

Human Rights Policy





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1. Our Commitment to Human Rights

Sembcorp's Human Rights Policy defines our responsibility to ensure the highest respect for human rights and the company's expectations of our workers (including contractors), business partners and other entities directly linked to our operations, products and services.

As a company firmly committed to acting responsibly at all times, Sembcorp understands the importance of and impact of human rights on our businesses, the communities in which we operate, and society at large. In 2015, Sembcorp became a signatory to the UN Global Compact reflecting Sembcorp's commitment to uphold and respect the spirit of the United Nations Declaration of Human Rights and the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. Sembcorp is also guided by the United Nations Guiding Principles on Business and Human Rights (UN Guiding Principles).

The UN Guiding Principles list three key components that form the core of Sembcorp's policies and programmes related to human rights. They are:

- A policy commitment to respect human rights
- A due diligence process to identify, prevent, mitigate and account for how we address our impact on human rights
- Processes to enable the remediation of any adverse human rights impacts Sembcorp may cause or to which we may contribute

These are also reflected in and built upon in our existing and continuously evolving internal policies including:

- [Sembcorp Sustainability Policy](#)
- Sembcorp Group Community Grievance Policy
- Sembcorp Group Stakeholder and Community Engagement Policy
- [Sembcorp Code of Conduct](#)
- Sembcorp Human Resource Policies
- [Sembcorp Whistle-blowing Policy](#)
- [Sembcorp Health, Safety and Environment Policy](#)

2. Scope

All employees of Sembcorp are expected to fully adhere to the principles contained in this policy. In business relationships (including joint venture companies) where Sembcorp does not have control, efforts will be made to influence suppliers, contractors and business partners to follow this policy.

Sembcorp acknowledges differences between national laws and international human rights standards in certain countries of operation. In instances of conflict, Sembcorp commits to act within the ambit of national law, while maintaining the spirit and intent of international standards.

3. Addressing our Salient Issues

3.1 Health and Safety

Sembcorp recognises that all people have the right to life, health and safe working conditions. We are committed to reducing health and safety risks associated with our activities, products and services to as low as reasonably practical, as evidenced by our Health, Safety and Environment policy. We comply with applicable health and safety regulations and internal requirements. In addition, we continuously engage our stakeholders to identify and remediate health and safety issues within our operations. We also provide our employees and contractors with relevant training to ensure that we have a competent team that works safely.

3.2 Equality and Non-discrimination

Sembcorp is committed to promoting a fair and equitable work environment for all employees free from harassment. We recruit, promote, reward, and provide career advancement and development opportunities without discrimination on the basis of age, race, gender, sexual orientation, religion, family or marital status.

3.3 Forced Labour

Sembcorp prohibits all forms of modern slavery in its operations, including forced and compulsory labour, bonded labour, and human trafficking. Our employment and procurement practices contribute to identifying, assessing and monitoring potential risk areas within our business and mitigate the risk of slavery and human trafficking occurring in our engagement of external contractors and suppliers.

3.4 Child Labour

Sembcorp is committed to ensuring our operations are free from the exploitation of child labour. The exploitation of child labour refers to work that is harmful and/or deprives children of their childhood, their potential and their dignity. All employees must meet the legal working age and eligibility requirements set by each jurisdiction where we operate. Where child labour is found, we will work within the law and with relevant parties to determine the best remediation plans to avoid negative consequences for the children involved.

3.5 Freedom of Association and Collective Bargaining

Sembcorp respects the right of its employees to join trade unions, and associate and assemble freely without fear of reprisal, intimidation or harassment. In light of varying national policies on this issue, Sembcorp maintains its commitment to adhere to local laws. We are also committed to establishing constructive dialogue and bargaining in good faith with legally recognised unions.

3.6 Rights of Local Communities

Sembcorp is committed to respecting the land, resource and cultural rights of indigenous groups. To achieve this, in addition to following legal requirements and national laws, we proactively engage stakeholders through all stages of our business activities. Furthermore, we aim to contribute positively to the communities where we operate.

4. Monitoring and Remediation

Sembcorp's work on human rights policies and practices are overseen by the Sembcorp Group President and CEO, with support from the Board, the Board Risk Committee, and senior management.

We will communicate this policy and provide guidance as appropriate to employees, suppliers, contractors, joint venture companies, business partners and other stakeholders. Both internal and external stakeholders can freely ask questions and raise concerns via our formal grievance mechanisms described below in Clause 5. In case of any violation of human rights, we undertake remediation, in line with our grievance handling processes. We will monitor the implementation of this policy, and report on our progress. We will also review its suitability, adequacy and effectiveness, and improve it where appropriate.

5. Raising Concerns and Reporting Human Rights Incidences and Conflicts

Employees and Internal Stakeholders

At Sembcorp, we believe everyone has the implicit responsibility to come forward whenever a concern arises that may lead to the violation of human rights, the Code of Conduct, and other related policies.

You should raise any questions or concerns about an instance of malpractice or human rights abuse, or report a potential violation of this policy, through existing processes, which make every effort to maintain confidentiality as detailed in our Whistle-blowing Policy. Employees are encouraged to first contact the Head of Group Internal Audit, via the following channels:

- Email: gja.cases@sembcorp.com
- Telephone: (65) 6822 2182

External Stakeholders

Ensuring our external stakeholders are also able to raise and report their concerns is important to Sembcorp. External stakeholders may raise and report their concerns by contacting our local offices directly.

6. Glossary of Terms

Bonded Labour: A person becomes a bonded labourer when their labour is demanded as a means of repayment for a loan. The person is then tricked or trapped into working for very little or no pay

Anti Slavery International, Debt Bondage:

<https://www.antislavery.org/slavery-today/debt-bondage/>

Child Labour: Work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development

International Labour Organization, "What is Child Labour":

<http://ilo.org/ipec/facts/lang--en/index.htm>

Collective Bargaining: All negotiations which take place between an employer, a group of employers or one or more employers' organisations, on the one hand, and one or more workers' organisations, on the other, for:

- determining working conditions and terms of employment; and/or
- (b) regulating relations between employers and workers; and/or
- (c) regulating relations between employers or their organisations and a workers' organisation or workers' organisations

International Labour Organization, "What is Collective Bargaining?":

http://ilo.org/global/topics/collective-bargaining-labour-relations/WCMS_244362/lang--en/index.htm

Forced and Compulsory Labour: All work or service which is exacted from any person under the threat of a penalty and for which the person has not offered himself or herself voluntarily.

- The Forced Labour definition encompasses "traditional practices of forced labour, such as vestiges of slavery or slave-like practices, and various forms of debt bondage, as well as new forms of forced labour that have emerged in recent decades, such as human trafficking."

International Labour Organization, "What is forced labour, modern slavery and human trafficking": <http://www.ilo.org/global/topics/forced-labour/definition/lang--en/index.htm>

Freedom of Association: The right to form or join all types of associations, including political, religious, sporting/recreational, non-governmental and trade union associations.

UN Guiding Principles Reporting Framework, "How Can Business Impact Human Rights?":

<http://www.ungpreporting.org/resources/how-businesses-impact-human-rights/>

Human Trafficking: The recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation.

United Nations Office on Drugs and Crime, "Human Trafficking":

<https://www.unodc.org/unodc/en/human-trafficking/what-is-human-trafficking.html?ref=menuside>

Salient Human Rights: Those human rights that are at risk of the most severe negative impacts through a company's activities or business relationships. They therefore vary from company to company.

UN Guiding Principles Reporting Framework, "Glossary":

<http://www.ungpreporting.org/resources/glossary/>