.

In addition, Sembcorp Marine is the first shipyard in Singapore to have received the American Bureau of Shipping (ABS) External Specialist certificate for the inspection of vessels using unmanned aerial vehicles (UAVs).



"Being a CAAS certified pilot has allowed us to establish an internal safety operating procedure for wider deployment of drones."

**Hong Tianyuan**

*Health, Safety & Environment Engineer*



▲ Sembcorp Marine drone team conducting an in-tank survey



▲ Drone shot of Sembcorp Marine's first batch of CAAS certified pilots at Tuas Boulevard Yard



▲ Sembcorp Marine received the American Bureau of Shipping (ABS) External Specialist Certificate

## LONG SERVICE AWARDS 2018

Sembcorp Marine recognised the contributions of its long-serving employees at Long Service Awards ceremonies held at Tanjong Kling Yard (Dec 13, 2018) and Admiralty Yard (Dec 21, 2018). A total of 687 employees from Tanjong Kling Yard and 228 employees from Admiralty Yard received certificates and gifts.

While thanking the award recipients for their loyal service to the company, Sembcorp Marine President & CEO Mr Wong Weng Sun reminded everyone that with production activities picking up on all fronts at the same time, Sembcorp Marine employees must work closely as One Team. Mr Wong said: "This collective spirit focused

on getting the job done is important to the Group, given the highly competitive business environment we are operating in. We are stronger only when we support one another."

At the Tanjong Kling Long Service Awards ceremony, Mr Wong received his 30-year service award, while Mr Freddie Woo was lauded for 50 years of service to Sembcorp Marine.

Sembcorp Marine sincerely thanks all long-service employees for their contributions and hard work over the years.



▲ Sembcorp Marine Chief Human Resource Officer Mr Chua San Lye presenting President & CEO Mr Wong Weng Sun with the 30-year Long Service Award certificate



▲ Mr Wong Weng Sun presenting Mr Freddie Woo with his 50-year Long Service Award



▲ Senior Management and some of the award recipients at the Tanjong Kling Yard Long Service Awards ceremony



▲ Senior Management and some of the recipients at the Admiralty Yard Long Service Awards ceremony



## EJA COMMITS TO THE COMMUNITY

In line with Sembcorp Marine's commitment to promoting social growth, environment care and training and capability development, Estaleiro Jurong Aracruz (EJA) actively engages local communities in Brazil with various projects relating to youth and education, community care, environmental sustainability as well as sports and cultural promotion.



▲ Administrative staff using reusable cups

### ECO-FRIENDLY CUPS

On Oct 31 2018, EJA launched an "Eco-Friendly Cups" campaign to encourage the use of reusable cups instead of disposable ones. The campaign aimed to cultivate environmental awareness among EJA's employees and to eliminate the use of disposable cups.

During the first phase of the campaign, disposable cups were replaced in the administrative areas of the yard. Soon, this campaign will continue in the canteen and the operation areas.

An estimated 700,000 disposable cups are discarded every month in EJA. This works out to a whopping 8.4 million disposable cups in a year.

### CHILDREN'S DAY COMPETITION

To celebrate Children's Day, EJA organised an "EJA Kids" painting competition in October 2018 for employees' children aged between five and 11 years. Out of the 120 paintings submitted, 34 winning works were selected.

The prize giving was held at EJA on Nov 23, 2018, when the children visited their parents' workplace and were treated to a special lunch and games.



▲ EJA President Mr Altaf Hossain with the contest winners



▲ Performance by the military band from Ermentina Leal School

### SIPAT WEEK 2018 AT EJA

EJA hosted the Occupational Accident Prevention Week (SIPAT) with the theme "Conscious worker: each one task, a duty of all" from Nov 26 to Nov 30. Launched by EJA President Mr Altaf Hossain, the week-long event served to raise employees' awareness on the prevention of occupational accidents and diseases through several theatrical presentations and lectures.

During the SIPAT week, EJA employees were also treated to musical performances by choral group Our Harmony Choir; a Congo band from Barra do Riacho; as well as demonstration by the military band from Ermentina Leal School.



## CELEBRATION OF DISABLED PERSONS INTERNATIONAL DAY

In celebration of Disabled Persons International Day, EJA President Mr Altaf Hossain and Human Resources Senior Manager Ms Lucila Lopes hosted breakfast for EJA's 70 disabled employees at the company's auditorium on Dec 3, 2018. In his welcome speech, Mr Altaf expressed his heartfelt thanks to the employees for their contributions to the company. EJA's Inclusion of Disabled Person Programme has greatly encouraged inclusiveness amongst its employees and helped reduce prejudice and discrimination at the workplace



▲ EJA President Mr Altaf Hossain and HR Senior Manager Lucila Lopes addressing EJA's disabled employees



▲ Handcrafted products on display, made by the surrounding local communities

## SOCIAL WEDNESDAY PROJECT

On Dec 12, 2018, EJA held a Social Wednesday Project at the yard's canteen, with the aim of supporting the surrounding communities in Aracruz to generate awareness and income by showcasing their handcrafted products and other product offerings.

