NURTURING OUR HUMAN CAPITAL

People are at the heart of our business. We embrace the diversity and expertise that our employees bring to the Group and are committed to their growth, well-being and safety. We also respect human rights across our operations and value chain, aligning our human rights practices to various national and international frameworks.

Sembcorp Marine’s philosophy of providing a conducive work environment is in keeping with several United Nations Sustainable Development Goals.

OUR HUMAN CAPITAL STRATEGY FOCUSES ON FIVE KEY AREAS:

- Talent Planning & Leadership Development
- Fair Employment & Equal Opportunities
- Workforce Capability & Competency Development
- Human Rights Principles & Practices
- Employee Engagement & Well-being

Sembcorp Marine strives to be an employer of choice
<table>
<thead>
<tr>
<th>Our Commitment</th>
<th>Our Efforts in 2019</th>
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<tbody>
<tr>
<td><strong>Fair Employment &amp; Equal Opportunities</strong></td>
<td>• Practise zero discrimination policy and build a diversified and inclusive workplace</td>
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<td>• Pledged our commitment to Sustainable Employment Practices proposed by Singapore Business Federation</td>
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<td>• Estaleiro Jurong Aracruz (EJA) celebrated the social, economic, cultural and political achievements of women on International Women’s Day 2019</td>
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<td><strong>Talent Planning &amp; Leadership Development</strong></td>
<td>• Tap talent globally and groom leaders</td>
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<td>• Established a new profiling method for assessing employees’ competencies</td>
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<td>• Conducted Sembcorp Marine-Singapore Management University (SMU) Leadership programmes for the 4th year</td>
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<td>• Introduced the Mentorship Programme, an initiative pairing new and current employees with experienced professionals</td>
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<td><strong>Workforce Capability &amp; Competency Development</strong></td>
<td>• Instil a lifelong learning culture and develop a capable and competent workforce</td>
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<td>• Achieved 45 training hours per employee globally with a total of $4.7 million training investment made</td>
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<td>• Implemented Augmented Reality-Virtual Reality (AR-VR) technology for gas containment system training and other LNG technical programmes</td>
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<td>• Attained the ISO 29990 Learning Service Provider (LSP) certification for conducting courses in general trade, hot works trade and painter trade</td>
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<td>• Signed a tripartite Memorandum of Understanding with Shipbuilding and Marine Engineering Employees’ Union (SMEEU) and the Employment and Employability Institute Pte Ltd (e2i) to raise worker employability through skills and talent development, particularly in digital readiness</td>
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<td><strong>Employee Engagement &amp; Well-being</strong></td>
<td>• Promote work-life balance and improve employees’ well-being</td>
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<td>• Implemented flexible work arrangement policies to help employees balance work and personal commitments</td>
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<td>• Provided employees with on-demand transport service between home and office</td>
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<td>• Set up Workers’ Welfare Committee to enhance communication and engagement</td>
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<tr>
<td><strong>Human Rights Principles &amp; Practices</strong></td>
<td>• Respect globally recognised human rights principles</td>
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<td></td>
<td>• Formulated framework to align practices with globally recognised principles i.e. Building Responsibly and ETI Code</td>
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<td>• Enhanced recruitment practices with adoption of “Employer Pays Principle” (EPP)</td>
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FAIR EMPLOYMENT & EQUAL OPPORTUNITIES

Semcorp Marine is a signatory to the Tripartite Guidelines on Fair Employment Practices in Singapore. We practise sustainable employment by fostering an inclusive culture and an equal-opportunity work environment that respects our employees’ diversity and rights.

Operating in a traditionally male-dominated industry, we aim to close the gender gap with an increased representation of women in senior leadership roles.

- 15% of our Singapore executive workforce in Operations roles are female

Semcorp Marine also values the depth of knowledge and experience that people beyond the statutory retirement age can offer.

- 346 contracts were offered in 2019 to people past the statutory retirement age in Singapore

Our diverse workforce goes beyond a mix of age and gender to include those with special needs.

At Semcorp Marine, we actively promote equality among employees of diverse backgrounds through our Inclusion of Disabled Persons Programme. The workforce at our Brazilian subsidiary Estaleiro Jurong Aracruz includes staff with special needs working in various functions, such as administration and operations.
HIGHLIGHTS OF OUR WORKFORCE IN 2019

GLOBAL WORKFORCE OF 10,741 EMPLOYEES

90% 10%

Rest of the World11
Brazil
Singapore
Indonesia

3% 14% 82% 1%

across 14 locations

By Employment Contract

46% Permanent
54% Contract

By Employee Category

40% Executive
60% Non-executive

By Age Group

36% <30
51% 30 - 49
13% ≥50

NEW HIRES

TOTAL 1,650

By Age Group
<30
30 - 49
≥50

894
695
61

By Region
Singapore
Indonesia
Brazil
Rest of the World11

1,209
13
34

TURNOVER

TOTAL 2,663

By Age Group
<30
30 - 49
≥50

1,119
1,292
252

By Region
Singapore
Indonesia
Brazil
Rest of the World11

2,227
18
378
40

(11) Rest of the world includes Norway, USA, Malaysia, Poland, France and United Kingdom
TALENT PLANNING & LEADERSHIP DEVELOPMENT

Identifying talent requirements and succession-planning are key considerations in Sembcorp Marine’s strategic workforce planning. They are integral to our long-term goals and sustainability, especially for key positions in the Group. In 2019, we enhanced our succession-planning framework with detailed profiling of roles. This has helped us assess our competency gaps more effectively.

