

Sustainability Report

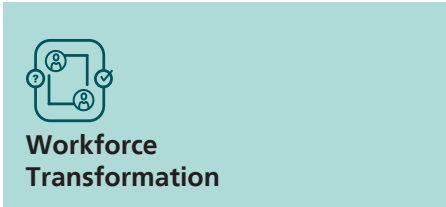
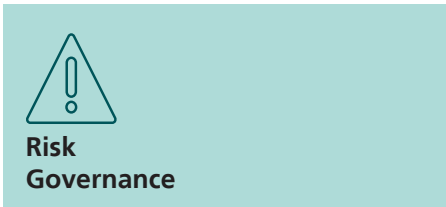
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Sembcorp's wind assets located at Gujarat, India

Our Sustainability Framework GRI 3-2

Energy companies play a transformative role in an inclusive energy transition. Our Sustainability Framework reflects material sustainability factors imperative for us to focus on and manage well, as we support Asia’s shift to a clean and responsible future.

Material Sustainability Factors	Why This is Material	Sustainability Aspects	2024 Performance against Targets ¹					
 Climate Action	We acknowledge the scientific consensus that human activities have led to increased greenhouse gas (GHG) emissions and its resulting impact on the planet. As an energy company, we face climate and environmental risks that could potentially impact our bottom line. Conversely, we also have opportunities to drive the growth and development of low-carbon solutions to enable the global energy transition.	 Decarbonisation	Absolute GHG Emissions (Scope 1 and 2)		GHG Emissions Intensity		Gross Installed Renewable Energy Capacity	
		 Resource Management	9.3 million tCO ₂ e	2030 2.7 million tCO₂e 2050 Net-zero Emissions	0.27 tCO ₂ e/MWh	2028 0.15 tCO₂e/MWh	13.1 _{GW}	2028 25_{GW}
 Empowering Lives	Our communities and employees enable the success of our business. Uplifting communities helps build goodwill and promotes local development, while advancing the capabilities of our employees and partners supports our transformation and growth.	 Workforce Transformation	Number of Employees and Partners Upgraded		Operations with Community Development Programmes			
		 Community Engagement and Investment	623	2024 500	100%	Ongoing 100%		
 Resilient Business	In today’s dynamic global and macroeconomic environment, we believe that a resilient business requires a robust framework that identifies, manages and mitigates current and emerging risks. These risks include corruption, non-compliance with laws, as well as health and safety. A resilient business undergirds our transformation plan and targets.	 Health and Safety	Work-related Fatalities		Integrated Assurance Framework Implementation		Employee Completion of Anti-bribery and Corruption Training	
		 Risk Governance	3 Contractors	Ongoing 0	100%	Ongoing 100%	100%	Ongoing 100%

¹ For details and additional context on the data presented, please refer to the corresponding sections in this report

2024 Performance / Target

Our Approach

Reporting Framework

Our Sustainability Report has been prepared with reference to the Global Reporting Initiative (GRI) Universal Standards 2021, Singapore Exchange Limited (SGX) Listing Rules 711A and 711B, Practice Note 7.6 Sustainability Reporting Guide and SGX Core Environmental, Social and Governance (ESG) Metrics. Our climate-related financial disclosures, which were mandatory with effect from financial year 2023, are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). Our previous Sustainability Report was published in April 2024.

Materiality GRI 2-14 | 3-1

Our materiality assessment process takes guidance from the GRI Standards. Our material sustainability factors are reviewed and approved by the Board of Directors annually.

Stakeholder engagement and relationships are ongoing and dynamic, and closely tied to the context of our partnerships. As such, we first identified our key stakeholders and their relevant relationship holders within Sembcorp. We then engaged with these relationship holders to capture insights into stakeholders' sustainability priorities, concerns, and expectations. The responses were aggregated and analysed, and the results indicate that our current material factors and aspects found on pages 40 and 41 remain relevant and crucial to our businesses. We will continue to monitor emerging aspects and trends identified through our stakeholder engagement process.

Reporting Scope GRI 2-2 | 2-3

Our report provides information on Sembcorp and its subsidiaries and covers the period from January 1 to December 31, 2024. It excludes operations, joint ventures, partnerships and associates where Sembcorp

does not have management and / or operational control, with the exception of GHG emissions data. GHG emissions data are reported using the equity share approach and with reference to the GHG Protocol and relevant local regulatory guidelines.

Acquisitions and / or greenfield projects

- GHG emissions data: Pro-rated for current year
- Other sustainability data: Excluded from our report until a full calendar year of data is available

Divestments and / or concession expiry

- GHG emissions data: Pro-rated for current year
- Other sustainability data: Excluded from our report for the full calendar year of data

In November 2024, we acquired a 30% stake in Senoko Energy. Pro-rated 2024 emissions for Senoko Energy is included, while data for all other indicators is excluded.

In February 2024, the concession for Phu My 3, a gas-fired power plant, ended and the plant was transferred to the Vietnam government. In December 2024, the divestment of Chongqing Songzao, a coal-fired power plant in China, was completed. Pro-rated 2024 emissions for both these entities have been included, while full year data for all other indicators is excluded.

 For more information on our key acquisitions, divestments and concession expiry, please refer to the Company Announcements section on our News and Insights webpage.

Assurance GRI 2-5

We have engaged DNV Business Assurance Singapore Pte. Ltd. (DNV) to undertake an independent limited assurance of the sustainability information in our report. The Assurance Statement can be found on pages 72 to 75.

Supporting the Sustainable Development Goals

The United Nations (UN) Sustainable Development Goals (SDGs) were adopted by the UN in 2015 as a global development framework that seeks to end poverty, protect the planet and bring about peace and prosperity. The scale and ambition of the SDGs mean they cannot be achieved by governments alone, and require the collective effort of businesses, organisations and society. Sembcorp believes in playing its part to help meet these goals.

In line with our purpose to drive the energy transition, we have adopted SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) as our priority SDGs. Our strategic targets support these SDGs. We recognise that the SDGs are a holistic framework for sustainable development and will continue to manage other relevant areas to maximise positive impacts while minimising negative impacts.



 For more information on how we support SDGs 7 and 13, please refer to the Supporting UN Sustainable Development Goals section on Our Approach to Sustainability webpage.

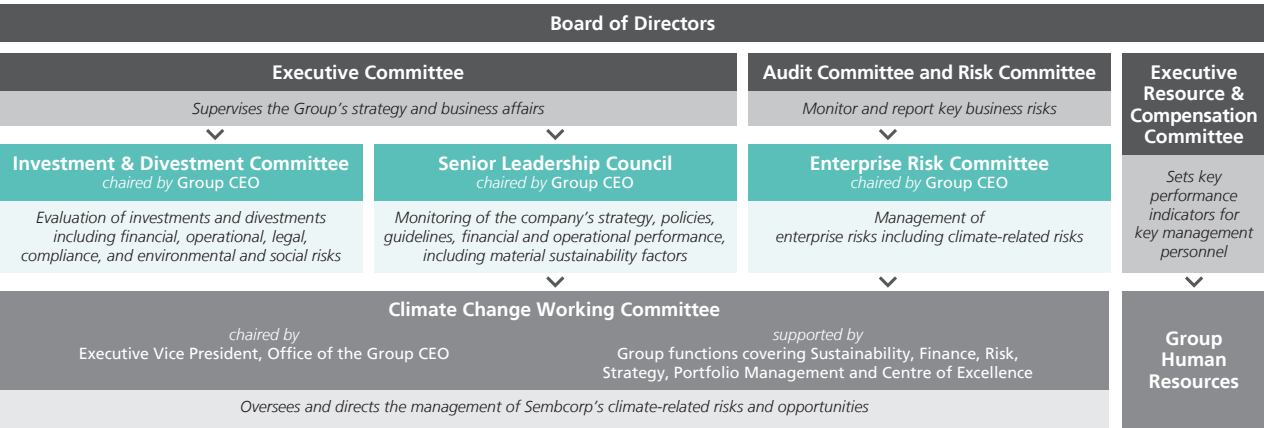
Sustainability Governance

GRI 2-9 | 2-12 | 2-13 | 2-14

Sembcorp's Board of Directors oversees the business affairs of the Group. The board provides leadership on Sembcorp's overall strategy, which takes into consideration its material sustainability factors.

The following board committees provide oversight on sustainability and climate change matters:

- **Executive Committee**
Provides oversight and supervision of the Group's strategy and business affairs, including its Climate Action Plan



- **Audit Committee (AC) and Risk Committee (RC)**
Endorse the Group's policies, guidelines and systems to manage risks including climate-related risks. Report to the board on the adequacy and effectiveness of the Group's internal controls and risk management systems
- **Executive Resource & Compensation Committee (ERCC)**
Assists the board in reviewing the remuneration framework and endorses key performance indicators (KPIs) of our key management personnel, including sustainability and climate-related indicators

 For more information on the roles and responsibilities of the board, please refer to the Corporate Governance Statement on page 77.

Board Statement

Sembcorp's Board of Directors is collectively responsible for the long-term success of the company. The board considers sustainability as part of its business and strategy. It has determined Sembcorp's material ESG factors and exercises oversight in the management and monitoring of its material factors and priorities.

Sembcorp's Senior Leadership Council (SLC) and Enterprise Risk Committee (ERC) provide strategic direction for managing sustainability-related matters. The committees are chaired by our Group CEO and comprise senior executives who are accountable for the management of Sembcorp's material sustainability factors.

The SLC convenes twice a month, where sustainability-related performance and updates are presented regularly. The ERC convenes quarterly, and climate-related risks are monitored as part of our ERC platform. The Group Sustainability division leads the integration of sustainability matters for the company and reports to the group chief financial officer.

 For more information on our governance of climate-related matters, please refer to the Decarbonisation section on page 44.

Sustainability-linked Performance Incentives

ESG KPIs are a part of the annual performance scorecard of our senior executives. These include health and safety indicators, as well as environmental indicators such as GHG emissions intensity and gross installed renewable energy capacity.

 For more information on our performance against targets, please refer to the 2024 Performance on page 41.

Memberships and Associations GRI 2-28

We participate in industry and trade associations that support the sustainability agenda. Our Group CEO serves as Vice Chair, Asia, World Energy Council.

Participation in sustainability ratings



Participated in the revamped CDP 2024 questionnaire and submitted a non-scoring response. Our last CDP Climate Change score received in 2023 was a 'B'



Received a rating of AA in the MSCI ESG Ratings¹ assessment in 2024

Sustainability Contact GRI 2-3

We welcome feedback on our sustainability factors and reporting at sustainability@sembcorp.com.

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Our ESG Priorities

Climate Action

Decarbonisation GRI 3-3 | 305-1 | 305-2 | 305-3 | 305-4

Why this is material The power sector contributes to 40% of global emissions¹. Decarbonisation of this sector is critical to reducing GHG emissions and limiting global warming. We recognise our role in driving the collective transition towards a lower-carbon economy.

Our approach We are driven to support Asia’s transition to a clean and responsible future. Navigating this transition requires balancing the energy trilemma of security, sustainability and affordability. We remain focused on executing on our 2028 targets to grow our renewables portfolio and reduce our emissions intensity.

 For more information on our climate targets announced in 2023, please refer to the Climate Action Plan section on Our Approach to Sustainability webpage.

Emissions performance and impact are integrated and tracked on various enterprise platforms including our Integrated Assurance Framework (IAF), annual strategic and financial planning exercise, as well as investment approval process. We work with partners to grow our renewable energy capacity and explore new decarbonisation technologies. We also apply digital tools and engineering excellence to operate our plants optimally.

We recognise the interlinkage and impact of climate change on biodiversity and have established an early detection process to assess environmental and social risk. Our environmental and social risk screening process, which utilises tools such as the Integrated Biodiversity Assessment Tool, is integrated into our investment approval process, and key risks are assessed to inform investment decisions.

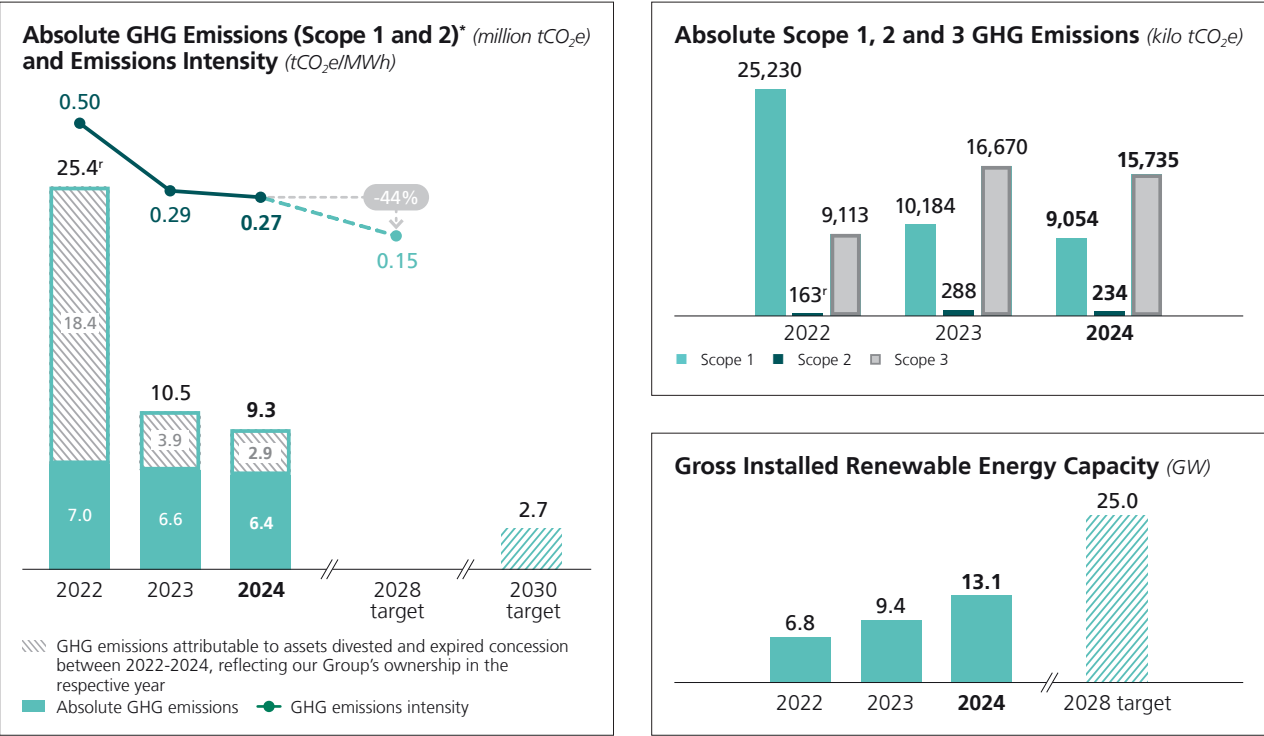
 For more information on our climate-related risks and opportunities and how they are managed, please refer to the Climate-related Financial Disclosures on pages 58 and 59.

Our policies and frameworks	- Climate Action Plan - Group Health, Safety, Security and Environment (HSSE) Policy Statement - Group Internal Carbon Pricing Framework	Reference frameworks	- GHG Protocol - International Organisation for Standardisation (ISO) 14064-1 and -2: Greenhouse Gases - TCFD recommendations - Science Based Targets initiative (SBTi) criteria
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Our governance Sembcorp’s Climate Change Working Committee (CCWC) oversees the development of plans, processes and reports that address the Group’s climate-related risks and opportunities. Its role includes reviewing and developing policies and frameworks, assessing risks and opportunities, setting targets and implementing relevant initiatives, as well as facilitating reporting and performance disclosure. This committee is chaired by the executive vice president, Office of the Group CEO, and supported by Group Sustainability as secretariat. The committee meets at least twice a year and provides updates to our ERC, as well as the board’s RC.

The ERC and RC meet quarterly to review and enhance the effectiveness of the Group’s IAF, including its risk management plans, systems, processes and procedures. The committees regularly review group-wide risks including climate-related risks. The ERCC supports the inclusion of sustainability-linked KPIs and targets such as GHG emissions intensity and gross installed renewable energy capacity for key management personnel.

- Our performance**
- Absolute GHG emissions (Scope 1 and 2) decreased to 9.3 million tonnes of carbon dioxide equivalent (million tCO₂e), primarily due to the concession expiry of the Phu My 3 Power Plant in February 2024.
 - GHG emissions intensity² reduced to 0.27 tonnes of carbon dioxide equivalent per megawatt-hour (tCO₂e/MWh), driven by the reduction in absolute GHG emissions and increase in our renewable energy generation.
 - Scope 3 emissions³ decreased by 6% to 15.7 million tCO₂e in 2024. This is mainly driven by a reduction in emissions under Category 15 – Investments, attributed to the repayment of the Deferred Payment Note following the sale of Sembcorp Energy India Limited (SEIL).
 - Our gross installed renewable energy capacity⁴ grew from 9.4GW in 2023 to 13.1GW in 2024. The renewable energy generated by our operating assets is equivalent to approximately 9.4 million tCO₂e emissions avoided. As at December 31, 2024, our global energy portfolio mix, based on gross installed capacity, stands at 36% from Gas and Related Services and 64% from Renewable Energy.
 - In 2024, over 90 environmental and social risk screenings have been conducted for potential investment projects.



* – The divestment of SEIL was completed in January 2023, with its emissions accounted for in full until 2022. The proportional emissions of SEIL have been accounted for under Scope 3 (Category 15 – Investments) from January 2023

– The concession for Phu My 3 expired in February 2024, and the divestment of Chongqing Songzao was completed in December 2024. Emissions for both assets are accounted for in full until 2023 and pro-rated for 2024

– The acquisition of Senoko Energy was completed in November 2024, with its emissions pro-rated and accounted for in 2024

– We will review the base year emissions in tandem with our strategic planning cycle

^r We restated our Scope 2 emissions for 2022 due to an adjustment in the emission factors used in some of our operations, which resulted in an overstatement of our Scope 2 emissions for 2022

Sustainable Finance: Annual Update 2024

In August 2021, Sembcorp launched its Sustainable Financing Framework (SFF). The framework outlines three KPIs – KPI 1: GHG emissions intensity², KPI 2: GHG absolute emissions and KPI 3: Gross installed renewable energy capacity⁴. DNV provided a second party opinion, confirming alignment of the framework with the Sustainability-linked Bond Principles 2020 and Sustainability-linked Loan Principles 2021.

The sustainability-linked loans and sustainability-linked bond issuances cover KPI 1 and KPI 3 and the performance of both KPIs have been externally reviewed by DNV. We met the target for KPI 1 in 2023. For KPI 3, we have achieved 13.1GW of gross installed renewable energy capacity in 2024, which has surpassed the target of 10GW by 2025.

 For more information on the SFF, Second Party Opinion and Independent Limited Assurance Report, please refer to the Sustainable Financing section on Creating Shareholder Value webpage.