## EJA PRESIDENT VISITS PAU BRASIL TRIBE IN ARACRUZ

On Dec 15 2018, EJA President Mr Altaf Hossain visited the Pau Brasil tribe to participate in the Tupiniquim Art and Culinary Exhibition, where he was able to see many indigenous handicrafts and art pieces on display and sample unusual indigenous cuisines.

During the visit, Mr Altaf met up with Mr Valdeir de Almeida Silva, Chief of Pau Brasil tribe, who took the opportunity to thank EJA for supporting several projects developed in the village, such as constructing a soccer field and the tribe's big tent, as well as organising indigenous culture and language workshops.



▲ EJA President Mr Altaf Hossain and Chief of Pau Brasil tribe, Mr Valdeir de Almeida Silva at the exhibition



▲ Representatives from the beneficiary institutions and councilmen

## COMMUNITY PROJECTS SUPPORT PROGRAMME

EJA launched its third edition of the Community Projects Support Programme in December 2018, working with various associations, non-profit entities and NGOs. A total of nine initiatives were selected to receive social development support and funding from EJA. This was announced in a ceremony at EJA on Dec 13, 2018, attended by Aracruz Mayor Jones Cavaglieri, several councilmen and representatives from the nine beneficiary institutions. The Community Projects Support Programme is part of EJA's sustainability efforts aimed at assisting local communities in the Espírito Santo municipalities of Aracruz and Fundão.

## SEMBCORP MARINE EMPLOYEES SHINE AT CRICKET TOURNAMENTS

As part of Sembcorp Marine's focus on people development and staff wellness, the Group encouraged four teams of 14 employees from the Dormitory Management and foreign worker ambassadors to participate in the Cricket Tournament & Migrant Workers Carnival on Nov 18, 2018, at the Tuas South Recreation Centre. Organised by the Singapore Police Force, the tournament was open to workers from all industries. SCM Boys, a team from Sembcorp Marine, emerged as 2nd runner up from a field of 28 teams. After the tournament, the participants attended the carnival where they learned about Singapore's latest rules and regulations.

In a separate event on Nov 6, SCM Victorians, a team of 15 Sembcorp Marine workers, participated in the Freedom Cup Cricket Championship Tournament, organised by New Creation Church at the Dempsey Cricket Ground. Competing against other teams, SCM Victorians emerged the champions.



▲ Congratulations to 2nd runners-up, SCM Boys



▲ Employees enjoying themselves at the carnival



▲ SCM Victorians triumphed at the Freedom Cup Cricket Championship Tournament



▲ Representatives from Sembcorp Marine Admiralty Yard, "ALP Guard" and Sembawang Community Club at PA Water Venture in Sembawang



▲ Rubbish such as plastic bottles, plastic cutlery, styrofoam boxes, torn fishing nets, ropes, and cigarettes butts were collected

◀ Volunteers clearing rubbish at the coastal front

## COASTAL CLEANUP DAY

On Nov 10, 2018, some 50 volunteers from Sembcorp Marine Admiralty Yard, the "ALP Guard" and the Sembawang Community Club participated in a 2-hour coastal cleanup at PA Water Venture in Sembawang.

The objective of the coastal cleanup was to create awareness of the harmful effects of littering on the marine ecosystem and to reinforce the importance of environmental protection and conservation. With that in mind, volunteers eagerly swept through the coastal front and were able to clear at least 500 kg of rubbish.



## TUAS LODGE ACTIVITIES

As part of Sembcorp Marine's commitment to enhancing the well-being and safety of employees, the Group planned a series of recreational activities and safety awareness programmes for its foreign workers residing at Tuas Lodge.



On Dec 2, 2018, the Migrant Workers' Centre organised a Deepavali movie treat for 23 Sembcorp Marine foreign workers at Golden Mile Tower. The workers also received goodie packs comprising a free T-shirt, popcorn and drinks.



On Dec 22, 2018, Sembcorp Marine Dormitory Management team organised a Healthy Lifestyle Day for Tuas Lodge residents. Thirty employees gathered at 7.30am to jog from Tuas Lodge to the Project Co-ordination Centre. Fresh fruits were distributed after the jog.

Tuas Lodge employees can now look forward to this event every third Saturday of the month.



Sembcorp Marine Dormitory Management team and the Singapore Police Force jointly organised a Security Awareness Outreach Programme at Tuas Lodge on Dec 31, 2018.

Attended by 300 foreign workers, the programme aimed to educate them on security awareness and theft prevention. The workers were encouraged to download the "Anti-Theft Alarm" app to help prevent their mobile phones from being stolen. With this app, an alarm will be triggered if unauthorised persons try to take away their mobile phones.

The workers also received goodie bags and free padlocks at the event.





Sembcorp Marine provides innovative engineering solutions to the global offshore, marine and energy industries, drawing upon more than 50 years of track record. Our business units are One Team, focusing on four key capabilities: Rigs & Floaters, Repairs & Upgrades, Offshore Platforms and Specialised Shipbuilding.

As One Sembcorp Marine, we deploy the best assets and competencies from across our global operations to take on projects of any scale and in any location. To find out more about us, visit [www.sembmarine.com](http://www.sembmarine.com).

**Sembcorp Marine. Integrated Synergies, Global Possibilities.**