

PROTECTING OUR PEOPLE

A STRUCTURED AND ROBUST APPROACH TO ENSURE A SAFE AND HEALTHY WORK ENVIRONMENT AT ALL TIMES AND STRIVE TOWARDS ZERO INCIDENCE GOAL





ENERGEAN POWER FPSO FOR LANDMARK KARISH DEVELOPMENT IN ISRAEL

Sembcorp Marine clinched 18 awards at Singapore's Workplace Safety and Health (WSH) Awards 2020. The Energean Power FPSO is one of the 13 projects to receive a Safety and Health Award Recognition for Projects (SHARP) for Safety Excellence.



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Work accidents and occupational diseases are avoidable. With a strong prevention culture, we strive to eliminate the hazards and risks that can cause work-related accidents and occupational diseases. Sembcorp Marine’s Workplace Safety and Health (WSH) 2028 Vision Zero incidence goal is an important foundation of the Group’s work ethos. Executed via a robust Health, Safety and Environment (HSE) integrated management system, we aim to eliminate harm to people, property and the environment through three key strategic thrusts (as shown on the right).

SEMBCORP MARINE HSE STRATEGIC THRUSTS¹⁵



PRINCIPLES OF OUR VISION ZERO COMMITMENT¹⁵



- Reduce risks at source;
- Place WSH duty on all stakeholders in their respective functional areas; and
- Prevent accidents through higher penalties.

OUR WORK IN 2020



- Continued to promote Vision Zero as the Group’s HSE target
- Implemented and trained 100% of personnel entering the yard on the Safe Management Measures to ensure employees and visitors are protected from COVID-19 as operations gradually resumed
- Received 18 WSH Awards
- Encouraged all personnel to report unsafe and near-miss incidents, with 48 cases reported
- Held Virtual HSE Carnival for employees and resident contractors
- Organised Contractor Townhall Webinar to maintain regular communication on latest WSH initiatives
- Participated in a WSH awareness event jointly organised by Association of Singapore Marine Industries (ASMI) and Workplace Safety and Health Council (WSHC)



- Developed Pandemic Prevention Policy and Safe Management Measures
- Conducted virtual health and wellness activities, including Health Talk on Mental Wellness, the “Mr. Fittest at Alaunia” Challenge Competition at our Admiralty Yard Dormitory and Zumba workout
- Regular monitoring of temperature and COVID-19 symptoms
- Increased frequency of sanitising workplaces, common touch points and tools
- Constant monitoring of noise levels and air quality to ensure compliance

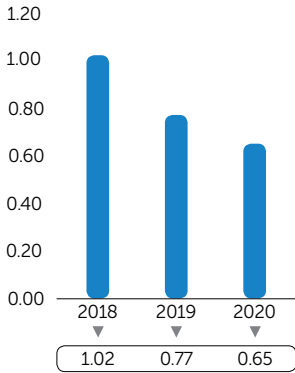


- Reduced the need for personnel to work at height while carrying out activities such as inspection, surveying and grinding
- Reporting of hazards electronically for HSE analysis

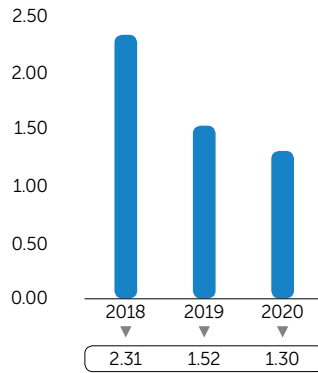
(15) For more details, please refer to page 46 of our Sustainability Report 2019.

SINGAPORE AND OVERSEAS¹⁶

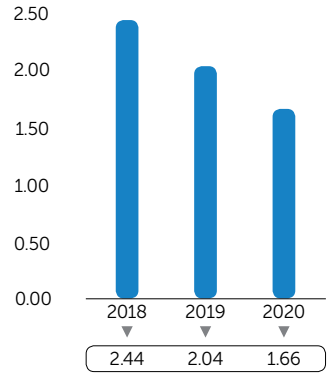
Lost Time Injury Rate per million man-hours worked¹⁷ (LTIR)



Total Recordable Incident Rate per million man-hours worked¹⁷ (TRIR)

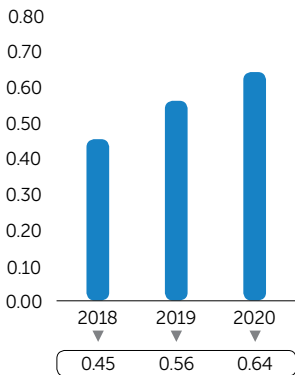


Fatal Accident Rate per 100 million man-hours worked¹⁷ (FAR)