Performance against Sustainability Performance Targets (SPTs) as at December 31, 2024

KPIs	2020 Baseline	2024 Performance	2025 SPTs
KPI 1: GHG emissions intensity ² (tCO ₂ e/MWh)	0.54	0.27	0.40
KPI 3: Gross installed renewable energy capacity ⁴ (GW)	2.6	13.1	10.0

¹ World Energy Outlook 2024 report

² GHG emissions intensity refers to the Group’s total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations in accordance with the GHG Protocol

³ Indirect (Scope 3) GHG emissions reported include: Fuel- and energy-related activities (Category 3), Use of sold products (Category 11), and Investments (Category 15); which together account for majority of our Scope 3 emissions. Purchased goods and services (Category 1) and Capital goods (Category 2) are currently excluded as we continue to refine our accounting approach to accurately quantify these emissions

⁴ Gross installed renewable energy capacity refers to gross capacity of the plant at commercial operation date (in megawatt alternating current for wind and solar, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

Our ESG Priorities

Climate Action

Resource Management GRI 3-3 | 302-3

Why this is material	As a leading provider of energy, water and urban development solutions, our business activities consume resources such as fuel and water, and generate waste. Our commitment to sustainability demands that we take strong stewardship in the use of such increasingly scarce resources and in our management of waste.								
Our approach	We seek to produce more with less. We drive energy efficiency and water use reduction through operational optimisation and deployment of digital solutions to monitor and optimise asset performance. Effluent discharge is managed in accordance with relevant local environmental laws and regulations. For waste management, we adopt the principles of prevent, reduce, reuse, recycle and recover. We seek to implement solutions that support a circular economy in our operations and that of our customers.								
Our policies and frameworks	• Group HSSE Policy • Sembcorp Environmental Management Standard • Sembcorp Environmental Reporting Standard	Reference frameworks	• ISO 14001: Environmental Management Systems¹ • ISO 50001: Energy Management Systems						
Our governance	The Group Centre of Excellence (GCOE) division oversees resource management. The management of this aspect is guided by the Sembcorp Environmental Management Standard. GCOE division, together with the Group HSSE division, ensures the compliance of this standard through internal audits. Regular updates to the SLC include quarterly updates on emissions intensity and monthly updates on plant performance.								
Our performance	Energy intensity indicates the efficiency of production by measuring the energy consumed vis-a-vis energy generated. The energy intensity² of our energy generating assets remained the same at 1.7 gigajoules per megawatt-hour (GJ/MWh) in 2024.  For more information on our energy, water and waste performance data, please refer to the Performance Indicators section on page 64. Energy Generating Assets (GJ/MWh)<table><tr><td>2022</td><td>2023</td><td>2024</td></tr><tr><td>3.0</td><td>1.7</td><td>1.7</td></tr></table>			2022	2023	2024	3.0	1.7	1.7
2022	2023	2024							
3.0	1.7	1.7							

¹ For the coverage of sites certified, please refer to the Memberships, Certifications and Ratings section on Our Approach to Sustainability webpage

² For computation of energy intensity, we take into account fuel, electricity and heating consumed by energy generating assets

Our ESG Priorities

Empowering Lives

Workforce Transformation GRI 3-3 | 404-1

Why this is material	In the fast-evolving energy transition landscape, employees equipped with the right competencies and experience position us to capture opportunities while meeting the energy needs of our stakeholders securely, sustainably and affordably.		
Our approach	Our Talent Management Framework forms the foundation of our approach to building a workforce equipped to advance the energy transition. We leverage Sembcorp Academy, a fully integrated blended learning platform, to accelerate people development and scale learning and skill-building. Our digital-forward approach, complemented by bite-sized e-learning modules, empowers our workforce to learn at their own pace, in their preferred mode and according to their individual needs, anytime and anywhere. Additionally, we foster professional growth through job rotations, on-the-job training programmes and special project assignments to broaden both depth and breadth of experience. Key programmes include: - Our Group Leadership Programme, which seeks to equip middle managers with comprehensive knowledge of Sembcorp’s businesses, enhance leadership capabilities, and nurture strategic networking that facilitates future collaborations among our leadership teams. - Our Upskill programme, which offers our employees access to a wide range of learning modules relevant to their jobs through the Sembcorp Academy. Completion of sustainability-related modules pertinent to their roles is mandatory for all employees. - Our Upgrade programme, which supports eligible employees and partners through a formal certification process. Upgrade courses may include Institutes of Higher Learning (IHL) qualification or targeted courses developed by Sembcorp. These initiatives promote the development of workforce skills and competencies for our employees, partners and the energy sector.		
Our policies and frameworks	- Code of Conduct - Diversity and Inclusion Policy - Employee Grievance Handling Policy - Learning and Development Policy - Whistleblowing Policy - Talent Management Framework	Reference frameworks	- International Labour Organisation Declaration on Fundamental Principles and Rights at Work - Singapore’s Tripartite Guidelines on Fair Employment Practices
Our governance	The Group Human Resources division oversees talent management and development, employee compensation, as well as the management of employee human rights and labour standards. Our employee compensation framework is shared with and approved by the board’s ERCC.		
Our performance	- In 2024, we achieved an average of 24.0 learning hours per employee, of which 60% consisted of sustainability skill learning hours¹. - In 2024, a total of 623 employees and partners were upgraded². A notable milestone in our Upgrade programme in 2024 was the appointment of Sembcorp Solar Singapore as the first SkillsFuture Queen Bee for the Energy and Power sector. This programme underscores our commitment to advance the solar industry in Singapore. Average Learning Hours (hours per employee) 26.7 8.3 2022 21.1 13.3 2023 24.0 14.5 2024 Average sustainability skill learning hours per employee Average learning hours per employee		
 For more information on the SkillsFuture Queen Bee programme, please refer to Sembcorp Solar Singapore SkillsFuture Queen Bee section on Sembcorp Singapore’s website.			

¹ A sustainability skill module provides practical training for employees, enabling them to undertake work for a sustainable product line or service, or develop skills to embed sustainability in their existing functions. Modules include topics such as Wind Resource Assessment and Site Identification for wind project engineers, as well as Green and Sustainable Financing Fundamentals for finance division employees

² Upgraded employees and partners refer to Sembcorp employees, contractors and the general public who completed eligible programmes with the support of Sembcorp, as well as recipients of scholarship and / or bursary funded by Sembcorp

Our ESG Priorities

Empowering Lives

Community Engagement and Investment GRI 3-3 | 201-1 | 413-1

Why this is material	Uplifting our communities helps build goodwill and promotes local development, which will support the ongoing acceptance of our continued operations, business growth and energy transition goals.																	
Our approach	At Sembcorp, we are committed to making the energy transition an inclusive one for the communities where we operate. Our community investment strategy, refreshed in 2023, focuses on advancing SDG 7 (Affordable and Clean Energy) by facilitating access to sustainable energy solutions. Recognising that some communities may lack direct access to green technologies, we are working to bridge this gap by introducing foundational initiatives, such as the deployment of solar energy solutions and promoting clean energy awareness. These efforts are designed to empower communities and help them progress toward a more sustainable future. Our local operations are well-placed to understand the needs of the communities and forge partnerships with local stakeholders. This enables us to design and implement community assessment and engagement initiatives that seek to align with Sembcorp’s strategic frameworks and guidelines.																	
Our policies and frameworks	• Code of Conduct • Group Community Investment and Sponsorship Compliance Policy • Group Know-your-counterparties Policy • Group Community Investment Guidelines • Group Local Community Engagement and Grievance Management Procedure	Reference frameworks	• AA1000 Stakeholder Engagement Standard • Business for Societal Impact Community Investment Framework															
Our governance	The Group Brand, People and Community division oversees community investment efforts. All proposed initiatives undergo a counterparty due diligence assessment conducted by the Group Ethics and Compliance division to assess bribery, corruption and fraud risk. Regular community investment meetings are held to maintain alignment of policies and plans across markets and share best practices.																	
Our performance	• In 2024, Sembcorp contributed S\$3.4 million in cash donations to support community initiatives globally: – Over S\$2 million were mandatory¹ contributions, of which 14% were invested in SDG 7-aligned projects. – Over S\$1.4 million were voluntary² contributions, of which 43% were invested in SDG 7-aligned projects. – Over S\$7,000 were leveraged³ contributions, benefitting a range of charitable causes. • Our contributions towards SDG 7-aligned projects since 2022 made the following impact cumulatively: – Deployment of 514 kilowatt-peak of renewable energy capacity for over 70 community facilities. This included the solar energy systems for Assisi Hospice and Boys’ Town in Singapore. These systems help reduce their energy consumption and costs, allowing them to reinvest the savings into their core missions. – Generation of 390,000 kilowatt-hours of solar energy, which is equivalent to our community partners avoiding approximately 286,000 kilograms of carbon dioxide equivalent of GHG emissions⁴. • All of our operations supported charities and communities through local community engagement and / or development programmes in 2024.	Community Investments (\$S million and %) <table><thead><tr><th>Year</th><th>Total community contributions (\$S million)</th><th>Percentage of operations with local community engagement, impact assessments, and development programmes (%)</th></tr></thead><tbody><tr><td>2022</td><td>2.9</td><td>62</td></tr><tr><td>2023</td><td>3.0^r</td><td>88</td></tr><tr><td>2024</td><td>3.4</td><td>100</td></tr><tr><td>Ongoing target</td><td></td><td>100</td></tr></tbody></table> ■ Total community contributions ● Percentage of operations with local community engagement, impact assessments, and development programmes ^r We restated our community investment figure for 2023 due to a data aggregation error at one of our operations		Year	Total community contributions (\$S million)	Percentage of operations with local community engagement, impact assessments, and development programmes (%)	2022	2.9	62	2023	3.0 ^r	88	2024	3.4	100	Ongoing target		100
Year	Total community contributions (\$S million)	Percentage of operations with local community engagement, impact assessments, and development programmes (%)																
2022	2.9	62																
2023	3.0 ^r	88																
2024	3.4	100																
Ongoing target		100																

¹ Mandatory contributions are community activities that we undertook in response to the requirements of law, regulation or contract

² Voluntary contributions are community activities which we undertook voluntarily

³ Leveraged contributions are contributions raised through our employee-matched funding programmes

⁴ Avoided emissions are calculated based on the methodology set out by the UN Framework Convention on Climate Change: Clean Development Mechanism, the latest available emissions factors from the respective host country and the actual generation of the respective solar power systems

Our ESG Priorities

Resilient Business

Health and Safety GRI 3-3 | 403-1 | 403-9 | 403-10

Why this is material	The nature of our operations involves exposure to health and safety risks, where any lapse in protocols could result in direct or indirect impact on our employees, communities, contractors and customers. It is why we are committed to having a robust health and safety management system that is supported by strong implementation and monitoring, to mitigate any risk of unintended impact on people, minimise operational disruptions and improve business resilience.																		
Our approach	We recognise the right to life, health and safe working conditions, and are committed to reducing health and safety risks in our operations. We believe that most incidents are preventable. It is our responsibility to ensure that our employees are equipped with the right skills and tools to work safely. We also require our contractors to comply with our health and safety requirements to prevent and manage health and safety risks. Our Group HSSE management system is internally audited and conforms to the relevant Occupational Health and Safety Assessment Series and ISO Standards, and applies to all employees. We expect our contractors, vendors and suppliers working within or at project sites outside our facilities to conform to our Group HSSE management system.																		
Our policies and frameworks	• Group HSSE Policy • Group HSSE Management Framework	Reference frameworks	• ISO 45001: Occupational Health and Safety Management Systems¹ • International Association of Oil and Gas Producers (IOGP) Global Safety Performance Indicators • US National Institute for Occupational Safety and Health (NIOSH) Guidelines																
Our governance	The Group HSSE division oversees occupational health and safety matters. The management of health and safety is primarily guided by the Group HSSE Management Framework. Every quarter, the board (via the RC) and the SLC receive updates that include the review of Sembcorp’s health and safety performance and targets, report of relevant health and safety incidents as well as any regulatory updates and highlights of key initiatives.  For more information on our approach to managing HSSE risks, please refer to the Corporate Governance Statement on page 88.																		
Our performance	Regrettably, three contractor fatalities occurred at our sites during the year, involving two incidents in India and one in Oman. Stop-work orders were immediately initiated at the affected sites, thorough investigations were carried out to identify the root causes, and operations resumed after safety measures were reviewed and reinforced. Overall, the lost time injury rate and total recordable injury rate remained the same at 0.5 and 1.0, respectively, in 2024.	Lost Time Injury Rate (number per million man-hours) <table><tr><th>Year</th><th>Lost Time Injury Rate</th></tr><tr><td>2022</td><td>0.3</td></tr><tr><td>2023</td><td>0.5</td></tr><tr><td>2024</td><td>0.5</td></tr></table> Total Recordable Injury Rate (number per million man-hours) <table><tr><th>Year</th><th>Total Recordable Injury Rate</th></tr><tr><td>2022</td><td>0.6</td></tr><tr><td>2023</td><td>1.0</td></tr><tr><td>2024</td><td>1.0</td></tr></table>		Year	Lost Time Injury Rate	2022	0.3	2023	0.5	2024	0.5	Year	Total Recordable Injury Rate	2022	0.6	2023	1.0	2024	1.0
Year	Lost Time Injury Rate																		
2022	0.3																		
2023	0.5																		
2024	0.5																		
Year	Total Recordable Injury Rate																		
2022	0.6																		
2023	1.0																		
2024	1.0																		
In 2024, we engaged an external safety consultant to conduct a safe operations review. A safe operations transformation programme is underway to address observations from the review.																			

¹ For the coverage of sites certified, please refer to the Memberships, Certifications and Ratings section on Our Approach to Sustainability webpage

Our ESG Priorities

Resilient Business

Risk Governance GRI 3-3 | 205-2

Why this is material In today’s complex and volatile operating landscape, the range of risks that businesses are exposed to is dynamic. Having robust risk governance is instrumental in protecting and strengthening our business resilience.

Our approach The Group Risk division drives the IAF process, which facilitates the quarterly reporting of the Group’s Principal Risks. Our market teams conduct a quarterly review of principal risks using a likelihood-impact matrix, and provide performance updates to the respective corporate functions.

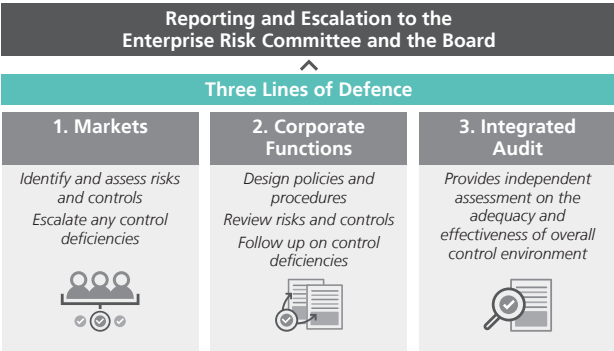
Principal risks of the Group are identified and accountability is established with the relevant risk owner and coordinator. The risk description, drivers and consequences are determined by risk owners. Key risk indicators and risk appetites are set to facilitate monitoring of risk status.

Training and awareness programmes help employees build the knowledge, skills and mindset needed to understand and behave in line with our Code of Conduct, policies and the law. Our enterprise-wide compliance programme is designed to ensure compliance with our anti-bribery and corruption (ABC) policy and includes counterparty due diligence. We have a zero-tolerance stance towards bribery and corruption, and reinforce awareness through e-learning programmes for employees.

 For more information on our principal risks and our approach to managing them, please refer to the Corporate Governance Statement on pages 87 and 88.

- Our policies and frameworks**
- Code of Conduct
 - Group Anti-bribery and Corruption Policy
 - Group Conflict of Interest Policy
 - Group Data Privacy Policy
 - Group Data Protection Policy
 - Group Gifts, Entertainment and Hospitality Policy
 - Group Investment and Divestment Policy
 - Group Know-your-counterparties Policy
 - Group Third Party Representative Anti-bribery and Corruption Due Diligence Policy
 - Group Trade Controls Policy
 - Whistleblowing Policy
 - Integrated Assurance Framework

Sembcorp’s IAF



- Reference frameworks**
- SGX Rulebook Practice Guide 9
 - Singapore Code of Corporate Governance 2018
 - Committee of Sponsoring Organisations of the Treadway Commission: Enterprise Risk Management Framework 2017
 - ISO 31000: Risk Management
 - ISO 27001: Information Technology
 - National Institute of Standards and Technology’s Cybersecurity Framework

Our governance Our risk management strategy and the IAF are set in place by our Board of Directors and supported by the RC and AC. The RC reviews the effectiveness of the IAF quarterly, including its risk management plans, systems, processes and procedures. The Group Integrated Audit division provides independent assurance to the RC and AC on the adequacy and effectiveness of our risk management, financial reporting processes, and internal control and compliance systems.

 For more information on the roles and responsibilities of the board committees, please refer to the Corporate Governance Statement on pages 77 and 78.

- Our performance**
- 100% of our markets¹ implemented the IAF.
 - 100% of our employees² received ABC training.
 - 100% of our employees² acknowledged compliance to the Code of Conduct.
 - In 2024, we continued mandatory e-learning for all employees and enhanced our ABC programme with risk-based compliance training and awareness initiatives, specifically tailored for employees in high-risk roles.

¹ Coverage follows the reporting scope of this Sustainability Report

² Refers to employees as at October 31, 2024. New hires are given more time to complete ABC training and to acknowledge compliance to the Code of Conduct as part of their onboarding

Climate-related Financial Disclosures

Reporting Standards, Frameworks and Scope

The disclosures in this report are guided by the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and complies with the Singapore Exchange’s requirement for climate reporting for the energy industry from financial year 2023. Information in this report complements the information set forth in our Annual Report and Sustainability Report, which cover the same reporting period. This report should be read together with the Decarbonisation section of our Sustainability Report. To avoid the duplication of information, references to the relevant sections are provided.

 For more information on our materiality assessment, please refer to the Materiality section on page 42.

The disclosures and coverage of this report are consistent with the reporting entities reflected in our financial statements.

 For more information on our reporting scope of entities, please refer to the Reporting Scope section on page 42.

Climate-related financial information has been included in Note B4 in the Notes to the Financial Statements on pages 142 and 143.

Given that the disclosures arising from TCFD recommendations involve emerging practice in the assessment and analysis of climate-related risks and opportunities, with information based on current expectations, estimates, projections and assumptions; caution should be exercised when interpreting the disclosures provided.

The scenarios used in this report are derived from the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) and the Network for Greening the Financial System (NGFS). These scenarios are hypothetical constructs and should not be mistaken for forecasts or predictions. Accordingly, there is no assurance that the scenario modelling or assessments presented in this report are an accurate indication of actual climate-related impacts on Sembcorp’s businesses.

Assurance

We have engaged DNV Business Assurance Singapore Pte. Ltd. (DNV) to undertake an independent limited assurance of our Scope 1 and 2 emissions data.

The Assurance Statement can be found on pages 72 to 75.

Governance

TCFD recommendations

- Describe board’s oversight of climate-related risks and opportunities
- Describe management’s role in assessing and managing climate-related risks and opportunities

The roles and responsibilities relating to the management of climate-related risks and opportunities are outlined in the mandates and terms of reference of our key governance bodies, which include both board and management-level committees.

 For more information on the governance of our sustainability and climate-related matters, please refer to the Sustainability Governance and Decarbonisation sections on pages 42 to 44.

In 2024, updates to the board included:

- The Group’s strategic and financial plan
- The transition plan in relation to our climate action targets
- Renewables and other decarbonisation-related opportunities

Sembcorp’s Climate Change Working Committee (CCWC) oversees the development of plans, processes and reports that address the Group’s climate-related risks and opportunities. Key topics discussed in our CCWC meetings during the year included the assessment and prioritisation of our climate risk universe, our approach to and outputs from the climate scenario analysis, and the review of our TCFD Report 2024.

Climate-related Financial Disclosures

Risk Management

TCFD recommendations

- Describe the organisation's processes for identifying, assessing and managing climate-related risks
- Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management

We conduct a quarterly review of the Group's principal risks including climate-related risks using a likelihood-impact matrix. These findings are consolidated and reported to the Risk Committee (RC). Our risk management strategy and the Integrated Assurance Framework (IAF) are established by our Board of Directors, with support from the RC and Audit Committee. The RC evaluates the effectiveness of the IAF on a quarterly basis, reviewing its risk management plans, systems, processes and procedures. The Group Integrated Audit division provides independent assurance to the RC on the adequacy and effectiveness of our risk management, financial reporting processes, and internal control and compliance systems.

The list of potential climate-related risks and opportunities was developed during our first climate strategy exercise in 2017 and refreshed in 2024. We identified risks associated with policy, technology, market disruption and physical impacts through internal stakeholder engagements and peer benchmarking. Key factors influencing the ongoing identification and assessment of climate-related risks include:

- Climate policy and regulations:** National policies and regulations that include the application of a price on carbon on gas-fired

power generation assets in Singapore, China and the UK, as well as mandatory climate reporting and disclosure.

- Climate positions and expectations:** Growing pressure from investors, customers and regulators to set ambitious emissions reduction targets and climate transition plans.
- Technology and market shifts:** The risk of failing to adopt new technologies in line with industry's speed of adoption. The risk of uncertainty in market signals due to shifts in supply and demand for energy, oil and natural gas as more climate-related opportunities / technologies are adopted and policies implemented to meet country-level commitments.
- Physical hazards:** The potential impact of physical climate hazards, such as extreme weather events, and variability in wind speeds and solar irradiation that may result in operational disruption or affect the generation capacity of our assets.

The CCWC reviews, updates and prioritises the climate-related risks, taking into consideration the business, operational and regulatory environment. Key climate-related risks undergo scenario analysis to assess the likelihood and magnitude of impact; these are discussed in further detail in the Strategy section that follow. The financial impact of top risks is then mapped against the financial materiality threshold of our IAF and subsumed under the IAF for monitoring alongside other risks.

Strategy

TCFD recommendations

- Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term
- Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning
- Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario opportunities

Climate scenario analysis

Climate scenario analysis is a dynamic exercise that serves to envision potential future outcomes based on changes brought about by climate-related risks and opportunities. The analyses we perform draw on data and assumptions provided by the IPCC, NGFS and a third-party risk analytics tool, and are subject to uncertainty due to the complexity surrounding climate science. The outputs provide information on the effect of climate-related risks and opportunities in different climate scenarios, which then provide an indication of the resilience of our portfolio. We recognise that the resilience of our portfolio can also be affected by factors unrelated to climate change. In 2024, we aligned the time horizons for assessing the impact of our climate-related risks and opportunities with our strategic and budget planning horizons:

- Short term: <1 year
- Medium term: 1-5 years
- Long term: > 5 years

The NGFS scenarios, which reference the IPCC AR6, provide country-level

forecasts of macroeconomic variables covering our markets. The Shared Socioeconomic Pathways (SSP) scenarios describe projections of population, economic growth, technological advancements and geopolitical trends in line with the Representative Concentration Pathways (RCP) scenarios that set out the pathway for GHG concentration and the potential amount of warming by the end of the century.