Training and development play an important part in Sembcorp Marine’s efforts to build a competent and resilient workforce.

Job rotation and overseas assignments give our employees international exposure as part of their career development.

Our Global Leadership Development Programme, curated by the Singapore Management University, provides classroom leadership training for different managerial levels.

We appraise our employees’ performance through an open review process annually.

43 employees were seconded to our overseas subsidiaries

2,255 of our current employees have undergone the leadership programme

9,752 of our workforce received performance appraisals and career development reviews

To attract talent with specialised knowledge and capabilities catering to our business segments and geographical markets, we reach out to a wide talent pool through career talks, job fairs and outreach activities in schools, communities and tertiary institutions. In Singapore, the Group offers industrial placements to students from institutes of higher learning.

Participated in 38 job fairs

123 interns attached to our yards in Singapore

16 scholarships offered to students from various institutes
WORKFORCE CAPABILITY & COMPETENCY DEVELOPMENT

We actively develop our workforce competence and promote a culture of continuous improvement and organisational excellence.

To facilitate our employees’ holistic development and empower them to achieve their highest potential, every job role in the organisation is mapped on to our four key learning thrusts:

- Total Workplace Safety & Health (WSH) Excellence;
- Skills & Competence;
- Innovation & Productivity; and
- Growth & Development.

Given the constantly changing market demands and technological disruptions in our industry, a highly skilled workforce readies the Group for new challenges and opportunities. We up-skill and re-skill our people on digitalisation, which prepares them for the future of work in an Industry 4.0 environment.

RE-SKILLING & UP-SKILLING OUR WORKFORCE FOR THE FUTURE

$4.7 MILLION invested in our global workforce training and development

484,711 employee-training hours globally

Average training hours by employee category:

- Executive: 17 hours
- Non-executive: 63 hours

Average training hours by gender:

- 46 hours
- 31 hours

Since the launch of the Professional Conversion Programme (PCP) in 2018, Sembcorp Marine has been one of its key supporting companies. The PCP is a pathway for workers in Singapore to re-skill and up-skill themselves for new positions, through industry-recognised training programmes. In 2019, 38 of our employees from the Professionals, Managers, Executives and Technicians (PMET) category and new non-marine entrants completed the programme.

Mr. Lin Zewei, an ex-production head, was among the first batch of PCP participants at Sembcorp Marine. With the knowledge and soft skills gained from the course, he was able to transition successfully to his current position as a Senior Project Manager.
NURTURING OUR HUMAN CAPITAL

EMPLOYEE ENGAGEMENT AND WELL-BEING

At Sembcorp Marine, we value open communication and engage our employees through various channels including regular dialogue sessions, briefings, workshops, newsletters and memos. Through these communications, we share our company’s new initiatives and development and gather useful feedback from our employees.

SWATBIZ Briefing: To reduce our employees’ commuting time, we introduced SWATBIZ, an app-based on-demand service for booking bus transport between home and office.

Certificates presented to nominees of Workers’ Welfare Committee.

Sembcorp Marine’s Dolphin newsletter keeps our employees updated on the latest company developments.

To support employee health and well-being, we provide a comprehensive programme of healthy lifestyle activities and amenities.

Health & Wellness Programme
- In-house gymnasium caters for exercise workouts and wellness activities including Zumba and yoga
- Pre-retirement talks to help our older employees transition smoothly to retirement

Amenities in Tuas Boulevard Yard Corporate Office
- Open office concept with ergonomic workstations
- Collaboration and communal spaces
- Nursing rooms
- Built-in canteen
- Facial recognition entry
- Smart elevators

Foreign Workers’ Welfare and Inclusion Programme
- We work with the Singapore Police Force to hold regular activities that promote crime awareness
- We organise flea markets, fruit fairs and multi-agency/vendor roadshows at our dormitories
- We arrange sporting events such as badminton and cricket training and competitions
Sembcorp Marine respects internationally recognised Human Rights standards and principles and aligns our labour practices with international standards and principles. Our commitment to Human Rights is articulated in Sembcorp Marine’s Human Resource policies which follow the social performance guidelines in the SA8000 standard. These policies advocate fair treatment of employees and responsible employment practices. The Sembcorp Marine Code of Business Conduct and Supplier Code of Conduct further encapsulate our Human Rights expectations on employees, vendors and suppliers.