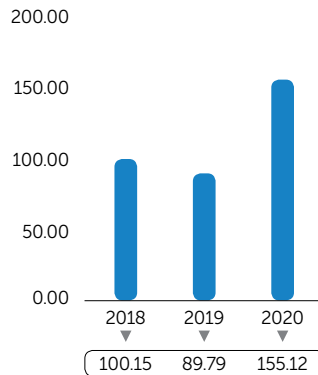


SINGAPORE

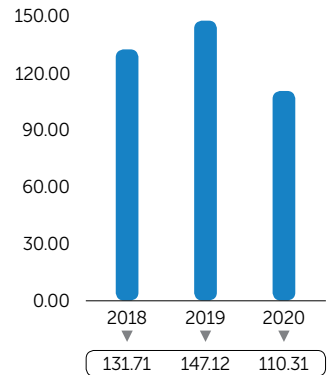
Accident Frequency Rate per million man-hours worked (AFR)



Accident Severity Rate per million man-hours worked (ASR)



Workplace Injury Rate per 100,000 employed persons (WIR)



During the year, the Group recorded a lost time injury rate of 0.65 and total recordable injury rate of 1.30. Despite the precautions we have put in place and the constant emphasis on safe work procedures, we regrettably had one workplace fatality in our yard, of which the cause is still under investigation.

(16) Health and safety statistics from overseas operations include yards located in Brazil (2018-2020), Indonesia (2018-2020) and UK (2018-2019).

(17) Aligned with International Association of Oil & Gas Producers (IOGP) Standards.

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DEEPEN WSH OWNERSHIP

Good WSH performance requires strong ownership from all stakeholders, a holistic system with clear policies and procedures for implementing and building safety competencies; and a culture of prevention, trust and care.

WSH Ownership and Accountability

Sembcorp Marine’s WSH framework is championed by the Sembcorp Marine Board and Management, employees, contractors and other stakeholders. While the Board Risk and Enterprise Risk Committees steer the HSE policies, framework, procedures and control processes, the Group HSE Committee, together with various sub-committees at the yards, is responsible for developing and deploying the strategies and work plans.

In 2020, yard-level HSE committees comprised over 600 management and worker representatives. They collectively represent more than 33,000 Sembcorp Marine employees and contractors. These committees are responsible for engaging the workforce in HSE programmes.

Our clearly communicated safety policy, safety leadership capabilities, and robust safety management system, allow us to engage our workforce and provide them with knowledge on the hazards of their jobs and how to perform

their work safely. Our communication channels include daily toolbox meetings, Vessel Safety Coordination Committee meetings, monthly WSH Committee meetings and monthly WSH Sub-committee meetings held both physically and virtually.

Cultivate Positive WSH Culture

Our HSE Life Saving Rules is an important WSH culture-building programme that helps prevent injuries from high-risk activities at the workplace. In 2020, we continued to implement our HSE Life Saving Rules, ensuring that all direct employees, contractors, visitors and client representatives identify critical controls that must be in place.

At our Aracruz yard in Brazil, a campaign “Rules that Save Lives” was launched, with the main objective of preventing fatalities and serious accidents through implementation of the seven rules of the CARE programme. Each employee was presented with a badge that reaffirms their right to refuse to work if the conditions are unsafe.

Weekly management inspections are also conducted with our client and managers to identify and monitor the safety condition of the workplaces. This collaborative approach drives a positive safety culture among all our stakeholders that each play an important role in achieving a safety-conscious environment.



Representatives of Sembcorp Marine participated in a WSH awareness event, jointly organised by ASMI and WSHC, to share our Total Workplace Safety & Health (Total WSH) approach with participants from various companies and industries.

Continuous Enhancement in HSE Competencies and Capabilities

Our yard in Brazil attained the ISO 45001 certification in 2020. With all our yards in Singapore, Indonesia, and Brazil certified to ISO 45001, the implementation of our occupational health and safety management systems and the monitoring of our safety performance can be done more effectively and efficiently.

We also conducted Customer Leadership Training to highlight the importance of leadership in influencing safety behaviour within the organisation, and how human and organisational factors affect safety norms and values. In 2020, we invested 39.9% of total training hours on HSE.



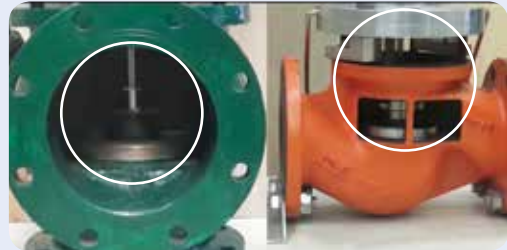
Strong Performance at WSH Awards 2020

Sembcorp Marine clinched 18 awards at the national WSH Awards 2020. Organised by Singapore's WSHC and Ministry of Manpower (MOM), the Awards recognise the safety achievements of organisations.

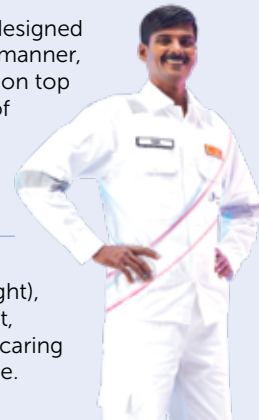
Of the 18 awards, we received two Workplace Safety and Health Performance (Silver) Awards (for our Admiralty Yard and Pandan Yard) and 13 Safety and Health Award Recognition for Projects awards for our exemplary safety and health standards, and systems.