In 2024, we expanded our assessments to include the NGFS Below 2°C scenario for transition risk analysis, as well as the SSP2-4.5 scenario for physical risk analysis. Table 1 summarises the climate scenarios adopted for our analyses.

Figure 1: Our approach to climate scenario analysis

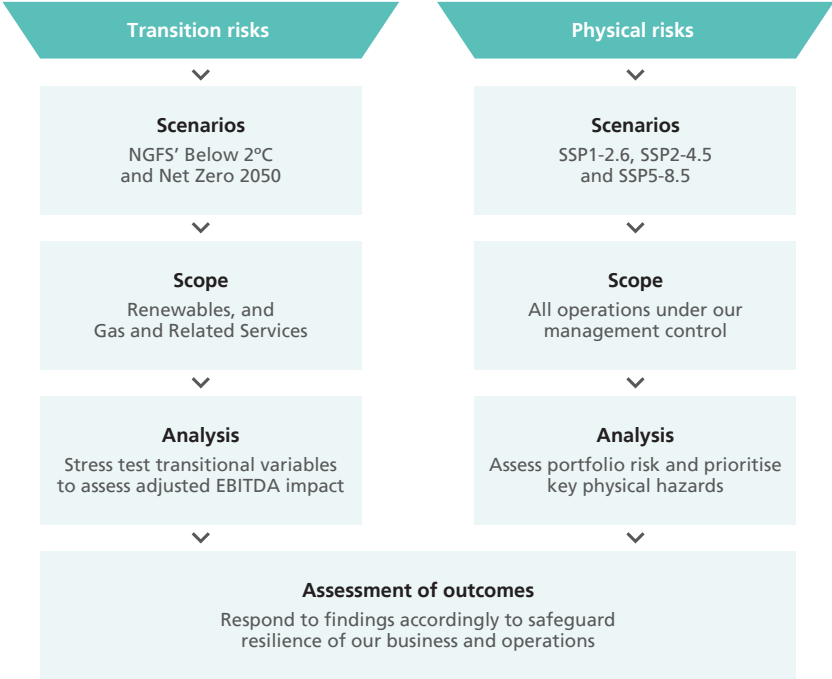


Table 1: Scenarios¹ selected for climate scenario analysis in 2024

Ambition level	Transition risk scenarios	Physical risk scenarios
1.5°C	NGFS – Net Zero 2050 Assumes that ambitious climate policies are introduced immediately, reaching global net zero around 2050. Physical risks are relatively low but transition risks are high	
<2°C	NGFS – Below 2°C Assumes that climate policies are introduced immediately and become gradually more stringent, reaching net zero after 2070. Physical and transition risks are both relatively low	SSP1-2.6 (“Sustainability”) Global consumption is oriented towards low material growth as well as lower resource and energy intensity. Carbon emissions would fall from current levels and reach net-zero by around 2075
2.7°C		SSP2-4.5 (“Middle-of-the-road”) Slow progress in achieving sustainable development goals. Carbon emissions would remain high until 2050, before starting to decline post-2050 but no net-zero is achieved
4.4°C		SSP5-8.5 (“Fossil-fuelled Development”) The push for economic and social development is coupled with exploitation of abundant fossil fuel sources and resource and energy intensive lifestyles. Carbon emissions would double from current levels by 2050 and continue to rise until the end of century

NGFS – Network for Greening the Financial System 2023

SSP – Shared Socioeconomic Pathways considered in IPCC AR6 (2021-2023)

¹ NGFS Scenario Portal and NGFS Climate Scenarios Database – Technical Documentation v4.2, which was the latest available version at the time of our scenario analysis; and the IPCC AR6 Synthesis Report, along with The Shared Socioeconomic Pathways and their Energy, Land Use, and GHG Emissions Implications: An Overview (Global Environmental Change, Volume 42, 2017, Riahi et al., 2017)

Climate-related Financial Disclosures

Strategy *(cont'd)*

Assessment of transition risks

Transition risks stem from uncertainties brought about by the global shift towards a low-carbon economy. These risks can arise from changes in climate-related policy and regulations, as well as technological advancements, amongst others. We deploy a climate scenario analysis to stress test the resilience of our portfolio. Our transition scenario analysis exercise is integrated into our annual strategic and financial planning exercise, which outlines strategic and financial plans for the next five years.

We conducted stress testing on key parameters that influence our adjusted EBITDA¹ impact in 2030. Using 2029 data as the base case for 2030, we assessed the potential adjusted EBITDA variance under two scenarios. Our base case forecast takes into account the evolving regulatory environment, market outlook as well as current and future energy demand.

The results of our testing presented in Figure 2 demonstrate the resilience of the Group's adjusted EBITDA in a Below 2°C scenario as we grow our renewables portfolio. In this scenario, the downside in our Gas and Related Services segment is mitigated by the upside in the Renewables segment.

Scope of stress testing	- Renewables, and Gas and Related Services business segments which collectively contribute to more than 81% of adjusted EBITDA - Includes subsidiaries, joint ventures and associates in China, India, Singapore, Vietnam and the UK
Time horizon	The 2030 time horizon aligns to our strategic climate action target and is the closest match to our five-year business planning time horizon of 2029
Rationale for scenario selection	- NGFS Net Zero 2050 scenario seeks to present an extreme scenario and inform us of the impacts that may arise from stringent and ambitious climate policies - NGFS Below 2°C scenario provides a less ambitious scenario more reflective of the current state of affairs
Financial metric	Adjusted EBITDA is a measure of our operating performance from all our subsidiaries, joint ventures and associates
Assumptions	- Key parameters used for stress testing include regional energy demand, carbon price, fuel price and electricity price - Given our five-year strategic and financial planning is up to 2029, we used 2029 data as our base case forecast for 2030 - Assessment includes all our gas generation assets with merchant capacities, gas retail business and renewables – ongoing operations, growth projections and concession expiry - Operations with contracted capacities and build-to-operate power plants are excluded as they are undergirded by long-term power purchase agreements and will not be impacted by climate stress variables

Figure 2: 2030 Adjusted EBITDA impact in climate scenarios

Business Segment	2030 Adjusted EBITDA impact (\$\$ million)					
	Below 2°C scenario			Net Zero 2050 scenario		
	\$S million			\$S million		
	<200	200–500	>500	<200	200–500	>500
Renewables		●				●
Gas and Related Services		●			●	
Group	●				●	

● Upside ● Downside

¹ EBITDA: earnings before interest, tax, depreciation and amortisation, where adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

Table 2: Top climate-related transition risks and impacts

Risk category: Transition risk Climate risk driver: Policy risk – Increasing carbon prices Impact: Medium- and long-term	
Description	The prominence and influence of the UN Conference of the Parties (COP) have driven governments worldwide to adopt ambitious country-level strategies to reduce emissions and support the transition to a low-carbon economy. Under the Paris Agreement, every party is required to outline and communicate their post-2020 actions referred to as Nationally Determined Contributions (NDCs). Half of the Parties to the Paris Agreement consider the use of carbon pricing to achieve their emission reduction targets. Across our portfolio, our gas-fired power generation assets in Singapore and the UK are subject to carbon pricing regulations, including Singapore's carbon tax and the UK's emissions trading scheme (ETS) ² and carbon price support (CPS) ³ . Our gas-fired power generation asset in China is currently not covered under the China ETS.
Current effects	In 2024, the cost of compliance under Singapore's carbon tax, as well as UK ETS and CPS mechanisms collectively amounted to S\$85 million ⁴ . However, with the carbon cost pass-through mechanism in our existing electricity contracts, there was no impact on our financial performance in 2024.
Anticipated effects	We expect carbon prices to rise and consequently the cost of compliance to increase as well. In Singapore, gas-fired power generation is expected to continue to be the main source of energy, even in light of increasing carbon taxes post-2030. However, we can pass through this cost for our long-term contracted capacities. Therefore, we do not expect this risk to have a material effect on our financial performance in the medium term.
Mitigation actions	We monitor the regulatory framework and conduct risk-based scenario analysis to assess exposure to carbon pricing. We apply a market-specific internal carbon price to evaluate the financial impact of carbon pricing regulations on the profitability of our gas and related energy assets. The impact from current and emerging regulations is mitigated through the change-in-law provisions in existing utilities and electricity contracts. These provisions allow for carbon cost pass-through to customers, which mitigates the financial impact of carbon pricing.

The Net Zero scenario, on the other hand, shows significant upside to the Renewables business, on the assumption that governments establish policies in support of ambitious NDC commitments in our key markets.

Our gas-fired plants generate revenue from energy sales in both contracted and merchant markets. The downside risk in the climate scenarios primarily reflects a potential decline in demand for gas-fired electricity, as well as an assumption that merchant market contracts will not accommodate the pass through of higher carbon prices.

These risks present Sembcorp with opportunities to provide low-carbon energy options for our customers as described in Table 6.

Overall, the outcome of the analysis shows that our Group adjusted EBITDA is expected to increase in both climate scenarios, in light of our strategic focus on growing renewables and low-carbon technologies in our key markets. Navigating the energy transition is not without its challenges of balancing macroeconomic and geopolitical factors and value creation for all our stakeholders. To drive growth,

we consider various options including capital recycling, managing assets for value, leveraging partnerships, and redeployment, repurposing and upgrading of our assets.

Assessment of physical risks

Sembcorp's assets may be exposed to both acute and chronic physical risks, which could result from the increasing severity and frequency of extreme weather events, such as floods and tropical cyclones. Increasingly, climate change is also causing shifts in global wind patterns and average temperatures, which may affect renewable energy generation.

² An emissions trading scheme usually works on the 'cap and trade' principle where a cap is set on the total amount of certain GHGs that can be emitted by sectors covered by the scheme. Within this cap, participants receive free allowances and / or buy emission allowances at an auction or on the secondary market. These allowances can be traded with other participants as needed

³ The carbon price floor was introduced on April 1, 2013 and is capped at £18/tCO₂ as at December 31, 2024. It affects the fossil fuel-based electricity generation market in the UK by increasing the cost they face for each tonne of carbon dioxide emitted

⁴ The figures may be subject to change upon mandatory external audit post-publication of this report

Climate-related Financial Disclosures

Strategy *(cont'd)*

In conducting the assessment of physical risks, we applied asset geocoordinates to third-party databases to evaluate potential impact. There is uncertainty surrounding future global warming and its associated implications.

1. Identify asset exposure

Following our previous physical risk screening exercise in 2018, we conducted a second physical risk screening of our assets under management control in 2023 using a third-party risk analytics tool. This exercise was refreshed in 2024. By using parameters such as asset location, value and type, the assessment provided insights into the exposure of our assets to a range of physical risks, such as flooding, storm surge, extreme precipitation, drought, heatwave, wildfire and extreme wind conditions. The results of the assessments were aggregated to reflect the overall portfolio physical risk exposure without accounting for any mitigation measures as detailed in Table 3.

As part of our ongoing monitoring of wind speeds and solar irradiance across our renewable energy assets, we observed variability of wind speeds and solar irradiance against historical trends. Consequently, resource variability (changes in wind speeds and solar irradiance) is identified as a physical risk. To assess future changes in these factors, we used data from the Coupled Model Intercomparison Project Phase 6 (CMIP6), which provides the most current global climate model data available and forms the basis for the assessments in the IPCC AR6.

Scope of assessment	- All operations under our management control in Singapore, India, China, Vietnam, Myanmar, Bangladesh, Oman, UAE, and the UK - Assets that are not under our management control have been excluded
Time horizon	2020 selected as baseline for comparison of future impacts 2030, 2040 and 2050 selected as they cover the operational lifetime of our assets
Rationale for scenario selection	- SSP1-2.6 is an optimistic and low emissions scenario which informs us of the impacts from low emissions - SSP2-4.5 is a “Middle-of-the-road” scenario and more reflective of the current state of affairs - SSP5-8.5 seeks to present an extreme scenario and informs us of the impacts that may arise from the conditions arising from high emissions
Financial metric	Annual expected loss, which represents the potential losses from extreme weather events multiplied with the probability of occurrence
Limitations on risk screening	- A third-party risk analytics tool used for physical risk screening may not capture some of the risk exposure resulting in underestimation or overestimation - The impact from physical risks is dependent on asset type, location, mitigation measures adopted and host governments’ national resilience masterplans - Tropical cyclones are poorly represented in climate models and there is high uncertainty around their future evolution

Table 3: Inherent physical risk exposure of our portfolio

Physical hazards	Baseline	2030	2040	2050
Flood and storm surge	Low	Low	Low	Low
Extreme wind	Low	Low	Low	Low
Wildfire	Low	Low	Low	Low
Drought	Moderate	Moderate	Moderate	Moderate
Extreme precipitation	Moderate	Moderate	Moderate	Moderate
Heat wave	Moderate	Moderate	High	High

2. Assess impact from physical hazards

After the identification, we prioritised the assets based on asset value and expected loss. After which, a screening filter using hazard probability measured by return periods¹ was applied.

We also assessed how the potential changes in wind speeds and solar irradiance, based on the CMIP6 models, might impact renewable generation and, in turn, revenue from our operations.

In 2024, we included tropical cyclone as a key hazard, following a recent event that impacted one of our assets. However, due to the high uncertainty surrounding the future evolution of tropical cyclones, the third-party risk analytics tool which was deployed did not provide outputs in future time horizons.

The potential impact of our key physical hazards and the respective mitigation measures adopted are outlined in Table 4.

3. Prioritise key physical hazards

Next, we corroborated the key physical hazards listed in Table 4 against actual weather events and prioritised assets that have been impacted by the top physical hazards identified – floods, tropical cyclones and renewable resource variability.

Drought and heat wave were not considered as top hazards as there were no significant impacts arising from historical events.

Table 4: Key physical hazards of prioritised assets

Key physical hazards	Potential impact	Mitigation measures
Flood and storm surge, and extreme precipitation	- Business interruption from extreme weather events may result in revenue loss - Property damage from extreme weather events may require repairs and construction, resulting in increased expenditure	- We constructed our gas-fired and water plants at an elevation higher than historical flood levels. Other measures adopted, subject to site conditions, include construction of boundary walls and a storm water canal to prevent water ingress. We constructed bund walls to mitigate potential impact from water ingress in our solar power plants - We review and monitor risk exposure of our solar and urban assets against baseline requirements of industry standards to minimise damage from tropical cyclones
Tropical cyclone		
Drought	Disruption in operations due to lack of water may result in revenue loss and / or increased expenditure	Most of our gas-fired plants are located near to the sea or surface water sources. For our inland gas-fired power plants, there have been no evidence of drought conditions which affected our water supply. In the event of a drought, the respective plants are covered by contractual clauses in relation to severe weather conditions. Our near-shore gas-fired power plant draws their cooling water from the sea and will not be affected by drought conditions
Heat wave	Increased cooling cost and reduced productivity due to heat waves may result in increased expenditure	We monitor ambient / seawater temperature and assess impact on our gas-fired assets
Changes in wind speeds / solar irradiance	Impact on renewable energy generation due to changing wind speeds and / or irradiance resulting in revenue impact	- Wind speed and solar irradiance analyses are a part of every renewable energy project investment case. Besides project-specific analysis, we also adopt geographic diversification to mitigate this risk - We conduct regular performance review of wind speeds and solar irradiance for our operational assets

¹ Return periods are a metric that describes how likely a hazard event will occur

Climate-related Financial Disclosures

Strategy *(cont'd)*

Further details on risk description, mitigation and impacts from our top physical hazards are provided in Table 5.

Table 5: Top climate-related physical risks and impacts

Risk category: Physical risk Climate risk driver: Acute physical risk – Extreme weather events such as floods and tropical cyclones Impact: Short-, medium- and long-term	
Description	Pluvial and fluvial floods, and tropical cyclones present the most immediate concern to our priority assets. In particular, our assets in Bangladesh, Myanmar and Vietnam are most exposed to this risk.
Current effects	In 2024, our assets in Vietnam, India and China were impacted by typhoon Yagi, flood and winter storm respectively, which resulted in a net financial impact of S\$0.9 million. There was no material impact on our financial performance in 2024.
Anticipated effects	In our assets most exposed to floods and tropical cyclones in Bangladesh, Myanmar and Vietnam, there is a possibility of occurrence of such extreme weather events which may result in financial impact of approximately S\$18.5 million in the form of insurance deductibles from property damage and loss of revenue. This impact is equivalent to approximately 2% of the Group's 2024 net profit.
Mitigation actions	Our assets are designed and constructed in line with industry standards. For the sites identified as being at risk, we implement preventive measures to safeguard our assets against potential extreme weather events. We built bund walls around assets exposed to flooding and have upgraded structures affected by typhoon Yagi to strengthen their resilience. Our gas-fired power generation assets have been constructed at an elevation, with a surrounding boundary wall to mitigate flood risk. We will continue to assess and monitor potential risks. In addition, we insure our assets appropriately for any extreme weather events. In 2024, the cost of mitigation relating to such events was approximately S\$5.6 million.
Risk category: Physical risk Climate risk driver: Chronic physical risk – Renewable resource variability Impact: Medium- and long-term	
Description	Resource variability from changes in wind speeds and solar irradiation may impact our renewable electricity generation and, in turn, revenue from our Renewables business. This risk has the potential to result in both positive and negative financial impact.
Current effects	Using wind speeds and solar irradiance as the only variables, we quantified the impact of resource variability on our 2024 electricity generation, benchmarking it against 2023 levels. This analysis is based on a like-for-like comparison, including only assets that were operational in both years while excluding the impact of new capacity additions. Our assessment indicates a generation shortfall of 6% compared to 2023, which, all else being equal, would translate to an estimated 4% revenue reduction in 2024 versus 2023. While this analysis isolates resource variability, actual renewables generation is also influenced by factors such as curtailment, operational constraints, and unforeseen disruptions, which have been held constant in this assessment.
Anticipated effects	Potential positive impact on revenue benchmarked against 2024 are as follows: – 2025: 2% to 5% – 2030: 0% to 7% – 2040: Within 5%
Mitigation actions	We assess the impact of resource variability for potential investment projects and consider geographical and technological diversification as a mitigation strategy. We undertake regular performance reviews of our operational assets, utilising industry-standard weather forecasting tools and historical data.

Table 6: Top climate-related opportunities and impacts

Products and services: Deployment of renewable energy solutions Impact: Medium- and long-term	
Description	The transition to clean energy is progressing rapidly, driven by supportive policies and market forces, despite ongoing challenges such as geopolitical uncertainty and shifting government policies. Looking ahead, renewables growth across Southeast Asia, China, India and Middle East is expected to remain robust, with capacity projected to double from 1,550GW in 2024 to over 3,200GW by 2028, according to GlobalData estimates. Sembcorp aims to grow its gross installed renewable energy capacity to 25GW by 2028. As at December 31, 2024, our gross installed renewable energy capacity stands at 13.1GW. In 2024, the renewable energy generated is equivalent to approximately 9.4 million tCO₂e emissions avoided¹. We have a five-year (2024–2028) cumulative growth investment plan of S\$10.5 billion to grow our gross installed renewable energy capacity to 25GW. In 2024, we have utilised S\$1.5 billion² to develop and grow our renewable energy portfolio.  For more information on our key developments in the Renewables segment, please refer to the Operating and Financial Review section on pages 23 to 27.
Current effects	Net profit before exceptional items for the Renewables segment was S\$183 million in 2024.
Anticipated effects	Net profit before exceptional items for the Renewables segment is expected to increase at a six-year compound annual growth rate of +25% (2022-2028).
Products and services: Deployment of decarbonisation solutions Impact: Short-, medium- and long-term	
Description	Over 100 countries have adopted net-zero pledges through legislation, policy document or long-term strategies covering approximately 82% of global emissions³. Solutions such as green power import, green fuels, renewable energy certificates and carbon credits are expected to become increasingly relevant and in demand as the world transitions to a low-carbon economy. Sembcorp is well-positioned to capitalise on these opportunities. We have taken strides towards the production of green hydrogen and ammonia. Our carbon management solutions business, GoNetZero™, provides end-to-end solutions which include renewable energy certificates and carbon credits. We have a five-year (2024–2028) cumulative growth investment plan of S\$1.4 billion to expand our decarbonisation solutions offerings.  For more information on our strategic collaborations, please refer to Figure 3 on page 61 and the Media Releases section on the News and Insights webpage.
Current effects	In 2024, revenue from our Decarbonisation Solutions segment grew to S\$53 million.
Anticipated effects	We expect positive earnings by 2027 / 2028 with growth beyond 2028.

