

CHAIRMAN'S FOREWORD



**TAN SRI MOHD
HASSAN MARICAN**
CHAIRMAN
SEMBCORP MARINE

**WE RALLY OUR
CUSTOMERS,
VENDORS AND
EMPLOYEES
TOWARDS A
CULTURE OF ZERO
HARM TO PEOPLE,
PROPERTY AND THE
ENVIRONMENT.**

Intense heat waves, melting polar ice caps, rising sea levels and severe storms are alarming signs of climate change that hasten the call for sustainable development and a low-carbon economy. Like many responsible organisations, Sembcorp Marine heeds this imperative diligently. We have been reporting our sustainability performance in the Sembcorp Marine Annual Report since 2011, but starting this year we are pleased to present our sustainability vision, goals and progress in a standalone Sustainability Report.

Sembcorp Marine creates long-term stakeholder value by observing high governance standards and managing our environmental and social impact proactively. We aim to broaden our low-carbon products and solutions, reduce our environmental footprint and improve our communities. In 2019, our sustainable products and solutions accounted for 24% of our total revenue. We will raise this to 30% by 2025.

Across Sembcorp Marine's global operations, our 'Climate,

Ocean and Earth' sustainability programmes focus on cutting carbon emissions, conserving the oceans and managing natural resources conscientiously. We walk the talk by increasingly tapping renewable energy and adopting energy-efficient and waste-reducing equipment.

We rally our customers, vendors and employees towards a culture of Zero Harm to People, Property and the Environment. We are motivated to improve our safety practices continuously. In 2019, we won 24 awards for our workplace safety performance.

Sembcorp Marine also believes in nurturing our people in a fair, inclusive and respectful working environment, with equal opportunities for growth. We up-skill our workforce constantly. In 2019, every employee received an average of 45 training hours.

Beyond the workplace, we aspire to be a socially responsible corporate citizen. In 2019, we contributed \$1.81 million and over 10,000 employee-volunteering-hours towards diverse social causes, including youth and education,

environmental conservation and community care. We create employment opportunities in our global operations and implement health and social initiatives for the local communities.

While Sembcorp Marine is fully committed to enhancing the well-being of individuals, society and the environment, Sustainability is a collective responsibility that all of us must commit to. Only then can we effectively ensure a greener planet and a better tomorrow for our present and future generations.

I encourage everyone to do their part. Together, we can and will make a difference.

Tan Sri Mohd Hassan Marican
Chairman
Sembcorp Marine Ltd

SEMBCORP MARINE AT A GLANCE



24%

of annual company turnover from sustainable products and solutions



>2,100 tCO₂e¹

of carbon avoided from clean energy generated by the solar panels at Sembcorp Marine Tuas Boulevard Yard, equivalent to taking 660 cars off the road for a year



ZERO

non-compliance with anti-competitive behaviour, anti-trust and monopoly policies



45

training hours per employee globally



0.77 LTIR²

(per million man-hours worked)



\$1.81 MILLION

invested in community programmes

(1) tCO₂e refers to tonnes of carbon dioxide equivalent, a measure that allows comparison of the emission of other greenhouse gases relative to one unit of CO₂.

(2) LTIR refers to Lost Time Injury Rate. For more details, please refer to page 47.