Our Tuas Boulevard Yard and Admiralty Yard bagged the WSH Innovation Award for the EZI-LAP and Conta-Lifter respectively.

EZI-LAP (right), with an automatic feature that allows workers to carry out lapping of several valves simultaneously, eliminates the hazards (hand, finger and musculoskeletal injuries) associated with manual lapping.



Conta-Lifter (left) is a device designed for lifting containers in a safe manner, eliminating the need to climb on top of the containers at a height of 2.4 metres during shackling.



Mr Dharmalinga Raja Ramasubramaniyan (right), Technical Engineer in Machinery Department, clinched the WSH Award for Supervisors for caring for the safety of the workers under his charge.

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FOCUS ON WORKPLACE HEALTH

We work to prevent occupational diseases and advocate the importance of good industrial hygiene practices at the workplace to reduce the incidence of ill health.

In response to the COVID-19 pandemic outbreak in 2020, we swiftly implemented procedures and programmes to ensure safe resumption of work activities while taking care of the health and wellness of all our stakeholders at the same time.

Emergency Contingency Plan

We have a comprehensive set of procedures that enable business continuity and effective response to emergencies and potential threats.

We developed our Pandemic Prevention Policy and implemented Safe Management Measures with a strong emphasis on personal and workplace hygiene. In 2020, we also conducted 98 emergency response drills and exercises together with local government agencies.



Our Workplace Health Focus Areas¹⁸

Occupational Health Risk Mitigation



Proactive Incident Prevention



Create Safe & Supportive Environment



Emergency Contingency Plan

Employee Health and Wellness Programme



Workplace Health & Wellness Programme



First Aid Training



Health Management Centre

Workplace Health & Wellness Programme

To support the health and wellness of our employees and workers, we implemented a series of virtual activities last year.

We organised the “Mr. Fittest at Alaunia” Challenge (Admiralty Yard Dormitory) Competition which took place for three weeks in May 2020 to encourage our dormitory residents to remain motivated and fit during the circuit-breaker period, as well as to enliven their spirits during such difficult times.

In 2020, our annual HSE carnival was moved online to comply with COVID-19 safety measures. Various activities including health talks and wellness programmes were conducted during the two-day event. The health talk on mental wellness was organised to provide employees with tips on how to cope with stress and to develop mental resilience.

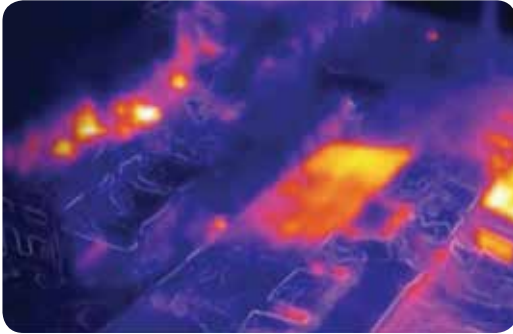
45 workers took part in the “Mr. Fittest at Alaunia” Challenge Competition

24 employees took part in the Mental Wellness talk conducted during our HSE Carnival in December 2020

(18) For more details of our framework, please refer to page 50 of our Sustainability Report 2019.

WSH ADVANCEMENT WITH TECHNOLOGY

In 2020, we continued to innovate, embrace and adopt technology in our operations to provide a safer working environment for our employees and contractors.



Enhanced Inspection Capability

We deployed drones with thermal imagery camera during inspections to increase safety and operational efficiency. These drones allow our certified in-house drone pilots to conduct inspections in low light or dark conditions and identify hot spots (as shown above) in various locations from a safe distance and height in order to deploy our resources effectively and provide a faster response.



Enabling Remote Surveys

We have successfully trialed remote surveys for inspection of vessels under construction. Using Nokia's cloud-based collaboration platform and FastMile 4G Customer Premises Equipment (CPE), this technology increased operational efficiencies by providing connectivity between all stakeholders involved, while minimising inspectors' and workers' exposure to on-site safety risks, especially during the COVID-19 pandemic.



Auto Edge Grinding Machine

There is normally extensive grinding of steel edges performed after completion of block assembly, and scaffolds are typically used as access to work at height. The Edge Preparation System (EPS) combines Computer Numerical Control (CNC) technology with a force-controlled milling system which allows such grinding to be done safely and accurately at the earliest stage possible, after plate cutting but before fitting work commences. This machine eliminates the need for deployment of personnel to perform grinding activities while working at height.



Bluepass Token

We participated in the issuance of Bluepass tokens to our workforce in mid-2020. The token, a small and battery-powered wearable device, assists in contact-tracing by serving as a substitute for the TraceTogether app at operational areas where the usage of smartphones are restricted.