¹ Avoided emissions are calculated based on the methodology set out by the UN Framework Convention on Climate Change: Clean Development Mechanism, the latest available emissions factors from the respective host country and actual 2024 generation data

² S\$1.5 billion consists of S\$1.1 billion in capital expenditure and S\$0.4 billion in equity investment

³ UN Environment Programme Emissions Gap Report 2024

Climate-related Financial Disclosures

Strategy *(cont'd)*

The assessment and prioritisation of opportunities are under the ambit of Group Strategy & Projects, Group Investment Management, and market business units. We actively conduct market research and engage with key stakeholders such as banks, investors, shareholders and consultants to explore potential investments.

Feasibility studies, incorporating financial analysis and risk assessment, are then carried out to evaluate the viability of these opportunities. Identified investments are subsequently presented to management and the board for further consideration.

Our climate roadmap and journey

The power sector contributes to 40% of global emissions¹, making it a pivotal player in combatting climate change and enabling the global energy transition. At Sembcorp,

we are committed to supporting Asia's shift to a clean and responsible energy future for all.

The transition to a lower-carbon future requires transformative changes to energy sector players and systems, particularly in markets that are deeply entrenched in fossil fuel infrastructure and power purchase agreements. As the world works to scale down fossil fuel usage, access to reliable and affordable renewable energy as well as low-carbon feedstock must be expanded to meet the needs of industry. We believe that gas will play an important role in the transition. Our existing gas assets remain crucial in meeting the energy demands of Asia. Our highly contracted position on these assets provides steady and predictable cash flow to fuel the growth of our Renewables business, as we manage the gas portfolio to support Asia's energy needs.

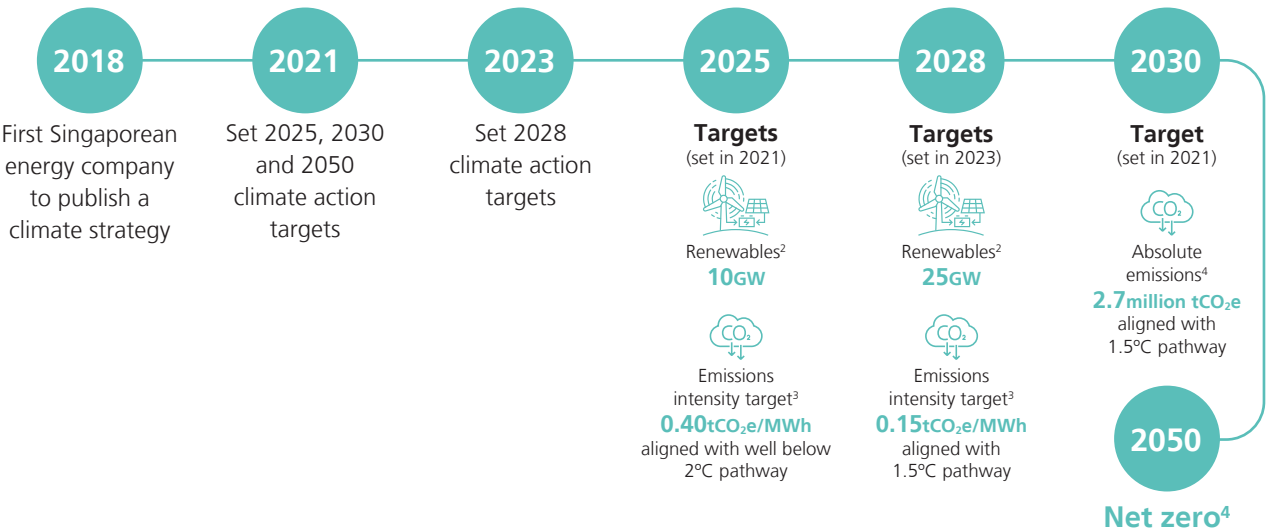
In November 2023, we announced our refreshed set of targets for 2028 at our Investor Day.

Our targets

Our climate action targets cover all our subsidiaries, joint ventures and associates.

- By 2028, grow gross installed renewables capacity² to 25GW
- By 2028, halve emissions intensity³ to 0.15tCO₂e/MWh from 2023 levels
- By 2030, reduce absolute emissions to 2.7 million tCO₂e
- By 2050, deliver net-zero emissions

Our emission targets are in line with what is required to limit global warming to 1.5°C and reach net zero by 2050. We referred to the Sectoral Decarbonisation Approach, SBTi's guidance and tools for the power sector to develop our 2028 targets.



In line with our strategic plan, we also reaffirmed our commitment towards SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action).

In November 2024, we completed the acquisition of a 30% stake in Senoko Energy, a 2.6GW gas-fired power plant in Singapore. While this acquisition will result in an increase to

our Group's absolute emissions in the short term, we believe that the acquisition will complement Sembcorp's current portfolio of energy assets, enhancing our ability to support Singapore's energy transition, while providing energy security and resilience for Singapore in the longer term. As a leading renewables player in Asia, we recognise the

indispensable role that gas plays in upholding energy security, especially in regions with poor renewables resource endowment.

For more information on our Climate Action Plan, please refer to the Climate Action Plan section on Our Approach to Sustainability webpage.

Figure 3: Key decarbonisation levers and our progress

Key decarbonisation levers	2024 progress
Grow renewables • Grow gross installed renewable energy capacity to 25GW by 2028	• Grew our gross installed renewable energy capacity from 9.4GW in 2023 to 13.1GW in 2024, with an additional 3.8GW of projects secured or under construction
Manage emissions • Expiry of concession (gas-fired asset) • Manage gas portfolio for value • Implement optimisation projects to improve efficiency	• Transferred Phu My 3, a gas-fired power plant, to Vietnam Electricity, following its concession expiry • Divested our remaining 49% equity in Chongqing Songzao, a coal-fired power plant in China • Our global energy and water facilities undertook 11 energy optimisation projects that led to a reduction of approximately 9,700MWh of electricity consumed, equivalent to over 5,000tCO₂e emissions avoided
Invest in low-carbon initiatives • Renewable imports • Low-carbon technology for electricity generation • Low-carbon feedstock – explore use of green hydrogen and / or ammonia in our energy generation assets	• Signed an agreement with Tenaga Nasional Berhad, a leading Malaysian utility company, to import 50MW of renewable energy to Singapore • Announced a collaboration with Bloom Energy for the potential utilisation of solid oxide fuel cell technology and third-party carbon capture technologies to produce low-carbon electricity • Commenced development of a new 600MW hydrogen-ready combined cycle power plant in Singapore • Entered into a joint development study agreement with PT PLN, an Indonesian state-owned utility company, to explore the feasibility of a green hydrogen production facility in Sumatra, Indonesia • Laid the foundation stone for a green ammonia power plant in Tamil Nadu, India

For more information on our key developments in the Decarbonisation Solutions segment, please refer to the Operating and Financial Review section on pages 31 to 32.

¹ World Energy Outlook 2024 report

² Gross installed renewable energy capacity refers to current capacity of the plant at commercial operation date (in megawatt alternating current for wind and solar, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

³ GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations in accordance with the GHG Protocol

⁴ 2030 and 2050 targets cover the Group's absolute Scope 1 and 2 emissions

Climate-related Financial Disclosures

Strategy *(cont'd)*

Financial planning 2024-2028

Capital allocation

Our total five-year investment plan is projected to be S\$14 billion. In order to realise the identified opportunities in renewables and decarbonisation solutions, 75% is expected to be invested in renewable energy to support the growth of our renewables capacity to achieve 25GW by 2028.

10% of the investment will be allocated to exploring and expanding our decarbonisation solutions including green hydrogen and ammonia projects, power imports and carbon management solutions.

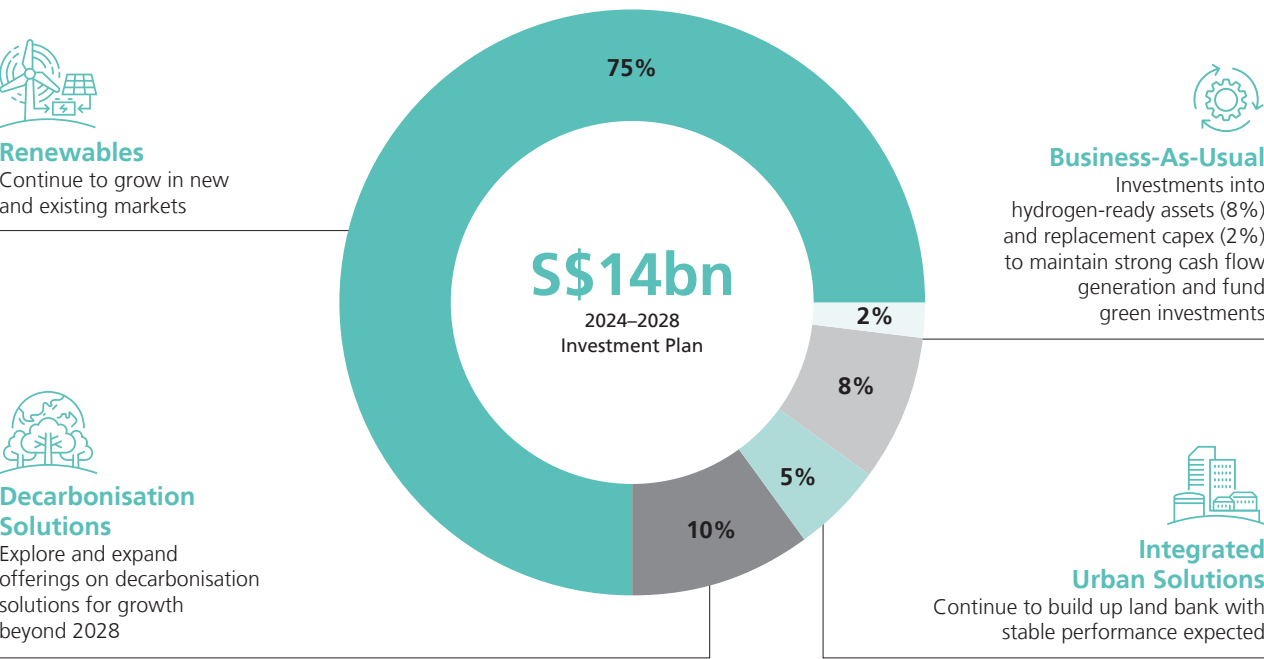
Access to capital

2021 marked Sembcorp's first foray into sustainable finance with our inaugural S\$400 million green bond and S\$675 million sustainability-linked

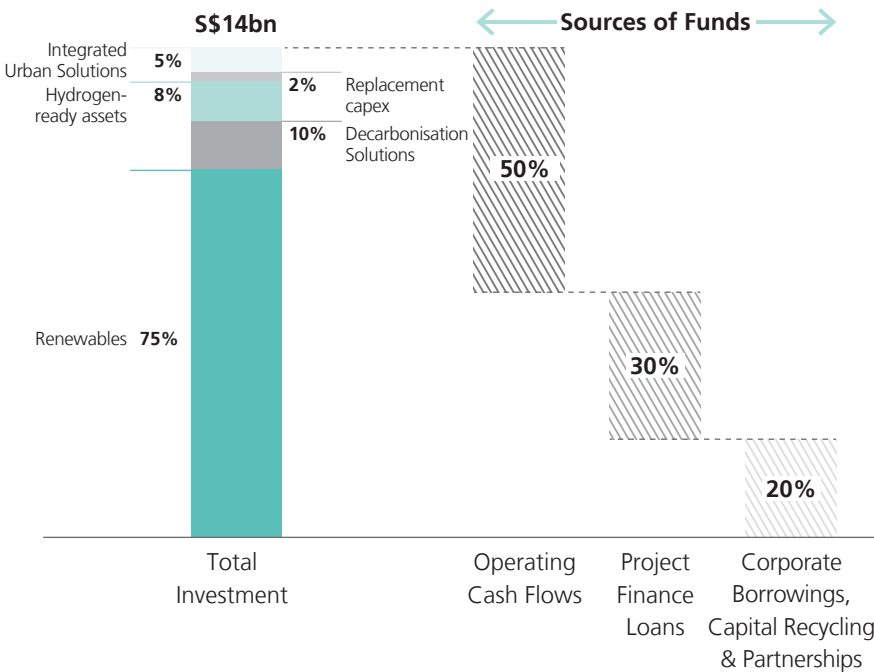
bond. Proceeds from these issuances supported the Group's strategic transformation plan. In November 2023, Sembcorp announced our refreshed targets for 2028. In line with our strategic plan, we updated our Green Financing Framework (2024) to include new eligible green projects categories, reinforcing our commitment to tap on sustainable financing instruments as a source of capital. The Green Financing Framework (2024) references the relevant international market standards and guidelines including the Green Bond Principles (June 2021) issued by the International Capital Market Association, Green Loan Principles (February 2023) issued by the Loan Market Association, the Asia Pacific Loan Market Association, and the Loan Syndications and Trading Association, and the Singapore-Asia Taxonomy (December 2023) issued

by the Green Finance Industry Taskforce convened by the Monetary Authority of Singapore. We have also received pre-issuance assurance from Ernst & Young Singapore on the alignment of the Green Financing Framework (2024) to the relevant international market standards and guidelines.

In 2024, we issued a S\$350 million green bond under our S\$5,000,000,000 Euro Medium Term Note Programme. It was multiple times oversubscribed with strong demand from a diverse base of high-quality fixed income investors including global insurance companies, asset managers and banks. The proceeds arising from the issuance of the notes were used to finance or refinance Eligible Green Projects in line with our Green Financing Framework (2024).



bn: billion



Under our Green Financing Frameworks and Sustainable Financing Framework, Sembcorp and its subsidiaries have secured S\$5.4 billion¹ of borrowing facilities as at December 31, 2024, of which S\$3.6 billion are outstanding borrowings.

Half of our targeted capital needs for the next five years will be funded by operating cash flows. The remaining will come from corporate debt and / or capital recycling from certain assets through partnerships.

For more information on our Green and Sustainable Financing Frameworks and issuances, please refer to the Sustainable Financing section on the Creating Shareholder Value webpage.

Acquisitions, divestments and concession expiry
In November 2024, we completed the acquisition of a 30% stake in Senoko Energy in Singapore, with 2.6GW of gas-fired generation capacity.

We also announced the acquisitions of renewable energy assets in China, India and Vietnam totalling 1.3GW.

In February 2024, the concession for Phu My 3, a 67%-owned joint venture in Vietnam, ended and the 0.7GW gas-fired power plant was successfully transferred back to the Vietnam government. In December 2024, we divested our 49% equity in Chongqing Songzao, a 1.3GW coal-fired power plant in China, which was impaired in 2021.

Direct cost
In our existing operations, we have integrated a carbon budget assessment as part of our annual financial budget and forecast exercise. The output of this assessment provides market-specific GHG emissions and carbon cost forecast. This forecast forms the basis for the setting of the market's emissions intensity targets, and provides an estimate of the financial impact of our carbon exposure.

Metrics and Targets

TCFD recommendations

- Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process
- Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks
- Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets

For more information on our climate-related metrics and targets, please refer to our performance in the Decarbonisation section on pages 44 and 45.

For more information on other environmental metrics, please refer to the Performance Indicators section on page 64.

¹ Values are derived using December 2024 month-end closing exchange rates

Supplemental Information

Performance Indicators

Climate Action

	Unit	2024	2023	2022	GRI
Decarbonisation					
GHG emissions ¹					
Scope 1 emissions ²	ktCO ₂ e	9,054.0	10,183.9	25,229.9	305-1
Biogenic emissions ³	ktCO ₂	576.7	563.3	543.0	305-1
Scope 2 emissions ⁴	ktCO ₂ e	233.7	288.1	163.1 ¹¹	305-2
Scope 3 emissions ⁵	ktCO ₂ e	15,734.8	16,669.8	9,112.6	305-3
Category 3 – Fuel- and energy-related	ktCO ₂ e	2,614.0	2,559.9	4,087.1	
Category 11 – Use of sold products	ktCO ₂ e	3,427.7	3,571.8	5,025.5	
Category 15 – Investments	ktCO ₂ e	9,693.1	10,538.1	–	
GHG emissions intensity ⁶	tCO ₂ e/MWh	0.27	0.29	0.50	305-4
Atmospheric emissions ⁷					305-7
Nitrogen oxides (NOx)	kt	1.8	2.0 ¹²	16.8	
Sulfur oxides (SOx)	kt	0.7	0.6 ¹²	48.6	
Renewables capacity					
Gross installed renewable energy capacity ⁸	GW	13.1	9.4	6.8	Non-GRI
Resource management					
Energy					
Total energy consumption within Sembcorp ⁹	PJ	70.2	75.5	170.9	302-1
Total energy consumption within energy generating assets	PJ	52.8	54.6	151.4	
Energy intensity of our energy generation assets ¹⁰	GJ/MWh	1.7	1.7	3.0	302-3
Water					
Water consumption within Sembcorp					303-5
All areas (total)	ML	23,519.3	18,582.8	56,280.4	
Stressed areas	ML	15,944.7	10,601.0	49,284.8	
Freshwater consumption intensity for energy generating assets ¹¹	m ³ /MWh	0.18	0.21	0.13	Non-GRI
Waste					
Waste generation within Sembcorp	kt	150.7 ¹²	141.2	2,696.6	306-3
Non-hazardous waste	kt	103.2	92.1	2,650.8	306-3
Ash	kt	63.6	56.8	2,615.9	
Operations and maintenance waste	kt	0.9	0.7	3.1	
Sludge	kt	34.9	29.9	30.3	
Others	kt	3.8	4.7	1.5	
Hazardous waste	kt	47.6	49.1 ¹²	45.8	306-3
Operations and maintenance waste	kt	16.1	18.1	18.5	
Ash	kt	15.5	14.1	10.8	
Sludge	kt	14.7	15.6	16.0	
Oil and chemical waste	kt	1.0	0.9	0.3	
Electronic waste	kt	0.01	0.01	0.03	
Others	kt	0.3	0.5	0.2	

¹–⁴: Data not available / disclosed

Measurement units:

ktCO₂e: kilotonnes of carbon dioxide equivalent

ktCO₂: kilotonnes of carbon dioxide

tCO₂e/MWh: tonnes of carbon dioxide equivalent per megawatt-hour

kt: kilotonnes

GW: gigawatt

PJ: petajoules or 1,000,000 GJ

GJ/MWh: gigajoule per megawatt-hour

ML: megalitres or 1,000m³

m³/MWh: cubic metres per megawatt-hour

¹ GHG and biogenic emissions data is reported using an equity share approach. Atmospheric emissions data is reported using an operational control approach. Formulas and emission factors used for calculating 2024 figures are from:

ⁱ Electricity CO₂ emission factors by China Ministry of Ecology and Environment, as well as National Bureau of Statistics of China

ⁱⁱ Clean Development Mechanism – Carbon Dioxide Baseline Database by Central Electricity Authority of India

ⁱⁱⁱ Energy Market Authority, Singapore

^{iv} Guidelines for Accounting Methods and Reporting of Greenhouse Gas Emissions by Chinese chemical manufacturers

^v International Energy Agency

^{vi} IPCC Guidelines for National Greenhouse Gas Inventories

^{vii} UK Department for Environment, Food and Rural Affairs GHG Conversion Factors for Company Reporting

^{viii} Financed emissions standard by the Partnership for Carbon Accounting Financials

Empowering Lives

	Unit	2024	2023	2022	GRI
Workforce transformation ¹³					
Employment					
Number of employees	number	5,347	5,063	5,619	2-7
Male	number %	4,235 79	3,980 79	4,579 81	
Female	number %	1,112 21	1,083 21	1,040 19	
Breakdown of employees by age group					405-1
<30 years	%	17	16	14	
30–49 years	%	61	60	60	
≥50 years	%	22	24	26	
Percentage of females					405-1
Senior management ¹⁴	%	19	21	20	
Board of directors	%	20	20	11	
New employee hires	number %	1,202 23	1,069 22	911 16	401-1
New hires by gender ¹⁵					401-1
Male	%	22	21	15	
Female	%	24	25	21	
New hires by age group ¹⁵					401-1
<30 years	%	47	43	36	
30–49 years	%	21	21	16	
≥50 years	%	8	8	5	
Employee turnover ¹⁶	number %	977 18	1,024 21	965 17	401-1
Turnover rate by gender ¹⁷					401-1
Male	%	18	21	17	
Female	%	21	18	17	
Turnover rate by age group ¹⁷					401-1
<30 years	%	16	19	26	
30–49 years	%	17	17	15	
≥50 years	%	24	29	18	

² Direct (Scope 1) GHG emissions data covers entities that produce GHGs from fossil fuel combustion and fugitive emissions in our operations. The proportional emissions of SEIL have been accounted for under Scope 3 (Category 15 – Investments) since January 2023

³ Biogenic emissions from the combustion of biomass are reported separately, in line with GRI Standards

⁴ Energy indirect (Scope 2) GHG emissions include location-based data for all our Gas and Related Services, Renewables, Integrated Urban Solutions (IUS), and Decarbonisation Solutions segments. The data for IUS includes tenants' electricity consumption under operational leases. In Singapore, our operations purchase energy from our own assets, and to avoid double counting, the emissions from these purchases have been accounted for under Scope 1 GHG emissions.

