Supplier Code of Conduct

The Sembcorp Marine Group (i.e. Sembcorp Marine Ltd and any of its subsidiaries (hereinafter referred to as “SCM”) is committed to integrating sustainability into its supply chain management and procurement process. SCM strives to do business with Suppliers that embrace our sustainability commitment and are aligned to SCM’s core values and codes of conduct (hereinafter referred to as “SCM Principles”).

We expect our Suppliers (i.e. vendors and subcontractors) to adopt socially responsible practices and meet the necessary standards with respect to human rights, labour management, social responsibility, occupational health and safety, security, environmental sustainability and business ethics.

We aim to procure goods and services at the best terms, assessing total life cycle, cost, quality and sustainability. We will work together in partnership with our Suppliers to make a positive difference in the supply chain.

All our Suppliers are expected to adhere to the minimum standards as set out in this Supplier Code of Conduct (SCC) and to comply with all laws and regulations of all countries in which they operate. When local laws and regulations are less restrictive than this SCC, you must adhere to SCM’s principles.

The principles contained herein shall apply to our Suppliers. Our Suppliers are responsible for ensuring that this SCC is disseminated to all their employees, subcontractors and other relevant third parties. If required under the circumstances, training in the local language must be carried out by our Supplier so as to ensure that all employees and third parties involved in the project related to SCM fully understand the principles of this SCC.

Our Suppliers shall implement controls reasonably designed to adhere to the obligations set out in this document.

We may carry out audits in respect of any Supplier’s compliance with this document and we expect the Supplier’s cooperation in this regard, including by granting timely access to documentation and premises available at the site of the Supplier or any of its subcontractors.

Failure to comply with internationally recognised standards, and the standards set forth in this SCC may result in the termination of the Supplier’s contract and relationship with SCM.

1. Code of Conduct

Our Suppliers are expected not to practise or tolerate any form of corruption, extortion or embezzlement.

Our Suppliers shall at all times comply with all applicable anti-bribery, anti-corruption, money laundering laws and counter financing of terrorism laws.

Our Suppliers shall also cause each of their subcontractors and/or suppliers and their employees to comply with all applicable anti-bribery, anti-corruption, money laundering laws and counter financing of terrorism laws.
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Our Suppliers shall not authorise, request, receive or accept any improper advantage in order to retain business or gain any advantage in the conduct of business with SCM (e.g. making any direct or indirect payments of a corrupt nature in order to obtain or maintain business or provide any facilitation payments etc.). This applies regardless of whether improper advantage is offered directly through an intermediary.

Our Suppliers shall not take any action that could result in SCM or its clients becoming subject to any action, penalty or loss under any anti-bribery and/or anti-corruption laws.

Our Suppliers shall not make and shall ensure that their officers, directors, commissioners, representatives, employees will not make any payment, loan or gift, or give, offer or promise anything of value, directly or indirectly, to or for the benefit of any SCM’s employee or members of their families/household.

Our Suppliers shall also cause each of their subcontractors and/or suppliers and their employees not to make any payment, loan or gift, or give, offer or promise anything of value, directly or indirectly, to or for the benefit of any SCM’s employee or members of their families/household.

Our Suppliers shall also remain politically neutral and not be involved in political activities. Our Suppliers shall not make contributions that include paying wages of an employee working for a party or candidate during normal working hours and shall not use SCM facilities or resources for the benefit of a political party, candidate or organisations that it is directly or indirectly connected to.

Our Suppliers are expected to understand and be aligned to SCM's Code of Business Conduct and this Supplier Code of Conduct in all their business dealings with SCM. (Link to: https://www.sembmarine.com/code-business-conduct/)

2. **Gifts, Hospitality & Expenses**

Our Suppliers shall not offer, directly or indirectly, promise or give to our employees or representatives or anyone closely related to them any gifts, including, but not limited to merchandise, entertainment, payments comprising cash or the equivalent, and other tangible or intangible objects of nominal value except for promotional items of minimal value normally bearing a company logo.

3. **Human Rights & Labour**

Our Suppliers shall comply with the relevant national and local employment legislations throughout their supply chain and shall respect the human rights of their employees and workforce and to treat them with dignity and respect.

Our Suppliers shall take effective measures to ensure that their practices are consistent with the United Nations Guiding Principles on Business and Human Rights (2011) and the International Labour Organization (ILO) core standards. These shall include, but are not limited to:

- Not using forced, bonded, indentured or any other involuntary labour;
- Not discriminating against or harassing any individual based on race, colour, religion, gender, pregnancy, HIV status, health status, sexual orientation, national origin, age, disability, veteran’s status, marital
status, or political affiliation and to foster an inclusive work environment free of harassment and discrimination;

- Not subjecting employees to physical, sexual, psychological or verbal harassment or abuse;
- Avoiding unsafe working conditions by providing sufficient rest periods during the workday and honour agreed upon days off from work and maximum working hours, in line with the respective legislations;
- Respecting employees’ rights to organise and bargain collectively;
- Not withholding any government-issued identification, passports or work permits as a condition of employment;
- Meeting or exceeding all legal requirements for compensation and working conditions and to provide the local legal minimum wage and benefits. Wages should be paid regularly, on time and be fair in respect of work performance. Working time periods must not exceed the legal limit, and should be modified where relevant to reflect any particular hazards or risks of the work being done. Employees should be properly compensated for overtime according to the law and within legal working hour limits;
- Respecting workers’ rights to make informed decisions free of coercion, threat of reprisal or unlawful interference regarding their desire to join or not join organisations;
- Granting the employees their stipulated annual leave and sick leave without any repercussions, and should be able to take their stipulated maternity or paternity leave in accordance with national and local laws; and
- Not employing any person under the local legal minimum employment age.

