



PRESS RELEASE

BATU SIGNS SKILLS UPGRADING PARTNERSHIP WITH SEMBWASTE TO EQUIP ITS WORKERS FOR FUTURE INDUSTRY DEMANDS

- *The first such partnership in the waste management industry, this paves the way to uplift workers' skills across the entire sector*

Singapore, June 06, 2019 – SembWaste, the waste management arm of Sembcorp Industries, and the Building Construction And Timber Industries Employees' Union (BATU) have inked a partnership which will see both organisations working closely together to look at training gaps and needs for some 700 SembWaste employees. A Memorandum of Understanding (MoU) was signed at SembWaste's Materials Recovery Facility, and witnessed by National Trades Union Congress (NTUC) Secretary-General Ng Chee Meng, today.

2. Under the MoU, SembWaste and BATU will set up a Company Training Committee (CTC) comprising union representatives and SembWaste management, with supporting partners, NTUC's e2i (Employment and Employability Institute), NTUC LearningHub and the National University of Singapore. The CTC will design employee training programmes to equip SembWaste employees with skills needed to keep up with industry transformation. This is the first such initiative in Singapore's waste management industry, and paves the way to improve skills across the sector as a whole.

Enhancing Jobs with Technology and Training

3. Given the nature of the waste management sector, industry players have traditionally found it a challenge to draw local talent in Singapore. In particular, companies have found it difficult to attract locals to become waste collection truck drivers and crew members.

4. However, SembWaste has set out to change the perception of the industry, through transforming its operations for greater safety, productivity and efficiency. In recent years, it has invested in several initiatives towards this, including its move last year to introduce Asia's first Econic refuse collection truck. This state-of-the-art environmentally-friendlier truck is equipped with special features for enhanced safety and ease of use. These include outstanding visibility, a blind-spot camera system as well as a unique low-entry concept allowing the driver to have direct eye contact with other road users around him. The low-entry design also allows both driver and crew members

to benefit from greater ease of entry into and exit out of the truck, providing for greater productivity in daily operations.

5. In line with SembWaste's strong emphasis on safety and on enhancing skills and capabilities, the company is also Singapore's first public waste collector to have voluntarily implemented driving the Progressive Wage Model since 2015. This wage model helps to increase workers' wages, encourage career progression through upgrading skills and improving productivity.

6. Furthermore, the company has also invested in safety and in its people, by sending its truck drivers for special training in safe and defensive driving with the Singapore Bus Training and Evaluation Centre (SG BTEC) at the Devan Nair Institute for Employment and Employability. Co-designed by Sembcorp, the training programme consists of both theoretical and hands-on lessons using driving simulators, specially customised for the waste truck drivers. This aims to reinforce correct driving practices and give drivers the necessary skills to avoid potential hazardous situations on the road.

Paving the Way to Uplift Skills Across the Industry

7. With the formation of its Company Training Committee (CTC), both SembWaste and BATU will work together to address challenges, not just at the company level, but at the industry level too. SembWaste will also look into developing relevant training and refresher courses to ensure that all its workers are kept abreast with the latest technology and best practices to perform their jobs safely and effectively.

8. Zainal Sapari, Executive Secretary of BATU, said, "Being privy to what others in the industry are doing, the union can play an advisory role in the development of courses, or share best practices that have worked for other companies. With this first partnership for us in the waste management industry, we are happy to be partnering a progressive company like SembWaste to see what else can be done to ensure our workers fully benefit from the transformation journey. We hope to have more companies on board, so that we can set the stage for the entire industry to transform as well."

9. Neo Hong Keat, Senior Vice President (Waste Management), Sembcorp Industries, said, "Our people are our greatest asset, and SembWaste believes in investing in training and programmes to enhance our employees' competencies and well-being, so they are equipped to carry out their jobs efficiently and safely. More importantly, such training also allows our employees to enhance their career prospects with the company. We are delighted to collaborate with NTUC and our partners and we look forward to continue working with them - not only to upgrade our



employees' skills, but also to contribute towards making a positive impact on the industry as a whole."

10. The MoU signing is not expected to have a material impact on the earnings per share and net asset value per share of Sembcorp Industries for the financial year ending December 31, 2019.

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About Sembcorp Industries

Sembcorp Industries is a leading energy, marine and urban development group, operating across multiple markets worldwide.

As an integrated energy player, Sembcorp is poised to benefit from the global energy transition. With a strong track record in developing and developed markets, it provides solutions across the energy and utilities value chain, with a focus on the Gas & Power, Renewables & Environment, and Merchant & Retail sectors. We have a balanced energy portfolio of over 12,400 megawatts, including thermal power plants, renewable wind and solar power assets, as well as biomass and energy-from-



waste facilities. In addition, Sembcorp is a world leader in offshore and marine engineering, as well as an established brand name in urban development.

In Singapore, Sembcorp's waste management arm, SembWaste, is a leading integrated social waste management service provider, offering a comprehensive suite of services to the municipal, industrial and commercial sectors, serving over 600,000 households and over 5,000 industrial and commercial customers, government agencies and healthcare establishments.

Sembcorp Industries has total assets of over S\$23 billion and over 7,000 employees. Listed on the main board of the Singapore Exchange, it is a component stock of the Straits Times Index, several MSCI and FTSE indices, as well as the SGX Sustainability Leaders Index and the Dow Jones Sustainability Asia Pacific Index.

About Building Construction And Timber Industries Employees' Union

The Building Construction And Timber Industries Employees' Union (BATU) is a union affiliated to the National Trades Union Congress. It was formed in 1982 and represents employees in the building, property management, construction, cleaning and timber industries.