¹¹ We restated our Scope 2 emissions for 2022 due to an adjustment in the emission factors used in some of our operations, which resulted in an overstatement of our Scope 2 emissions for 2022

⁵ Indirect (Scope 3) GHG emissions reported include: Fuel- and energy-related activities (Category 3), Use of sold products (Category 11), and Investments (Category 15); which together account for majority of our Scope 3 emissions. Purchased goods and services (Category 1) and Capital goods (Category 2) are currently excluded as we continue to refine our accounting approach to accurately quantify these emissions

⁶ GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations in accordance with the GHG Protocol. The intensity figures for historical years do not take into account the effect of current year *pro rata* emissions

⁷ Atmospheric emissions data covers entities within our Gas and Related Services segment that produce NOx and SOx. This data excludes our flexible generation assets, as their environmental permits do not require annual NOx and SOx measurements

¹² We restated our NOx and SOx emissions for 2023 due to adjustments in calculation assumptions and methodologies at two of our operations

⁸ Gross installed renewable energy capacity refers to current capacity of the plant at commercial operation date (in megawatt alternating current for wind and solar, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

⁹ Total energy consumption within Sembcorp is calculated using fuel consumption (natural gas, waste, biomass, fuel oil, diesel and petrol) + energy

purchased for consumption + self-generated electricity (renewables) – total energy sold

¹⁰ Energy intensity is calculated using energy consumed (within the organisation) as the numerator (GJ), and gross energy generated (MWh) as the denominator

¹¹ Freshwater consumption intensity for energy generating assets is calculated using total freshwater consumption as the numerator, and total energy generated as the denominator. Freshwater includes municipal water supply, surface water and groundwater; and excludes seawater

¹² Any discrepancies between the total and the sum of individual amounts are due to rounding

¹³ Workforce transformation data relates to permanent and contract employees of Sembcorp and its subsidiaries

¹⁴ Senior management is defined as employees who have the designation of senior vice president and above

¹⁵ New hires by gender and age group is the percentage of new hires by gender / age group over the total number of employees in the respective gender / age group category

¹⁶ Employee turnover covers both voluntary and involuntary turnover

¹⁷ Rate of employee turnover by gender and age group is the percentage of employee turnover by gender / age group over the total number of employees in the respective gender / age group category

Supplemental Information

Performance Indicators

Empowering Lives (cont'd)

	Unit	2024	2023	2022	GRI
Workforce transformation (cont'd)					
Training and education					
Average learning hours per employee	hours per employee	24.0	21.1	26.7	404-1
Male	hours per employee	23.0	21.6 ^{r3}	26.4	
Female	hours per employee	27.8	19.1 ^{r3}	27.8	
Average sustainability skill learning hours per employee ¹⁸	hours per employee	14.5	13.3	8.3	Non-GRI
Number of employees and partners upgraded ¹⁹	number	623	726	–	Non-GRI
Community engagement and investment					
Community investments	S\$ million	3.4	3.0 ^{r4}	2.9	201-1
Operations with local community engagement and / or development programmes	%	100	88	62	413-1

Resilient Business

	Unit	2024	2023	2022	GRI
Health and safety²⁰					
Work-related injuries and ill health					
Work-related fatalities	number	3	1	0	403-9
Employee	number	0	1	0	
Contractor	number	3	0	0	
High-consequence injury cases ²¹	number	1	0	0	403-9
Employee	number	1	0	0	
Contractor	number	0	0	0	
Lost work-day cases ²²	number	17	15	9	403-9
Employee	number	9	9	5	
Contractor	number	8	6	4	
Occupational diseases	number	0	0	0	403-10
Employee	number	0	0	0	
Contractor	number	0	0	0	
Fatal accident rate ²³	per million man-hours	0.09	0.04	0.00	403-9
Employee	per million man-hours	0.00	0.08	0.00	
Contractor	per million man-hours	0.14	0.00	0.00	
Lost time injury rate ²⁴	per million man-hours	0.5	0.5	0.3	403-9
Employee	per million man-hours	0.7	0.7	0.3	
Contractor	per million man-hours	0.4	0.4	0.2	
Total recordable injury rate ²⁵	per million man-hours	1.0	1.0	0.6	403-9
Employee	per million man-hours	1.4	1.3	0.6	
Contractor	per million man-hours	0.9	0.8	0.5	
Occupational disease rate	per million man-hours	0.0	0.0	0.0	403-10
Employee	per million man-hours	0.0	0.0	0.0	
Contractor	per million man-hours	0.0	0.0	0.0	
Number of man-hours worked	million man-hours	33.4	28.4	33.9	403-9
Employee	million man-hours	12.4	13.0	15.8	
Contractor	million man-hours	21.0	15.4	18.1	

Resilient Business (cont'd)

	Unit	2024	2023	2022	GRI
Risk governance					
IAF implementation across markets ²⁶	%	100	100	100	Non-GRI
Total number and monetary value of significant ²⁷ fines paid during the reporting period	number S\$ thousands	0 0	2 560 ²⁸	6 9,600 ²⁹	2-27
Operations ²⁶ assessed for risks related to corruption	%	100	100	100	205-1
Employee completion of ABC training ³⁰	%	100	100	100	205-2
Confirmed incidents of corruption	number	0	0	0	205-3

‘–’: Data not available / disclosed

^{r3} We restated our average sustainability learning hours per employee by gender for 2023 due to the figures being inadvertently interchanged

¹⁸ A sustainability skill module provides practical training for employees, enabling them to undertake work for a sustainable product line or service, or develop skills to embed sustainability in their existing functions. Modules include topics such as Wind Resource Assessment and Site Identification for wind project engineers, as well as Green and Sustainable Financing Fundamentals for finance division employees

¹⁹ Upgraded employees and partners refer to Sembcorp employees, contractors and the general public who completed eligible programmes with the support of Sembcorp, as well as recipients of scholarship and / or bursary funded by Sembcorp

^{r4} We restated our community investment figure for 2023 due to a data aggregation error at one of our operations

²⁰ Group Health and Safety Performance is reported and recorded in accordance with the reporting requirements defined in the Group HSSE Health and Safety Performance Reporting Standards. The principles adopted in our standards are consistent with the general principles of the GRI Standards, the IOGP Reporting Standards, and guidelines by the US NIOSH. Occupational health and safety

data covers employees and contractors in our operational assets, assets under construction and administrative offices

²¹ High-consequence injuries refer to injuries that result in permanent disability and / or injuries that require long-term follow-up such as physiotherapy treatment and where the individual is not expected to recover fully to pre-injury health status within six months

²² Lost work-day count begins the day after the onset of the accident. “Day” refers to calendar day. It includes high-consequence work-related injuries, which refer to injuries that result in permanent disability and / or injuries that require long-term follow-up such as physiotherapy treatment and where the individual is not expected to recover fully to pre-injury health status within six months

²³ Fatal accident rate is defined as the number of fatalities per 100 million man-hours worked

²⁴ Lost time injury rate is defined as the number of fatalities and lost work-day cases per million man-hours worked

²⁵ Total recordable injury rate is defined as the number of fatalities, lost work-day cases, medical treatment cases, and restricted work cases per million man-hours worked

²⁶ Coverage follows the reporting scope of this Sustainability Report

²⁷ Refers to fines that are equal to or above S\$50,000 that are paid during the financial year

²⁸ Consists of a contribution of approximately S\$485,000 by our UK waste-to-resource operations to a wildlife trust alongside a commitment to implement improvements in respect of certain internal procedures and processes which the company has completed. This is a settlement in relation to a 2021 investigation of the misclassification of bottom ash waste. The regulator concluded that there was no actual pollution arising from the misclassification. There was also an additional recovery cost of approximately S\$6,000 paid in 2024

The remaining S\$75,000 of the reported amount pertains to a fine incurred by our solid waste management operations in Singapore in 2023 due to a failure to meet contractual obligations outlined by the regulator. Remediation actions were implemented to prevent any such incident in the future

²⁹ Consists of final tranche payment of approximately S\$7.8 million pertaining to a S\$44 million civil settlement arising from the discharge of off-specification wastewater by Sembcorp’s 98.42% joint venture wastewater treatment company in China, as disclosed in our Annual Reports 2019, 2020, 2021, 2022 and 2023. The remaining S\$1.8 million pertains to value-added tax related penalties in China

³⁰ Refers to employees as at October 31, 2024. New hires are given more time to complete ABC training as part of their onboarding

GRI Content Index

Sembcorp Industries has reported the information cited in this GRI content index for the period January 1 to December 31, 2024 with reference to the GRI Standards.

We report all sustainability data, with the exception of GHG emissions data, using an operational control approach. All operations, joint ventures, partnerships and associates where Sembcorp does not have management and / or operational control are excluded. We report our absolute emissions and emissions intensity using an equity share approach. Data on health and safety, as well as community investments from our assets under construction is included.

- ✔ Assured by KPMG as part of the review of Sembcorp’s financial statements. The Independent Auditor’s Report can be found on pages 104-108.
- ✔ Assured by DNV as part of the independent limited assurance of the Sustainability Report 2024. The Assurance Statement can be found on pages 72-75.

General Disclosures

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
GRI 1: Foundation 2021					
The organisation and its reporting practices					
GRI 2: General disclosures 2021	2-1	Organisational details	Legal Name	120	✔
			Nature of Ownership and Legal Form	120	✔
			Location of Headquarters	120	✔
			Geographical Segments	128	✔
			Our Businesses		
	2-2	Entities included in the organisation’s sustainability reporting	Our Approach to Sustainability: Reporting Scope	42	
			Notes to the Financial Statements: Our Group Structure	208–213	
	2-3	Reporting period, frequency and contact point	Our Approach to Sustainability: Reporting Scope	42	
			Annual Reporting Cycle		
			Published on 1 April 2025		
GRI G4 Electric utilities disclosures	2-4	Restatements of information	Our Approach to Sustainability: Sustainability Contact	43	
			Contact Us		
			Supplemental Information: Performance Indicators	64–67	
	2-5	External assurance	Our Approach to Sustainability: Assurance	42	
			Supplemental Information: Assurance Statement	72–75	
	EU1	Installed capacity, broken down by primary energy source and by regulatory regime	Sembcorp Industries: Power Generation Assets		
Activities and workers					
GRI 2: General disclosures 2021	2-6	Activities, value chain and other business relationships	About Us		
			Our Businesses		
			Our Portfolio	2–3	
			Acquisition and Disposal of Subsidiaries	219–225	
	2-7	Employees	Supplemental Information: Performance Indicators	65	✔
Governance					
GRI 2: General disclosures 2021	2-9	Governance structure and composition	Our Approach to Sustainability: Sustainability Governance	42–43	
			Board of Directors	33–35	
			Corporate Governance Statement	76–93	
	2-10	Nomination and selection of the highest governance body	Corporate Governance Statement	76–93	

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Governance (cont'd)					
GRI 2: General disclosures 2021	2-11	Chair of the highest governance body	Board of Directors	33–35	
	2-12	Role of the highest governance body in overseeing the management of impacts	Our Approach to Sustainability: Sustainability Governance	42–43	
	2-13	Delegation of responsibility for managing impacts	Our Approach to Sustainability: Sustainability Governance	42–43	
			Climate-related Financial Disclosures 2024	51	
	2-14	Role of the highest governance body in sustainability reporting	Our Approach to Sustainability: Materiality	42	
			Our Approach to Sustainability: Sustainability Governance	42–43	
	2-16	Communication of critical concerns	Whistleblowing Policy		
	2-17	Collective knowledge of the highest governance body	Corporate Governance Statement	76–81	
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Statement	78	
	2-19	Remuneration policies	Corporate Governance Statement	82–86	
2-20	Process to determine remuneration	Corporate Governance Statement	82–86		
	2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing Policy		
Strategy, policies and practices					
GRI 2: General disclosures 2021	2-22	Statement on sustainable development strategy	Chairman and CEO’s Statement	8–11	
	2-23	Policy commitments	Code of Conduct		
	2-27	Compliance with laws and regulations	Supplemental Information: Performance Indicators	67	✔
	2-28	Membership of associations	Memberships, Certifications and Ratings		
Our Approach to Sustainability: Memberships, Associations and Ratings			43		
Stakeholder engagement					
GRI 2: General disclosures 2021	2-29	Approach to stakeholder engagement	Stakeholder Engagement		
			Corporate Governance Statement	92	
Material topics					
GRI 3: Material topics 2021	3-1	Process to determine material topics	Our Approach to Sustainability: Materiality Sustainability Framework	42	✔
	3-2	List of material topics	Our Sustainability Framework	40–41	

GRI Content Index

Material Sustainability Factors

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Decarbonisation					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Climate Action	44	
GRI 201: Economic performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Climate Action Plan Climate-related Financial Disclosures 2024	52–63	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Our ESG Priorities: Climate Action	44–45	✓
			Supplemental Information: Performance Indicators	64	
	305-2	Energy indirect (Scope 2) GHG emissions	Our ESG Priorities: Climate Action	44–45	✓
			Supplemental Information: Performance Indicators	64	
	305-3	Other indirect (Scope 3) GHG emissions	Our ESG Priorities: Climate Action	44–45	✓
			Supplemental Information: Performance Indicators	64	
305-4	GHG emissions intensity	Our ESG Priorities: Climate Action	44–45	✓	
		Supplemental Information: Performance Indicators	64		
305-7	Nitrogen oxides and sulfur oxides	Supplemental Information: Performance Indicators	64	✓	
Non-GRI indicator	N/A	Gross installed renewable energy capacity	Our ESG Priorities: Climate Action	44–45	✓
			Supplemental Information: Performance Indicators	64	
Resource management					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Climate Action	46	
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Supplemental Information: Performance Indicators	64	✓
	302-3	Energy intensity of our energy generation assets	Our ESG Priorities: Climate Action	46	✓
Supplemental Information: Performance Indicators			64		
GRI 303: Water and effluents 2018	303-5	Water consumption	Supplemental Information: Performance Indicators	64	✓
Non-GRI indicator	N/A	Freshwater consumption intensity for energy generating assets	Supplemental Information: Performance Indicators	64	✓
GRI 306: Waste 2020	306-3	Waste generated	Supplemental Information: Performance Indicators	64	✓
Workforce transformation					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Empowering Lives	47	
GRI 2: General disclosures 2021	2-7	Employees	Supplemental Information: Performance Indicators	65	✓
GRI 401: Employment 2016	401-1	Employment	Supplemental Information: Performance Indicators	65	✓
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	Our ESG Priorities: Empowering Lives	47	✓
			Supplemental Information: Performance Indicators	66	

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Workforce transformation (cont'd)					
Non-GRI indicator	N/A	Average sustainability skill learning hours per employee	Our ESG Priorities: Empowering Lives	47	✔
			Supplemental Information: Performance Indicators	66	
Non-GRI indicator	N/A	Number of employees and / or partners upgraded	Our ESG Priorities: Empowering Lives	47	✔
			Supplemental Information: Performance Indicators	66	
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	Supplemental Information: Performance Indicators	65	✔
Community engagement and investment					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Empowering Lives	48	
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	Our ESG Priorities: Empowering Lives	48	✔
			Supplemental Information: Performance Indicators	66	
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Our ESG Priorities: Empowering Lives	48	✔
			Supplemental Information: Performance Indicators	66	
Health and safety					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Resilient Business	49	
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	Our ESG Priorities: Resilient Business	49	
			Our ESG Priorities: Resilient Business	49	✔
	403-9	Work-related injuries	Supplemental Information: Performance Indicators	66	
			403-10	Work-related ill health	Our ESG Priorities: Resilient Business
Supplemental Information: Performance Indicators	66				
Risk governance					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Resilient Business	50	
			Corporate Governance Statement	76–93	
Non-GRI indicator	N/A	Integrated Assurance Framework (IAF) implementation across markets	Our ESG Priorities: Resilient Business	50	✔
			Supplemental Information: Performance Indicators	67	
GRI 2: General disclosures 2021	2-27	Compliance with laws and regulations	Supplemental Information: Performance Indicators	67	✔
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Supplemental Information: Performance Indicators	67	✔
			Our ESG Priorities: Resilient Business	50	
	205-2	Communication and training about anti-corruption policies and procedures	Supplemental Information: Performance Indicators	67	
			205-3	Confirmed incidents of corruption and actions taken	Supplemental Information: Performance Indicators

Independent Assurance Statement



Introduction

DNV Business Assurance Singapore Pte. Ltd. (‘DNV’) has been commissioned by the management of Sembcorp Industries Ltd (‘Sembcorp’, or ‘the Company’, a company registered with the Accounting and Corporate Regulatory Authority, Singapore (UEN: 199802418D)) to undertake a limited level of assurance in connection with select subject matter to be included in the Company’s Sustainability Report 2024 (‘the Report’) for the calendar year ending 31 December 2024. The Management of Sembcorp is responsible for developing the Report. The intended users of this Assurance Statement are the Management of the Company.

Scope and Boundary of Assurance

This assurance engagement has been carried out in accordance with DNV’s VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance. Apart from DNV’s Verisustain™ protocol, DNV team has also followed below guidelines:

- ISO 14064-3 – Specification with guidance for the verification and validation of greenhouse gas statements: to evaluate indicators regarding greenhouse gases disclosures
- ISO 14046 – Environmental Management – Water footprint – Principles, requirements, and guidelines: to evaluate indicators regarding water disclosures
- Task Force on Climate-related Financial Disclosures (TCFD) recommendations

DNV carried out limited level of assurance and the scope of assurance is limited to a review of sustainability-related disclosures and performance data (as indicated under the ‘External assurance’ column in the GRI Content Index of the Report) and the Metrics and Targets section of the Climate-related Financial Disclosures, specifically covering Scope 1 and 2 greenhouse gas emissions. Our assurance engagement was carried out during the period November 2024 to March 2025.

The sustainability disclosures in this Report have been prepared based on the identified material sustainability factors and performance disclosures in relation to business activities undertaken by the Company for the calendar year 1 January 2024 to 31 December 2024.

The procedures performed in a limited assurance engagement vary in nature and timing and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and / or on Sembcorp’s website for the current reporting period.

Responsibilities of the Management of Sembcorp and of the Assurance Provider

The Company’s management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement. The Board has oversight and is responsible for the Company’s sustainability reporting. Sembcorp has stated that this Report has adopted general disclosures and selected topic-specific disclosures and Company formulated disclosures related to the identified material sustainability factors.

In performing our assurance work, DNV’s responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared in accordance with the reporting requirements and to report to Sembcorp in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Basis of Our Opinion

We had planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion as part of the assurance engagement. We adopted a risk-based approach, i.e. we concentrated our verification efforts on the issues of high material relevance to Sembcorp and its key stakeholders. A team of sustainability assurance specialists reviewed disclosures of selected subject matter related to the headquarters in Singapore, and selected sites of Sembcorp based on DNV’s sampling plan. During the audit, we conducted the site visits to Sembcorp’s Headquarter (30 Hill Street), Banyan Cogen Plant, and Singapore Mint in Singapore. We performed the following activities:

- Review of the non-financial sustainability-related disclosures in this Report;
- Desk review of selected sustainability parameters for sampled entities, and discussed findings and resolved with the Group Sustainability division;
- Conducted interviews with data owners from Sembcorp to understand the key processes and controls for reporting business units’ performance data;
- Carried out physical site visit at the Sembcorp’s headquarter (30 Hill Street), Banyan Cogen Plant, and Singapore Mint in Singapore to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy;
- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritised based on risk-based approach, i.e. relevance of identified material aspects and sustainability context of the business; and
- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate levels.

Opinion and Observations

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the information related to the select subject matter for the Report for the year ended 31 December 2024 has not been prepared, in all material respects, with reference to the GRI Standards and its reporting principles, and TCFD recommendations (Metrics and Targets disclosure). Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™ and GRI Reporting Principles applicable to the disclosure of selected subject matter:

Materiality

The process of determining the factors that is most relevant to an organisation and its stakeholders.