4. **Environmental Responsibility and Sustainability**

SCM does not procure raw materials, parts and products that contain unsustainable substances such as asbestos which can cause environmental risks or health issues over time. We require our Suppliers to exercise due diligence to ensure that they/their suppliers do not use these harmful materials in the production of the materials, parts and products supplied.

Our Suppliers shall operate their business in an environmentally sustainable and responsible manner that is in line with national and local legislation. These include, but are not limited to:

- Managing the environmental impacts of their operations including natural resource consumption, materials sourcing, waste generation, wastewater discharges and air emissions;
- Preventing accidental releases of hazardous materials into the environment and adverse environmental impacts on the local community; and
- Implementing programmes to ensure products do not contain restricted or banned materials.

Wherever feasible, our Suppliers shall provide products with Singapore Green Label, the Energy Label (the Energy Labelling Scheme by National Environment Agency) and other environmental-friendly products.
Preference shall be given to environmental-friendly packing material.

5. **Conflict Minerals**

SCM is committed to ensuring that our projects and supply chain are free from conflict minerals, generally defined as cassiterite (tin), coltan (tantalum), wolframite (tungsten) and gold, or derivatives of these minerals, originating from conflict areas such as the Democratic Republic of Congo (DRC) or its adjoining countries, that are often exploited by armed groups perpetuating violent conflicts and human rights abuses.

Our Suppliers shall not include any conflict minerals in any products sold to us and shall cooperate at all times with SCM by responding to our inquiries and producing supporting documentation to ascertain the source of the minerals being used in the goods supplied to us.

6. **Health, Safety and Environment**

SCM’s Suppliers are required to uphold high standards of health, safety and environment not only for the products and services delivered but also in the conduct of their daily business operations.

Our Suppliers shall strictly comply with all safety rules and regulations of SCM. All goods and services supplied by the Supplier shall be in compliance with the latest Health, Safety and Environmental statutory requirements and must be 100% non-asbestos and non-HCFC materials.

Our Suppliers shall submit the latest Safety Data Sheet (SDS) in 16-sections format, product and warning label as per the Globally Harmonized System of Classification and Labelling of Chemicals (GHS), loss control information and specification/ certificates along with the hazardous substances and chemicals at the time of their delivery.

7. **Data Protection**

Our Suppliers shall comply with SCM’s Principles and all applicable laws and regulations relating to personal data and privacy, including but not limited to those related to the collection, use, distribution, destruction, and other processing of personal data (i.e. any data about an identified or identifiable individual).

Our Suppliers are required to have an established information security system to protect SCM’s and its customers’ and/or employees’ information from being disclosed, changed, destroyed or used for any purpose other than the purpose for which it was provided.

8. **Export Controls / Sanctions**

SCM is committed to complying with restrictions that apply to its business and operations, which may include sanctions and embargoes which prohibit or limit SCM’s ability to operate in certain countries and locations, do business with sanctioned entities or individuals, etc.
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As a general rule, our Suppliers shall not directly or indirectly provide to SCM any material or service in violation of sanctions imposed by Singapore, the United Nations, United States or the European Union, and other regional, unilateral, and multilateral regulations that restrict transactions with specific foreign entities, persons or countries.

Examples of sanctioned countries are Syria, Cuba, Iran, Sudan and North Korea. Examples of entities and persons include, but are not limited to, terrorists, organisations that fund terrorists, and/or parties guilty of trade violations (often included in lists such as the Specially Designated Nationals and Blocker Persons List (SDN), Sectoral Sanctions Identifications (SSI) List and the consolidated list of persons, groups and entities subject to EU financial sanctions).

Our Suppliers shall also comply with the trade regulation laws of the country or legal subdivision in which they operate.

9. **Supplier Declaration Form**

Our Suppliers are expected to sign a ‘Supplier Declaration Form’ as part of the Supplier registration, qualification and evaluation process. The terms of this form may be amended from time to time.

10. **Raising Concerns**

We expect our Suppliers to immediately report any suspected misconduct related to SCM’s business or its employees by using one of the following channels:

   a. Send an email to whistleblow@sembmarine.com;

   b. Send a hard copy letter to SCM AC Chairman and SCM Head of Internal Audit to 80 Tuas South Boulevard Singapore 637051; or

   c. Call or meet with Head of Internal Audit (Email: joseph.sewi@sembmarine.com/ Tel: (+65) 6971 7030).