The Report describes Sembcorp’s systematic approach to assessing materiality, which includes consultations with key stakeholders to identify the most significant aspects. Additionally, the report prioritises sustainability aspects for reporting under three main factors: Climate Action, Empowering Lives, and Resilient Business, throughout the organisation, as brought out in the section “Materiality” of the Report.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Independent Assurance Statement



Stakeholder inclusiveness

The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.
The Report elucidates the stakeholder identification process in the “Materiality” section. Sembcorp has engaged key stakeholders through pertinent relationship holders within the Company to gather insights on sustainability issues, concerns, and expectations. The feedback from stakeholders was subsequently collected, consolidated, and analysed. *Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.*

Responsiveness

The extent to which an organisation responds to stakeholder issues.
The Report outlines Sembcorp’s responses and strategies concerning identified material aspects and key stakeholder concerns through disclosures on management approach, governance, and policies across various sections. Additionally, the report presents its non-financial performance related to these identified material aspects. *Nothing has come to our attention to believe that the Report has not met the Principle of Responsiveness for the selected performance standards.*

Reliability

The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.
Sembcorp employs a combination of several data management systems to monitor, track, and consolidate key sustainability disclosures across its reporting boundaries. The majority of data and information verified were found to be accurate and reliable. Minor data inaccuracies identified during the verification process of sample data sets were attributed to transcription, interpretation, and aggregation errors. These inaccuracies have been communicated for correction, and the related disclosures were reviewed for accuracy. *Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.*

Completeness

How much of all the information that has been identified as material to the organisation and its stakeholders is reported.
The Report presents the Company’s sustainability or non-financial disclosures for the reporting year, related to material factors, utilizing appropriate GRI topic-specific standards for its identified boundary of operations. *Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to the identified scope.*

Neutrality

The extent to which a report provides a balanced account of an organisation’s performance, delivered in a neutral tone.
The Report presents disclosures related to Sembcorp’s sustainability performance, including key concerns and challenges encountered during the reporting period, in a neutral tone with regards to content and presentation. *Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.*

Limitations

DNV’s assurance engagements are based on the assumption that the data and information provided by Sembcorp to us as part of our review have been provided in good faith, are true, and is free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Sembcorp’s suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 – Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct¹ during the assurance engagement and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals.

Purpose and Restriction on Distribution and Use

This report, including our conclusion, has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

For and on behalf of DNV Business Assurance Singapore Pte. Ltd.

Gangwar,
Vishal

Vishal Gangwar
Lead Verifier
Supply Chain and Product Assurance

Digitally signed by Gangwar, Vishal
Date: 2025.03.18 17:15:00 +08'00'

Fuad Hasan Bin Damanhuri
Verifier
Supply Chain and Product Assurance

Singapore
18 March 2025

Kakarapart
hi Venkata
Raman

Venkata Raman Kakaraparthi
Assurance Reviewer
Supply Chain and Product Assurance

Digitally signed by Kakaraparthi Venkata Raman
Date: 2025.03.18 16:41:30 +05'30'

¹ The DNV Code of Conduct is available on request from www.dnv.com

Corporate Governance Statement

Sembcorp’s corporate governance framework is built on principles of integrity, accountability, transparency and sustainability, and reflects our commitment to long-term sustainable business performance.

Well-defined policies and processes are essential to enhancing corporate governance, as well as improving corporate performance and accountability. We are committed to high standards of governance to create, preserve and maximise long-term value for all our stakeholders.

This report outlines the company’s corporate governance processes and activities for financial year 2024 (FY2024), aligning with the principles of the Singapore Code of Corporate Governance 2018 (the Code). The board is pleased to report that the company has complied in all material aspects with the principles and provisions under the Code’s key provisions, with any deviations clearly explained.

In line with our ongoing dedication to improvement, we regularly review

and adapt our processes to reflect best practices, ensuring they align with the Group’s needs and evolving business landscape. At the Singapore Corporate Awards 2024, Sembcorp was awarded the Special Recognition Award for Transformation, which recognises organisations that have demonstrated outstanding and exemplary corporate governance in the affairs of their boards and organisations. Sembcorp’s Group Chief Executive Officer (CEO), Mr Wong Kim Yin was also named Best CEO among the large-cap companies. At the Securities Investors Association (Singapore) Investors’ Choice Awards 2024, Sembcorp was one of the winners of the Singapore Corporate Governance Award (Big Cap) and was awarded the Most Transparent Company Award (Utilities).

Board Matters

The Board’s Conduct of Affairs (Principle 1)

Effective board to lead and effect controls

Temasek Holdings (Temasek) is Sembcorp’s substantial shareholder. As a Temasek portfolio company, Sembcorp is committed to sound corporate governance practices that include having an independent and a capable board.

Sembcorp’s eleven-member board led by Chairman Mr Tow Heng Tan, combines expertise, independence, and diversity to provide strategic leadership. With majority of independent non-executive directors and Mr Lim Ming Yan as the Lead Independent Director, the board’s collective experience ensures robust oversight and direction. This strong governance foundation reflects Sembcorp’s dedication to excellence and accountability, key drivers of its long-term success.

The composition of the board and its committees are set out in the table below.

Name	First Appointed	Last Re-elected / Re-appointed	Nature of Appointment	Board Committees				
				E	A	R	C	N
				ExCo	AC	RC	ERCC	NC
Tow Heng Tan*	June 1, 2021	April 21, 2022	Chairman Non-executive & Non-Independent	C			M	M
Lim Ming Yan	January 18, 2021	April 23, 2024	Non-executive & Lead Independent Director	M			C	C
Yap Chee Keong*	October 1, 2016	April 20, 2023	Non-executive & Independent		C	M		
Dr Josephine Kwa Lay Keng	August 1, 2018	April 23, 2024	Non-executive & Independent		M	M		
Nagi Hamiyeh**	March 3, 2020	April 20, 2023	Non-executive & Non-independent	M				
Kunnasagaran Chinniah	August 1, 2023	April 23, 2024	Non-executive & Independent	M		C	M	
Marina Chin Li Yuen	November 1, 2023	April 23, 2024	Non-executive & Independent		M	M		
Ong Chao Choon	November 3, 2023	April 23, 2024	Non-executive & Independent		M	M	M	
Manu Bhaskaran*	July 1, 2024	N.A.	Non-executive & Independent					
Prof Uwe Krueger*	October 1, 2024	N.A.	Non-executive & Non-independent					
Wong Kim Yin	July 1, 2020	April 23, 2024	Executive & Non-independent	M				

C: chairman M: member

* Up for retirement and seeking re-election at the upcoming annual general meeting (AGM)

** Up for retirement but not seeking re-election and will retire at the upcoming AGM

Role of the board
The board’s principal duties are to:

- Provide leadership and guidance to management on the Group’s overall strategy to drive value creation and innovation, while ensuring the necessary financial and human resources are in place, deployed and optimised;
- Ensure adequacy of the Group’s risk management and internal control framework and standards, to meet shareholder and stakeholder obligations;
- Review management performance and oversee the Group’s overall performance objectives, key operational initiatives, financial plans, annual budgets, major investments, divestments, funding proposals, financial performance reviews, corporate governance practices; and
- Provide guidance and oversight on sustainability issues, including the determination of material environmental, social and governance (ESG) factors relevant to the Group’s overall business strategy.

The directors and executive officers of the company have each given an undertaking that in the exercise of their powers and duties as a director or executive officer of the company, they shall use their best endeavours to comply with the requirements of the Listing Manual of the Singapore Exchange Securities Trading (SGX-ST) that are in force from time to time, and to use their best endeavours to procure that the company shall so comply.

Delegation by the board
The board has established the following committees with written terms of reference to assist in the efficient discharge of responsibilities and provide independent oversight of management:

- Executive Committee (ExCo)
- Audit Committee (AC)
- Risk Committee (RC)
- Executive Resource & Compensation Committee (ERCC)
- Nominating Committee (NC)

Special purpose committees are also established from time to time as dictated by business imperatives.

The composition of the board committees is structured to ensure an equitable distribution of responsibilities among board members, maximise the effectiveness of the board, as well as foster active participation and contribution. Considerations include diversity of experience, relevant skills, and the need to maintain appropriate checks and balances among the different board committees.

The Group has internal controls and guidelines that set out financial authorisation and approval limits for borrowings, including off-balance sheet commitments, investments, acquisitions, disposals, capital and operating expenditures, as well as requisitions and expenses. Decision making for significant transactions or investments above certain thresholds rests with the board, while the ExCo and management oversee day-to-day approvals, ensuring operational efficiency.

Detailed activities and responsibilities of each committee are outlined in this statement. The structured approach strengthens accountability, fosters active participation, and supports the Group’s commitment to sound governance and sustainable growth. The current composition of these board committees is set out in the table on the left.

For more information on board members, please refer to pages 33 to 35.

Executive Committee ^E
The ExCo supports the board in ensuring that the Group’s business and affairs are conducted in line with the strategic direction set by the board. In pursuing the objective, the ExCo assists in developing the overall strategy for the Group and supervising the management of the Group’s business and affairs, including its material sustainability factors. The ExCo’s principal responsibilities are to:

- Review and approve business opportunities, major contracts, strategic investments and divestments of the Group that fall within the financial authority limits delegated by the board;
- Review the status of the Group’s projects from development through to completion; and
- Review and endorse post-investment review reports to ensure alignment with strategic objectives and lessons for future initiatives.

Audit Committee ^A
All members of the AC are non-executive and independent directors. Its main responsibilities are to:

- Review and report to the board, at least annually, the Group’s financial and accounting matters, as well as the adequacy and effectiveness of the Group’s internal controls encompassing financial, operational, compliance, information technology (IT) and risk management systems (including sustainability). This includes ensuring the adequacy and accuracy of the half-yearly results and annual financial statements prior to submission to the board;

Corporate Governance Statement

- Approve respective audit work plans, review the evaluation and reports from external and internal auditors and ensure that audit resources allocated are in line with key business, operational and financial risk areas;
 - Review management support for auditors and discuss issues or concerns (if any) arising, and conduct discussions with external and internal auditors, without management present, if necessary;
 - Review and approve the Group’s whistleblowing programme and policy, ensuring independent investigations are conducted by internal auditors and management for any suspected fraud, irregularity or suspected infringement of rules, regulations and laws, which may have material impact on the operations and financial position of the Group;
 - Monitor and oversee external auditors’ independence, objectivity, scope, effectiveness, appointment and re-appointment annually;
 - Review and approve interested person transactions according to Chapter 9 of the SGX-ST Listing Rules; and
 - Undertake any reviews as requested by the board and other duties as required by statutes and the SGX-ST Listing Rules or recommended by the Code and by such amendments made thereto from time to time.

Risk Committee ^R
The principal functions of the RC, comprising non-executive and independent directors, are to:

 - Review and approve the Group’s risk appetite and risk tolerance, along with risk policies, guidelines, limits and key risk indicators;
- Review and report to the board on the adequacy and effectiveness of the risk management systems and internal controls, processes and procedures of the Group, in consultation with the AC;
 - Review the Group’s Integrated Assurance Framework (IAF) reports, which are established for management reporting to the board and RC; and
 - Ensure the adequacy of resources to support the management of risks effectively across the Group.

Executive Resource & Compensation Committee ^C
The ERCC is responsible for developing, reviewing and recommending the remuneration framework for the board and key management personnel as defined in the Code, as well as reviewing succession plans for key management personnel. Its principal responsibilities are to:

 - Assist the board to ensure that the Group’s remuneration framework remains competitive and aligned with prevailing economic environment, industry practices, and compensation norms;
 - Review the Directors’ Fee Framework and make recommendations on the remuneration packages of the Group CEO and key management personnel for the board’s consideration;
 - Review and recommend guidelines on share-based and other long-term incentive plans to the board, and approve grants of these incentives for key management personnel; and
 - Review succession planning for key management personnel and the leadership pipeline for the organisation.

- Nominating Committee ^N**
The NC comprises non-executive directors, with a majority, including the chairman, being independent. It ensures a well-balanced and independent board that supports the company’s success. Its principal responsibilities are to:
- Ensure that the board has the right mix of skills, knowledge and experience in business, finance and related industries, along with other aspects of diversity and management expertise critical to the company’s business;
 - Recommend targets to achieve board diversity while maintaining the meritocracy principle in appointing qualified directors;
 - Review the composition and size of the board and its committees, and recommend appointments, re-appointments or re-elections as appropriate;
 - Review and endorse the directors’ independence and succession plans for the board;
 - Develop an evaluation process and criteria for the board and board committees’ performance; and
 - Review and recommend training and professional development programmes for the directors.
- Board orientation and training**
The company has a formal and structured orientation framework and programme for all directors. All new directors receive formal letters of appointment outlining the Group’s governance policies and practices, as well as their duties and obligations. They also receive an information pack that acts as an *aide-memoire* for information covered in the induction programme. This includes briefings on board policies, processes, senior management presentations about Sembcorp, overall strategic plans and

direction, financial performance and business activities in various markets, along with facility visits.

An online database centralises all essential company information and corporate documents for directors’ easy access. Newly appointed directors without prior listed company experience receive training on their roles and responsibilities as required by SGX-ST.

The company ensures that directors stay updated on regulatory changes, guidelines, accounting standards, and relevant trends including market outlooks, global macro views, sustainability, cybersecurity, health and safety, and updates to the Code. These are done through board meetings, committee sessions, or external training seminars funded by the company. Directors also undergo mandatory sustainability training as prescribed by SGX-ST.

Relevant articles and reports are also circulated to the directors for information. Furthermore, directors regularly visit the Group’s operations in key markets to enhance their understanding of the company’s business, promoting active engagement and strengthening relationships with stakeholders.

Meetings and attendance
The board meets regularly to review and approve the company’s financial results, discuss business strategies and address key business issues. It also approves the Group’s annual budget.

During these meetings, the Group CEO provides updates on the company’s development and business prospects, while each board committee reports on its activities. Time is allocated for non-executive directors to discuss management performance, during which the Group CEO and members of management will recuse themselves. Minutes of

Board member	Board	^E ExCo	^A AC	^R RC	^C ERCC	^N NC	AGM
Total number of meetings held in 2024	8	3	5	4	5	2	1
Tow Heng Tan	8	3	–	–	5	2	1
Lim Ming Yan	8	3	–	–	5	2	1
Yap Chee Keong	8	–	5	4	–	–	1
Dr Josephine Kwa Lay Keng	8	–	5	4	–	–	1
Nagi Hamiyeh	4*	1*	–	–	–	–	1
Kunnasagaran Chinniah	8	3	–	4	4*	–	1
Marina Chin Li Yuen	8	–	5	4	–	–	1
Ong Chao Choon	8	–	5	4	–	2	1
Manu Bhaskaran ¹	4	–	–	–	–	–	–
Prof Uwe Krueger ²	2	–	–	–	–	–	–
Wong Kim Yin	8	3	–	–	–	–	1
Ajaib Haridass ³	3	–	1	1	–	–	1

* Could not attend and conveyed their views / comments for consideration prior to meetings

¹ Mr Bhaskaran was appointed as a director with effect from July 1, 2024. He attended all Board meetings held during his tenure

² Prof Krueger was appointed as a director with effect from October 1, 2024. He attended all Board meetings held during his tenure

³ Mr Haridass stepped down as a director, chairman of RC and a member of AC with effect from April 23, 2024

key deliberations and decisions are circulated to all board members for acknowledgement and information.

Ad hoc board meetings are convened as needed for specific matters. Annual strategic review meetings facilitate in-depth discussions between the board and management on the Group’s strategy and other key issues. In 2024, the annual strategic review meeting was held in Singapore over two days with participation from the board and senior management.

Board and board committee meetings, as well as the AGM, are scheduled in consultation with the directors before the start of each year to ensure full attendance. Directors who are unable to attend in person can participate remotely via voice calls or video conferencing. If a director is absent, they receive discussion papers tabled and can convey their views to the Chairman for further consideration. Separate sessions may be arranged for management to brief the director and

seek their input or approval. Decisions by the board and board committees may be made at meetings or through circular resolutions. Directors’ attendance at board and board committee meetings during FY2024 is set out above.

To prevent conflict of interests, directors disclose personal interests in transactions and recuse themselves from discussions and decisions on such matters.

Mr Chinniah sits on the board of Greenko Energy Holdings, a member of the Greenko Group, as a nominee director of GIC which is a major shareholder of Greenko Group. Greenko Group owns and operates renewable energy business in India.

Mr Chinniah will abstain from participating in discussions or decisions where a conflict of interest might arise between Sembcorp and Greenko Energy Holdings, Greenko Group or GIC.

Corporate Governance Statement

Complete, adequate and timely information

Complete, adequate and timely information is essential for directors to make informed decisions and effectively discharge their duties. They are kept informed of the Group’s operational and financial performance, key issues, challenges and opportunities. Financial highlights of the Group’s performance and key developments are presented at board meetings on a quarterly basis. The Group CEO, Group Chief Financial Officer (CFO) and senior management members attend board and board committee meetings to provide insight into matters under discussion and address queries from the board.

Board and board committee papers are provided electronically and can be accessed via tablet devices. As a general rule, all relevant board and board committee papers are made available to directors a week before meetings, allowing sufficient time for review. Should additional information or consultation be needed, the board has direct access to the Group CEO, Group CFO, senior management, company secretary, internal and external auditors, as well as legal counsel.

Independent professional advice

In the furtherance of its duties, the board has full discretion to seek independent professional advice at the company’s expense, where necessary.

Company secretary

The appointment and removal of the company secretary are subject to board approval. The company secretary assists the Chairman by ensuring smooth flow of information within the board, its committees, and between the board and senior management. The company secretary also manages corporate and administrative matters, including facilitating orientations for new directors and supporting their professional development as required. In consultation with the Chairman and Group CEO, the company secretary helps schedule board and board committee meetings, prepare meeting agendas, and administer board proceedings, including taking minutes.

The company secretary ensures the Group’s compliance with the company’s constitution and applicable regulations including requirements of the Companies Act 1967, Securities & Futures Act and the SGX-ST Listing

Manual. The company secretary also acts on behalf of the company to liaise with SGX-ST, Accounting and Corporate Regulatory Authority (ACRA) and shareholders, when necessary.

Board Composition and Guidance (Principle 2)

Independence and diversity of the board

Board composition and diversity

The company has a Board Diversity Policy, outlining principles to maintain diversity in board composition, and to ensure effective decision-making and governance.

The board believes that its directors collectively provide an appropriate balance and mix of skills, knowledge and experience as well as other aspects of diversity including gender, age and ethnicity.

Our current board members comprise business leaders and professionals from diverse sectors, including accountancy and audit, banking and finance, engineering, legal, power and utilities, renewables and real estate, as well as technology research and development

sectors. In addition to contributing their valuable expertise and insights to board deliberations, the directors work to bring independent and objective viewpoints, ensuring balanced and well-considered decisions.

Sembcorp is committed to ensuring and enhancing board diversity and will continue to consider the benefits of all aspects of diversity, including skills, experience, background, gender, age, ethnicity, and other relevant factors. The NC ensures that board appointments are made based on merit, while considering these diversity attributes.

Review of directors’ independence

The board conducts an annual assessment of each director’s independence, focusing on their ability to exercise independent judgment in board decisions. Directors are required to complete a Director’s Independence Checklist, aligned with the provisions of the Code. This checklist also prompts directors to assess their own independence, even in cases where they may have relationships identified in the Code. The completed checklists are reviewed by the NC, which then makes recommendations to the board.

The board is composed of eleven members, seven of whom are independent directors. Apart from the Group CEO, all directors are non-executive and independent of management, ensuring objectivity in decision-making.

In 2024, all directors except Mr Tow, Mr Hamiyeh, Prof Krueger, and Mr Wong declared themselves independent. Following these disclosures, the board reviewed and confirmed the independence of all members of Sembcorp’s board for FY2024 save for the aforementioned directors. The independence of Mr Chinniah was also assessed, as set out below.

Mr Tow is CEO of Pavilion Capital International, a subsidiary of Temasek. Mr Hamiyeh and Prof Krueger are senior executives at Temasek, with Mr Hamiyeh serving as its Head for Europe, the Middle East & Africa, and Prof Krueger as its vice chairman. Mr Wong is the Group CEO and an executive director of Sembcorp.

Mr Chinniah is a consultant to Pavilion Capital International, an advisor to Azalea Investment Management and a non-executive director of Astrea VI, all of which are subsidiaries of Temasek. He is also a non-executive independent director of CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT), where Temasek is a substantial shareholder.

His roles in the above companies are non-executive in nature and he is not involved in their day-to-day business activities. He is not under any obligation, whether formal or informal, to act in accordance with Temasek’s directions, instructions or wishes regarding Sembcorp’s affairs. The board believes Mr Chinniah has acted and will continue to act in the best interests of Sembcorp.

Chairman and Chief Executive Officer (Principle 3)

Clear division of responsibilities between the board and management

The Chairman and the Group CEO are not related. Their roles are kept separate to ensure clear division of responsibilities, greater accountability and enhanced independent decision-making.

The Chairman helms the board and ExCo, chairs all general meetings and plays a key role in fostering constructive dialogue between shareholders, the board and management. He provides leadership and guidance to management, particularly in areas of global growth strategies and project investments. He ensures that board and board committee meetings are conducted

in a manner that promotes open communication, active participation and effective decision-making. He also advises management and monitors follow-up actions, ensuring that board decisions are implemented.

The Group CEO presents strategic proposals to the board. He develops and manages the company’s business in accordance with board approved strategies, policies, budgets and business plans, and ensures accountability while providing guidance and leadership to key management personnel.

Lead Independent Director

The Lead Independent Director provides leadership to the board and chairs board meetings in the Chairman’s absence or when conflicts arise. He facilitates communication between the board and shareholders or other stakeholders as needed. He may convene meetings with independent directors, and provide feedback to the Chairman where appropriate.

As chairman of the NC and ERCC, the Lead Independent Director oversees the annual performance evaluation and development of succession plans for the board and key management personnel.

Board Membership (Principle 4)

Formal and transparent process for the appointment and re-appointment of directors

Succession planning, appointment and re-appointment of directors

The NC ensures the board membership is refreshed progressively to maintain continuity and uphold governance standards. All appointments to the board are based on merit, measured against objective criteria while considering skills, experience, knowledge and competencies. They must also be able to discharge their responsibilities while upholding the highest standards of governance.

Director Experience / Skills Matrix

Experience / Skills	Industry Experience	Renewables / Power Experience	Senior Management Experience	Strategic Planning	Audit / Accounting & Finance	Legal	Information Technology	Risk Management	Human Resource Management
Tow Heng Tan	✔		✔	✔	✔			✔	✔
Lim Ming Yan	✔		✔	✔	✔			✔	✔
Yap Chee Keong	✔	✔	✔	✔	✔		✔	✔	✔
Dr Josephine Kwa Lay Keng	✔	✔	✔	✔	✔		✔	✔	✔
Nagi Hamiyeh	✔		✔	✔	✔		✔	✔	✔
Kunnasagaran Chinniah	✔	✔	✔	✔	✔			✔	✔
Marina Chin Li Yuen	✔		✔	✔	✔	✔		✔	✔
Ong Chao Choon	✔		✔	✔	✔			✔	✔
Manu Bhaskaran	✔		✔	✔	✔			✔	✔
Prof Uwe Krueger	✔	✔	✔	✔	✔		✔	✔	✔
Wong Kim Yin	✔	✔	✔	✔	✔		✔	✔	✔

Corporate Governance Statement

The board recognises the contributions of directors who have over time, developed deep insights into the Group’s business. It exercises discretion to retain the services of such directors where appropriate, to avoid an abrupt loss of experienced directors.

When appointing new directors, the NC consults the board and management and identifies potential candidates sourced through a network of contacts and appropriate external databases. They are evaluated based on skills, experience, age, gender, race, ethnicity, nationality, educational and professional background, length of service and other relevant personal attributes, cognitive skills and lateral thinking. The NC interviews candidates and makes its recommendations for board approval.

The company subscribes to the principle that all directors, including the Group CEO, should retire and submit themselves for re-election at regular intervals, subject to their continued satisfactory performance. The company’s constitution requires a third of its directors to retire and seek re-election by shareholders at every AGM under the one-third rotation rule.

Newly appointed directors must retire and seek re-election at the AGM immediately following their appointment, after which they are subject to the rotation rule.

At the upcoming AGM on April 25, 2025, Mr Tow and Mr Yap will retire and have offered themselves for re-election under the rotation rule. Mr Hamiyeh who is also due to retire under the rotation rule, will not be seeking re-election and will be retiring at the upcoming AGM.

Newly appointed directors, Mr Bhaskaran and Prof Krueger, will also retire and have offered themselves for re-election.

The board discourages appointing alternate directors, and none have been or are currently appointed.

Review of directors’ time commitments

While reviewing the re-appointment and re-election of directors, the NC also considers the directors’ other board roles and principal commitments to ensure they can dedicate adequate time to their responsibilities at Sembcorp. The board has implemented a guiding principle that seeks to address competing time commitments that may be faced when a director holds multiple directorships. As a general rule, Sembcorp limits directors to holding no more than five listed company directorships. However, it recognises that individual circumstances may warrant exceptions.

After reviewing the commitments of each director, the NC concluded, and the board concurred, that all directors have effectively devoted sufficient time and focus to the company’s affairs during FY2024.

Board Performance (Principle 5)

Active participation and valuable contributions are key to the overall effectiveness of the board

Board evaluation process and performance criteria

The board recognises that its performance is closely tied to the Group’s long-term success. Each year, the board, in consultation with the NC, assesses its performance to identify key areas for improvement and ensure follow-up actions are taken. This assessment aims to help directors stay focus on their responsibilities and enhance overall board effectiveness.

To facilitate this process, each director completes a questionnaire assessing the effectiveness of the board, its committees and individual directors’ contribution and performance.

The evaluation considers factors including the size, composition, development and effectiveness of the board and its committees, processes and accountability, information and technology management, decision-making processes, risk and crisis management, succession planning, communication with senior management and stakeholder management. Assessments and feedback are consolidated for collective discussion and review by the board. The NC periodically reviews and refines the directors’ questionnaire to enhance the evaluation process.

The FY2024 evaluation confirmed that the board and its committees continued to perform effectively, supporting Sembcorp’s objectives.

Remuneration Matters Procedures for Developing Remuneration Policies (Principle 6)

Formal and transparent procedure for developing policies on director and executive remuneration

The board, supported by the ERCC, ensures a formal policy and transparent process are in place for determining executive and director remuneration. This approach upholds governance standards and ensures fairness.

As a guiding principle, the Group CEO or any executive or board member will recuse themselves from discussions relating to their own remuneration, performance reviews, and terms and conditions of service.

The ERCC engages expert advice on human resource matters when required. In 2024, WTW was engaged to provide such advice, including the validation of pay levels and compensation structure for the Group CEO against the industry and market, ensuring rigorous design and application of the executive compensation framework.

The ERCC has reviewed the independence and objectivity of WTW, and confirmed that the firm had no relationship with the Group that would affect its independence.

The ERCC reviews the development and performance of management and senior staff, assessing their strengths and development needs against the Group’s leadership competencies framework. Annual reviews of succession plans are conducted for the Group CEO, key direct reports and other selected key positions in the company. Potential internal and external candidates for succession are reviewed according to immediate, medium- and long-term needs. Additionally, the ERCC reviews termination clauses in service contracts of the Group CEO and key management personnel, to ensure they are fair and reasonable.

Level and Mix of Remuneration (Principle 7)

A competitive reward system ensures the highest performance and retention of directors and key management personnel

Sembcorp’s competitive remuneration and reward system is designed to attract, retain and incentivise the best talent.

This approach aligns with the company’s long-term interests and its risk and return policies.

Non-executive directors’ fees

The Directors’ Fee Framework, reviewed by our external consultant WTW in 2024, aligns with the current market practices. It includes basic retainer fees, attendance fees, and allowances for board committee service.

Non-executive directors are remunerated in cash and in share awards under the restricted share plan. Up to 30% of the aggregate directors’ fees approved by shareholders for a

particular financial year may be paid in the form of restricted share awards. The payment of directors’ fees (both cash and share components) is contingent on shareholders’ approval. Directors and their associates also abstain from voting on any resolution(s) relating to their remuneration. The company does not have a retirement remuneration plan for non-executive directors.

Share awards granted to non-executive directors under the restricted share plan as part of directors’ fees are fully paid shares with no performance and vesting conditions, but subject to a selling moratorium. Each non-executive director must hold these shares in the company, including those obtained by other means, with an aggregate value equivalent to their annual basic retainer fee (currently S\$100,000). Any excess exceeding this threshold may be disposed of as desired, in compliance with SGX-ST Listing Rules. A non-executive director may only dispose of all of his shares one year after leaving the board. The cash component of the directors’ fees for financial year 2025 (FY2025), subject to shareholders’ approval at the upcoming AGM, is intended to be paid half-yearly in arrears.

The actual number of shares to be awarded to each non-executive director will be calculated based on the volume-weighted average price of a share on SGX-ST over 14 trading days. This period begins from (and includes) the day the shares are first quoted ex-dividend after the AGM or, if the final dividend resolution is not passed, over the 14 trading days immediately following the date of the AGM. The number of shares to be awarded will be rounded down to the nearest hundred, with any remaining balance settled in cash. The share component of the directors’ fees for FY2025 is intended to be paid in 2026 after the AGM has been held.

Directors’ Fee Framework for FY2024*

	S\$
Retainer fee (per annum)	
Chairman (all-in fee) ¹	750,000
Lead Independent Director (all-in fee) ¹	270,000
Director’s basic retainer	100,000
Chairman, ExCo	60,000
Chairman, AC	60,000
Chairman, RC	40,000
Chairman, ERCC	40,000
Chairman, NC	40,000
Member, ExCo	33,000
Member, AC	33,000
Member, RC	24,000
Member, ERCC	24,000
Member, NC	24,000

Attendance fee (per meeting)

Board meeting (local) ²	2,500
Board meeting (overseas) ²	5,000
Board Committee / General meeting (local) ²	1,500
Board Committee / General meeting (overseas) ²	3,000
Board Committee / General meeting (flat fee) ³	1,000

Teleconference (per meeting)

Board meeting	1,500
Board Committee / General meeting	1,000

Notes

* The Directors’ Fee Framework applies to all directors except the Group CEO, who is an executive director and does not receive any directors’ fees

¹ The Chairman and the Lead Independent Director will each receive an all-in retainer fee. They will not receive any retainer fee for serving on board committees, nor attendance fee for attending board and board committee meetings

² Local – home country of the directors
Overseas – outside home country of the directors

³ Attendance fee for attending a board committee meeting or general meeting is payable if such meetings are held on separate days from the board meeting. In the event such meetings are held on the same day as the board meeting, only a flat fee of S\$1,000 is payable for such meetings

Corporate Governance Statement

Remuneration for key management personnel

Sembcorp’s remuneration and reward system for key management personnel is designed to ensure competitive compensation that attracts, retains and motivates key senior management and senior executives, to drive superior performance and sustainable growth, which is aligned with shareholder interests. The correlation between pay and performance has been validated through a pay-for-performance assessment conducted by WTW in 2024.

• **Fixed remuneration**

Fixed remuneration includes an annual basic salary and, where applicable, fixed allowances, an annual wage supplement and other emoluments. Base salaries take into consideration the scope, criticality and complexity of each role, equity against peers with similar responsibilities, experience and competencies, individual performance and market competitiveness.

• **Annual performance bonus**

The annual performance bonus recognises the outcome and contributions of the individual, while driving the achievement of key business results for the Group and their respective markets. It consists of two components: achievement of pre-agreed targets as well as individual performance, and economic value added (EVA) of the Group.

Performance target bonus is linked to the achievement of the balanced scorecard, which comprises financial and non-financial performance targets comprising strategy, business processes and organisation, and people development. The performance target bonus is subject to the actual achievement of the balanced scorecard of the Group, business unit and individual performance assessment.

An EVA-linked ‘bonus bank’ is created for each key management personnel. Typically, one third of the bonus bank balance is paid out in cash each year and the remainder is carried forward. The carried forward balances may be reduced (claw-back) or increased in future, based on the Group’s yearly EVA performance. There are provisions in the EVA incentive plan to allow for forfeiture of the outstanding balances in the bonus bank in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Group.

• **Share-based incentives**

The Sembcorp Industries Performance Share Plan 2020 (SCI PSP) and Sembcorp Industries Restricted Share Plan 2020 (SCI RSP) are designed to motivate key management personnel to keep striving for the Group’s long-term shareholder value. In addition, our share-based incentive plans aim to align the interests of participants and shareholders, to improve performance and achieve sustainable growth for the company.

The performance share award and restricted share award are granted to the Group CEO, key management personnel and selected business leaders of the Group. The number of performance and restricted shares awarded is determined using a valuation of the shares based on a Monte Carlo simulation. The share awards are conditional upon the achievement of pre-determined performance targets over the performance period. The performance conditions and targets are approved by the ERCC at the beginning of the performance period and the final number of shares vested to the recipient will depend on the level of achievement of these targets over the performance period,

subject to the approval of the ERCC. Under the SCI PSP and SCI RSP, the Group CEO and senior management are required to hold shares in the company and in the aggregate equivalent to at least 200% and 100% of their annual base salaries respectively.

In 2021, the Board approved a five-year Transformation Incentive plan (PSP-TI) under the SCI PSP, to further strengthen the alignment of long-term incentives for the Group CEO and key management personnel with the Group’s strategic brown to green transformation goals. The PSP-TI is linked to specific long-term ESG transformation targets, including Greenhouse Gas Emissions Intensity Reduction, Gross Installed Renewable Energy (RE) Capacity, Sustainable Solutions’ Profit and Sustainable Land Banking and Land Sales.

The size of the restricted share awards granted in 2024 is based on the achievement of stretched financial and non-financial targets. These awards will vest in three equal annual tranches, subject to continued employment with the Group.

 For more information on the share-based incentives and performance targets, please refer to Directors’ Statement on pages 101 to 102 and Note B6 in the Notes to the Financial Statements on pages 145 to 148.

Pay-for-performance

A pay-for-performance assessment was conducted in 2024 by our external consultants, WTW, to review the alignment between the Group’s executive pay programme and business results. To do this, WTW benchmarked the Group’s pay levels and performance against a peer group consisting of comparable-sized Singapore-listed companies, as well as regional and global competitors in the energy industry.

The study examined fixed remuneration, total cash and total remuneration including earned bonuses and long-term incentives of the Group CEO and key management personnel, against that of peer companies as disclosed in the latest annual reports. Concurrently, the study also examined the Group’s performance relative to peers as measured by operating income growth and total shareholder return.

Overall, the study demonstrated a sound correlation between the Group’s executive pay, key financial results, shareholder returns and peer company performance, thus reinforcing the strong pay-for-performance features underpinning our executive pay programme.

Disclosure on Remuneration (Principle 8)

The company is transparent on its remuneration policies, which cover the level and mix of remuneration, procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Directors’ remuneration

Based on the Directors’ Fee Framework, the computation of non-executive

Name of Director	Directors’ fees	
	Cash-based S\$’000	Share-based S\$’000
Payable by Company		
Tow Heng Tan	525	225
Lim Ming Yan	189	81
Yap Chee Keong	152	65
Dr Josephine Kwa Lay Keng	134	57
Nagi Hamiyeh ¹	68	29
Kunnasagaran Chinniah ²	163	70
Marina Chin Li Yuen	134	57
Ong Chao Choon	153	65
Manu Bhaskaran ³	41	18
Prof Uwe Krueger ⁴	–	–
Ajaib Haridass ⁵	66	–

Notes
¹ Mr Hamiyeh has waived the director’s fees payable to him with effect from September 1, 2024
² Mr Kunnasagaran attended AC meetings as an invited attendee
³ Mr Bhaskaran was appointed as a director with effect from July 1, 2024
⁴ Prof Krueger was appointed as a director with effect from October 1, 2024 and has waived any director’s fees payable to him with effect from the date of his appointment as a director
⁵ Mr Haridass stepped down as a director, chairman of RC and a member of AC with effect from April 23, 2024

directors’ fees totalled S\$2,293,544 in 2024 (2023: S\$2,008,175).

 For more information on the performance shares and restricted shares granted to the directors, please refer to the Share-based Incentive Plans section in the Directors’ Statement on pages 101 to 102.

Group CEO

The Group CEO, as an executive director, does not receive directors’ fees from Sembcorp. As a lead member of management, his compensation comprises his salary, allowances, bonuses and share-based incentives conditional upon meeting certain performance targets.

Name of Group CEO	Fixed Pay ¹ S\$’000	FY2024 Cash Bonus Earned ² S\$’000	FY2024 EVA Bonus Declared and Subject to Deferral and Claw-back ³ S\$’000	Fair Value of FY2024 RSP Grant ⁴ S\$’000	Fair Value of FY2024 PSP Grant ⁵ S\$’000	FY2024 Total Remuneration based on Grant Fair Value S\$’000
Payable by Company						
Wong Kim Yin	1,367	1,568	619	1,676	1,176	6,406

¹ The amounts shown are inclusive of base salary, fixed allowances, annual wage supplement and other emoluments
² Cash Bonus Earned is based on the achievement of FY2024 Group Balanced Scorecard Key Performance Indicators (KPIs) (including Net Profit, Return on Equity (ROE), RE Capacity, Carbon Intensity, Health, Safety, Security and Environment (HSSE), Cybersecurity and ESG-related KPIs), and is payable by April 2025
³ EVA Bonus is based on achievement of FY2024 Group Economic Profit above the target weighted average cost of capital (WACC); one third of the FY2024 EVA Bonus Declared is payable by April 2025 and the balance is subject to EVA banking mechanism, which typically pays out one third of the banking balance in future years and subject to negative EVA claw-back
⁴ The contingent grant of FY2024 RSP is based on the achievement of FY2024 Group Balanced Scorecard KPIs. One third of the FY2024 RSP grant (or 90,500 restricted shares) will vest by April 2025 with the remaining deferred and subject to meeting vesting conditions in 2026 and 2027. Estimated fair value per share is S\$6.1756, based on the volume-weighted average price (VWAP) between February 28, 2025 and March 4, 2025 (total estimated fair value of the contingent grant of FY2024 RSP is S\$1,676,000; estimated fair value of the FY2024 RSP to vest in 2025 is S\$558,700)
⁵ The contingent grant of FY2024 PSP will only vest upon the achievement of the three-to-five-year long-term performance conditions (Absolute Total Shareholder Return above targets set against Cost of Equity (COE), Relative Total Shareholder Return against performance of the Straits Times Index (STI), RE Capacity, and KPIs aligned with shareholders’ value creation and ESG transformation targets) between 2021 to 2025. None of the FY2024 PSP contingent grant has vested in 2024 and if the long-term performance conditions are not met, part or all of the FY2024 PSP contingent grant may lapse after 2026. Estimated value per share is S\$4.62 based on a consistent fair valuation model and Monte Carlo simulation and calculated by an external consultant (total fair value of the contingent grant of FY2024 PSP is S\$1,176,000; none of the FY2024 PSP grant has vested in 2024)

Corporate Governance Statement

Key Management Personnel

In 2024, the key management personnel (who are not directors or the Group CEO), in alphabetical order of their last names, are Eugene Cheng, Robert Chong, Koh Chiap Khiong, Alex Tan and Vipul Tuli. After carefully considering the recommendations outlined in the Code, taking into account the highly competitive conditions for talent in the industry, the board is of the view that the Group’s key management personnel’s remuneration shall be disclosed in bands, as laid out in the table below.

Remuneration of employees who are immediate family members of a director or the Group CEO

In 2024, the company had no employees who were immediate family members of a director or the Group CEO.

Accountability and Audit

The board is accountable to shareholders

Sembcorp is committed to maintaining open and honest communication with shareholders at all times. The company presents a balanced and clear assessment of the Group’s performance, position and prospects to shareholders through the timely release of our financial results.

Strict compliance with statutory reporting requirements is imperative to maintaining shareholders’ confidence and trust in the company. In line with SGX-ST requirements, negative assurance statements are issued by the board to accompany the Group’s half-yearly results announcements, confirming that to the best of its knowledge, nothing had come to its attention which would render the half-yearly results false nor misleading.

The management provides the board with regular updates, including management reports, operational insights and financial statements, ensuring access to accurate and timely information.

Risk Management and Internal Controls (Principle 9)

The board has overall responsibility for the governance of the Group’s risk management and internal controls. It determines the company’s risk appetite and tolerance levels, and oversees management in the design and implementation, as well as monitoring of risk management and internal controls.

Adequate and effective system of internal controls

The Group has implemented the IAF where key risks identified are deliberated by management, supported by Group Risk department and regularly reported to the RC.

The below section and on the following page outline the Group’s Principal Risks, without a specific order of significance. Details of our climate-related risks managed through IAF are available in the Climate-related Financial Disclosures on page 52.

Principal Risks	Management Approach
Financial / Operational / Compliance Risks: Geopolitical tensions	Sembcorp’s business, operations, financials and / or prospects may be adversely impacted by developments in global, regional and country level geopolitical environment including those in connection with the following: 1. Current elevated tensions between Russia and Western security alliances due to ongoing conflict in Ukraine, and along with the Israel-Hamas conflict, could negatively impact economic growth and inflation via lower trade and higher energy prices; and 2. Evolving geopolitical relationship between the US and China, could disrupt trade and supply chains, especially for materials essential to manufacturing assets for the renewables business; The impact of the above developments is particularly acute in the developing countries that are highly dependent on US dollar-denominated imports, as they place additional strain on these countries’ US dollar foreign reserves. In addition, geopolitical developments in countries where Sembcorp operate may adversely impact the country’s economic conditions, which could in turn, negatively impact our business, operations, financials and prospects. We have conducted scenario analysis and stress-testing of our existing operations to identify potential risks and opportunities under a range of geopolitical and macroeconomic scenarios. Contingencies have been incorporated in our existing operations, and we will continue to closely monitor developments in line with these scenarios.
Financial Risks: Interest rate exposure	The Group is exposed to interest rate risks arising from changes in interest rates affecting total interest expense which may result in higher funding costs in a rising interest rate environment. These exposures are managed using (i) fixed rate borrowings and (ii) interest rate swaps.
Financial Risks: Commodity volatility	The Group is subject to fluctuations in commodity prices such as energy, oil and natural gas for its Gas and Related Services business, as well as raw material prices, such as steel and polysilicon, which are essential for manufacturing wind and solar assets for its renewables business. We manage this risk by incorporating pricing formulas for the materials that allow costs to be passed on to customers. In line with the Group’s risk management policy, we also hedge the residual risks from price fluctuation of these items. Management regularly monitors exposure positions to ensure effective oversight.
Financial Risks: Counterparty risks	The Group faces default and counterparty credit risks arising from customers, vendors, joint venture partners and financial institutions that may fail to meet their payment or contractual obligations. We conduct periodic credit reviews and monitor credit exposures to detect potential credit deterioration. Banker’s guarantees, standby letters of credit, parental corporate guarantee, deposit securities and / or collateral may be requested for further credit enhancement on a case-by-case basis from customers, vendors and joint venture partners. For financial institutions, we screen for material concentrations to ensure the Group does not have excessive credit exposure to a single counterparty or group of related counterparties that may result in a material impact on the Group.

Remuneration Band	Number of Employees	Fixed Pay ¹ %	FY2024 Cash Bonus Earned ² %	FY2024 EVA Bonus Declared and Subject to Deferral and Claw-back ³ %	Fair Value of FY2024 RSP Grant ⁴ %	Fair Value of FY2024 PSP Grant ⁵ %	FY2024 Total Remuneration based on Grant Fair Value %
\$4,250,001 to \$4,500,000	2	17%	47%	4%	26%	7%	100%
\$3,250,001 to \$3,500,000	1	20%	48%	6%	19%	8%	100%
\$3,000,001 to \$3,250,000	1	22%	43%	6%	19%	10%	100%
\$2,500,001 to \$2,750,000	1	29%	37%	7%	18%	10%	100%
Total Aggregated Compensation of 5 KMPs based on Grant Fair Value (\$’000)							17,873

¹ The amounts shown are inclusive of base salary, fixed allowances, annual wage supplement and other emoluments

² Cash Bonus Earned is based on the achievement of FY2024 Group Balanced Scorecard KPIs (including Net Profit, ROE, RE Capacity, Carbon Intensity, HSSE, Cybersecurity and ESG-related KPIs), and is payable by April 2025

³ EVA Bonus is based on achievement of FY2024 Group Economic Profit above the target WACC; one third of the FY2024 EVA Bonus Declared is payable by April 2025 and the balance is subject to EVA banking mechanism, which typically pays out one third of the banking balance in future years and subject to negative EVA claw-back

⁴ The contingent grant of FY2024 RSP is based on the achievement of FY2024 Group Balanced Scorecard KPIs. One third of the FY2024 RSP grant will vest by April 2025 with the remaining deferred and subject to meeting vesting conditions in 2026 and 2027. Estimated fair value per share is S\$6.1756, based on the VWAP between February 28, 2025 and March 4, 2025 (the aggregated estimated fair value of the contingent grant of FY2024 RSP for the five key management personnel is S\$3,901,000; estimated fair value of the FY2024 RSP to vest in 2025 is S\$1,300,000)

⁵ The contingent grant of FY2024 PSP will only vest upon the achievement of the three-to-five-year long-term performance conditions (Absolute Total Shareholder Return above targets set against COE, Relative Total Shareholder Return against performance of STI, RE Capacity, and KPIs aligned with shareholders’ value creation and ESG transformation targets) between 2021 to 2025. None of the FY2024 PSP contingent grant has vested in 2024 and if the long-term performance conditions are not met, part or all of the FY2024 PSP contingent grant may lapse after 2026. Estimated value per share is S\$4.62 based on a consistent fair valuation model and Monte Carlo simulation and calculated by an external consultant (the aggregated fair value of the contingent grant of FY2024 PSP for the five key management personnel is S\$1,421,000; none of the FY2024 PSP grant has vested in 2024)

Corporate Governance Statement

Principal Risks	Management Approach
Operational Risks: Health, Safety, Security and Environment	Group HSSE management system provides a framework for managing health, safety, security and environment across Sembcorp’s global operations. It provides guidance for our business to comply with HSSE regulations, and mitigate HSSE risks linked to our activities and services. Under the lead of the Chief Operating Officer, the Group works closely with the global operations, projects secured and under construction, guiding the implementation of the safe and secure operations requirements set out in the Group Centre of Excellence framework and the Group HSSE management system. Functional level assurance checks are scheduled and implemented to ensure compliance and continuous improvements in the management of key operational risks.
Compliance Risks: Bribery and corruption	 For more information on our management approach on bribery and corruption risks, please refer to the Risk Governance section on page 50.
Information Technology Risks: Cybersecurity	Cybersecurity risks include data breaches or national / state-wide cyberattacks that could compromise our control systems, potentially causing regulatory non-compliance or service disruptions. Our cybersecurity strategy employs defensive tools and a robust three-layer framework for inspection, verification, and validation. Led by our Chief Digital Officer, the Group works closely with our technology suppliers, Group Integrated Audit (GIA), and the AC to implement effective controls, and report cybersecurity-related issues and trends. We regularly test our defences through change control processes, vulnerability assessments and penetration testing exercises, ensuring we operate in an optimal and cyber-secure digital environment.
Climate-related Risks	 For more information on our management approach on climate-related risks, please refer to the Climate-related Financial Disclosures section on pages 55 to 59.

The Group’s system of internal controls, which supports the Integrated Assurance Framework (IAF), encompasses the Code of Conduct (CoC), group-wide governance and internal control policies, procedures and guidelines that ensure segregation of duties, approval authorities and limits, as well as embedded checks and balances across business processes.

The IAF adopts the three lines of defence (LOD) model, fostering a collaborative and consistent approach to reviewing and testing key financial, operational, compliance and IT risks. External audits evaluate internal controls relevant to the preparation of financial statements to ensure accuracy and fairness.

Embedded in the IAF is the Management Control Assessment which is submitted by each business

unit, providing assurance that the risk management and internal control systems are adequate and effective. This is supported by key risk indicators, which are monitored and reported to the RC regularly.

For FY2024, the board received assurance from the Group CEO and Group CFO that the Group’s financial records are properly maintained, its financial statements present a true and fair view of the Group’s financial position, operations, and performance, and its risk management and internal control systems are adequate and effective.

The board reviewed and concurred with the AC’s evaluation that, as at December 31, 2024, the company’s internal controls and risk management systems (including sustainability) are adequate and effective in addressing

the Group’s financial, operational, compliance and IT risks. This assessment is based on the risk management and internal controls established and maintained by the Group, work performed by internal and external auditors, and reviews performed by senior management. While internal controls inherently provide reasonable but not absolute assurance of achieving their intended objectives, the board remains committed to ensuring necessary remedial actions are promptly taken to address any significant weaknesses or failures that may arise.

Audit Committee (Principle 10)

The AC does not include anyone who was a former partner or director of the company’s external auditors, KPMG, within the last two years, or who holds any financial interest in KPMG.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to management and their cooperation, as well as full discretion to invite any director or executive officer to attend its meetings. The AC is also provided with necessary resources to enable it to discharge its functions properly.

Where relevant, the AC is guided by the recommended best practice for audit committees, outlined in the Code.

Key audit matters

The AC reviews the key audit matters with management and external auditors on a quarterly basis to ensure that they are appropriately addressed. The AC concurred with the basis and conclusions included in the auditors’ report for FY2024 regarding key audit matters.

 For more information on key audit matters, please refer to pages 104 to 108.

External auditors

Each year, the AC reviews the independence of the company’s external auditors and makes recommendations to the board on their re-appointment. During the year, the AC reviewed the performance of the external auditors based on the Audit Quality Indicators Disclosure Framework published by ACRA. Mr Chiang Yong Torng has been appointed the new audit partner for financial year 2024, in accordance with SGX-ST Listing Rule 713(1).

The AC reviews and approves the external audit plan to ensure its adequacy. It also reviews the external auditors’ management letter and monitors the timely implementation of required corrective or improvement measures. The AC meets with external and internal auditors at least once a year without the presence of management to discuss any issues of concern. It has reviewed the

nature and extent of non-audit services provided by the external auditors to the Group for the year. Based on these reviews, the AC has recommended the re-appointment of the external auditors at the forthcoming AGM.

 For more information on non-audit fees payable to the external auditors, please refer to Note B4a in the Notes to the Financial Statements on page 142.

Whistleblowing policy

The whistleblowing policy was established to strengthen corporate governance and ethical business practices across all markets, business lines and functional units. The company has zero tolerance to fraud and corruption. Whistleblowing reports and information received are treated confidentially, with measures in place to protect the identity and interests of whistleblowers. Employees, vendors, contractors, sub-contractors and members of the public can access various channels of communication to report suspected fraud, corruption, dishonest practices or other misdemeanour anonymously. The reports are received and investigated by GIA, with significant matters being escalated to the AC. The AC oversees the outcome of independent investigations and ensures that appropriate follow-up actions are taken.

 For more information on the whistleblowing policy, please refer to the Codes and Policies section under Our Commitment to Corporate Governance webpage.

Group Integrated Audit Independent integrated audit function

GIA is an important LOD for the Group and is a core component in the Group’s assurance framework and governance process.

GIA provides assurance to management and the AC on the adequacy and effectiveness of the Group’s internal control and risk management systems (including sustainability), to govern operational, financial, compliance and IT risks.

The AC reviews GIA’s independence, adequacy and effectiveness, ensuring that it is sufficiently resourced and effective. The AC is satisfied that GIA is effective, independent, adequately resourced, and has appropriate standing within the company.

An independent Quality Assurance Review (QAR) is performed at least once every five years by qualified professionals from an external organisation. The most current QAR was completed in 2024, and it was assessed that GIA generally conforms with the IIA Standards.

The Head of GIA, Mr Wong Kiew Kwong, reports directly to the AC and administratively to the Group CEO. The Head of GIA will confirm to the AC annually the organisational independence of the integrated audit function. The AC is also involved in the appointment, replacement, dismissal, performance evaluation and compensation of the Head of GIA.

GIA adopts a risk-based approach in developing the Group’s annual audit plan, which covers the key risks and controls identified through the Group’s IAF. The risk-based approach ensures that the key controls are covered systematically over the relevant audit cycle, with annual audits of top risks. GIA’s scope extends to all areas of the company and its controlled entities.

The AC reviews and agrees on the scope of the Group’s annual audit plan, the frequency of audits for each entity or area, and the effective deployment of internal audit resources during the year.

Corporate Governance Statement

Significant internal control gaps, lapses and recommendations for improvement are communicated to management and reported to the AC quarterly. The AC reviews the actions taken by management to address significant audit findings and seek responses from management if the risk-mitigating actions have not been adequately implemented.

The AC meets with GIA regularly, without management present, to discuss any issues of concern.

Professional standards, authority and competency

The purpose, authority and responsibility of GIA are formally defined in a charter approved by the AC. The charter defines GIA’s position within the organisation, including its functional reporting relationship with the AC, authorises access to records, personnel and physical properties relevant to the performance of engagements, and sets the scope of the internal audit activities.

The charter mandates a quality assurance and improvement programme that covers all aspects of internal audit activity. This includes assessing GIA’s conformance with professional standards and Code of Ethics, as well as ensuring that internal auditors adhere to the Institute of Internal Auditors’ Code of Ethics.

GIA has unrestricted access to all personnel, documents, accounts, records, property, and any other data of the company deemed necessary for it to effectively perform its duties.

The GIA team comprises auditors with relevant qualifications and experience. The audits performed are in accordance with the standards set by professional bodies including the Standards for Professional Practice of Internal Auditing by the Institute of Internal Auditors. The team also performs an annual declaration of independence and confirms their adherence to the Group’s CoC.

Shareholder Rights and Engagement
Shareholder Rights and Conduct of General Meetings (Principle 11)

Fair and equitable treatment of shareholders

Sembcorp is committed to treating all shareholders fairly and equitably. The company is committed to safeguarding and facilitating the exercise of shareholders’ rights, continuously reviewing and updating its governance practices to maintain transparency.

The company is committed to ensuring that all shareholders have easy access to clear, reliable and meaningful information in order to make informed investment decisions. The company regularly communicates major developments in its business operations via announcements, press releases, circulars to shareholders and other appropriate channels. The company also encourages shareholder participation and voting at general meetings.

Conduct of general meetings

All shareholders are invited to participate in the company’s general meetings.

Notices of general meetings are disseminated via SGXNet, published in local newspapers and posted on the company website at www.sembcorp.com ahead of the meetings. Annual reports, letters to shareholders and circulars are also available on SGXNet and the company website. Shareholders who prefer to receive a physical copy of such documents may request for one.

At each AGM, the Group CEO provides an update to shareholders on the company’s performance. Every matter requiring approval is proposed as a separate resolution.

Shareholders can clarify or ask questions on the proposed resolutions before voting. The board, with management’s assistance, will address any shareholder feedback or concerns. External auditors, legal advisors and relevant external consultants are also present to assist the board when necessary.

Shareholders are encouraged to submit their questions in advance to the company, and the company’s responses to substantial and relevant questions are published on the company website and disseminated via SGXNet prior to the commencement of the AGM.

The company’s constitution allows shareholders who are not relevant intermediaries, to appoint up to two proxies to attend, speak and vote on their behalf at general meetings. Shareholders who are relevant intermediaries such as banks, capital markets services licence holders that provide custodial services for securities and the Central Provident Fund (CPF) Board, may appoint more than two proxies to attend, speak and vote at general meetings. This enables indirect investors, including CPF investors, to be appointed as proxies to participate at general meetings. Voting in absentia by mail, email or other electronic means is currently not allowed, but will be carefully evaluated for feasibility to ensure integrity of information and authenticity of shareholders’ identities are not compromised.

Electronic poll voting is conducted at general meetings for greater transparency. An independent scrutineer is engaged to review the electronic poll voting system and proxy verification process, to ensure accuracy and adherence to procedures. The total number of votes cast for or against each resolution is tallied and displayed

during the meetings. Voting results will also be announced after the meetings via SGXNet.

The company secretary records minutes of the general meetings, including shareholder comments or queries and responses from the board and management. The minutes are published on the company website and SGXNet within one month after the general meetings.

Dividend policy

Sembcorp is committed to achieving sustainable income and growth to enhance total shareholder return. The company has outlined its strategic plan to transform its portfolio and drive energy transition. Its dividend policy aims to balance cash return to shareholders with investments for sustaining growth while ensuring an efficient capital structure. Sembcorp strives to provide consistent and sustainable ordinary dividend payments to our shareholders, and the practice is to consider declaring dividends on a biannual basis. As Sembcorp’s cash flow visibility improves supported by a strong portfolio underpinned by long-term offtake contracts, Sembcorp has the ability to potentially increase returns to shareholders through a growing dividend. In the event of a material variation in declared dividends compared to the previous corresponding period, or any decision not to declare a dividend, the reasons for such will be disclosed in accordance with SGX-ST Listing Rule 704(24).

Engagement with Shareholders (Principle 12)

Regular, effective and fair communication with shareholders

Sembcorp is committed to upholding high standards of corporate transparency and disclosure. The Group has an investor relations policy which adheres to fair disclosure

principles and emphasises active dialogue and engagement with shareholders, investors and analysts.

A dedicated investor relations team supports management in maintaining an active dialogue with the investment community.

Timely disclosures

Sembcorp is committed to providing meaningful, timely and consistent disclosure of material information, ensuring that the investment community can make informed investment decisions. All price-sensitive and material information is disseminated via SGXNet on a non-selective, timely and consistent basis. The company’s announcements are also uploaded on the company website after dissemination on SGXNet.

The financial results release date is disclosed one month prior to the announcement date via SGXNet. The company conducts analysts and media briefings upon the release of its financial results. The results briefings are conducted in a hybrid format enabling in-person and online attendees via a ‘live’ webcast. Sembcorp’s investor relations officers are available by email or telephone to answer questions from the investment community, provided the information requested does not conflict with the SGX-ST’s rules on fair disclosure.

Establishing and maintaining regular dialogue with shareholders

In addition to the results briefings, the company maintains regular dialogue with shareholders through investor-targeted events, such as AGMs, extraordinary general meetings, non-deal roadshows and conferences, site visits, as well as group and one-on-one meetings. These platforms provide opportunities for the board and senior management

to interact directly with shareholders, understand their views, gather feedback and address concerns.

The company maintains a dedicated investor relations section on our company website, located under the *Creating Shareholder Value* webpage, to cater to specific information needs of investors and capital market participants. Shareholders can also contact the investor relations team via email. The contact information for investor relations is available on the company website and in the annual report.

To keep the board and senior management abreast of market perception and concerns, the investor relations team provides regular updates on analysts’ consensus estimates and views. A comprehensive report is presented quarterly and includes updates and analysis of the shareholder register, highlights of key shareholder engagements as well as market feedback.

 For more information on Sembcorp’s communications with its shareholders, please refer to the *Investor Relations* section on page 94.

Corporate Governance Statement

Managing Stakeholders Relationships

Engagement with Stakeholders (Principle 13)

Considering the needs and interests of material stakeholders

Sembcorp’s key stakeholders include customers, employees, financial institutions, governments and regulators, shareholders and the investment community, local communities, contractors, suppliers, trade unions and industry partners. These stakeholders are managed by various departments at the corporate and market levels.

The company takes an inclusive approach to stakeholder management, actively considering and addressing the needs and interests of its material stakeholders. Meaningful engagement enables Sembcorp to identify issues critical to its business, gain valuable insights into stakeholder perspectives, and prioritise areas of mutual importance within its partnerships.

To support effective communication and collaboration, Sembcorp maintains an up-to-date website as a central platform for sharing information, gathering feedback, and fostering engagement.

Dealings in Securities

A Policy on Prevention of Insider Trading has been implemented to prohibit dealings in the company’s securities by the board of directors and senior management within one month prior to the announcement of the company’s half-year and full-year financial results. The board and employees are also advised to adhere to insider trading laws at all times, including when dealing in the company’s securities outside the prohibited trading period, and reminded not to deal in the company’s securities on short-term considerations.

The foregoing also applies to the company in respect of its purchase or acquisition of shares conducted under the share purchase mandate.

Interested Person Transactions

Shareholders have adopted an interested person transaction mandate (IPT Mandate) in respect to interested person transactions (IPTs) of the Group, which defines the levels and procedures to obtain approvals for such transactions. Information regarding the IPT Mandate is available on the company’s intranet, and the company has an internal policy and procedure to manage and capture any IPTs. All markets, business lines and functional units are required to be familiar with the IPT Mandate as well as the internal policy and procedure, reporting IPTs to the company for review and approval by the AC. The Group maintains a register of IPTs in accordance with Chapter 9 of the SGX-ST Listing Manual.

 For more information on IPTs for FY2024, please refer to page 234.

 For more information on the IPT Mandate, please refer to the Letter to Shareholders.

Code of Conduct

The Group’s CoC aims to ensure an effective governance and decision-making structure, with employees required to refer and apply its principles. The Group CEO and senior management actively reference the CoC in key internal meetings to reinforce its importance among management. All employees of the Group must complete annual training on the CoC and its key policies, and to declare that they are in compliance with the CoC and key policies annually.

Summary of Governance Disclosures

The Summary of Disclosures that describes our corporate governance practices with specific reference to disclosure requirements in the principles and provisions of the Code, which can be found at SGX’s website at rulebook.sgx.com, is set out below.

Board Matters	Remuneration Matters	Shareholder Rights and Engagement
Provision	Provision	Provision
Page	Page	Page
The Board’s Conduct of Affairs (Principle 1)	Procedures for Developing Remuneration Policies (Principle 6)	Shareholder Rights and Conduct of General Meetings (Principle 11)
1.1	6.1	11.1
1.2	6.2	11.2
1.3	6.3	11.3
1.4	6.4	11.4
1.5		11.5
1.6	Level and Mix of Remuneration (Principle 7)	11.6
1.7	7.1	
	7.2	Engagement with Shareholders (Principle 12)
Board Composition and Guidance (Principle 2)	7.3	12.1
2.1		12.2
2.2	Disclosure on Remuneration (Principle 8)	12.3
2.3	8.1	
2.4	8.2	Managing Stakeholders Relationships
2.5	8.3	
		Provision
Chairman and Chief Executive Officer (Principle 3)	Accountability and Audit	Page
3.1		
3.2		Engagement with Stakeholders (Principle 13)
3.3	Risk Management and Internal Controls (Principle 9)	13.1
	9.1	13.2
Board Membership (Principle 4)	9.2	13.3
4.1		
4.2	Audit Committee (Principle 10)	
4.3	10.1	
4.4	10.2	
4.5	10.3	
	10.4	
Board Performance (Principle 5)	10.5	
5.1		
5.2		

Investor Relations

Sembcorp is committed to ensuring the investment community receives accurate and timely updates to support informed decision-making.

Our dedicated investor relations team works closely with senior management to proactively engage with the investment community. We strive to provide investors with an accurate and balanced account of the Group's performance and prospects.

Beyond biannual financial results briefings to analysts, we conduct one-on-one and group meetings with shareholders and potential investors. We also participate in key conferences and organise facility tours to offer insights into our operations.

Proactive Engagement with the Investment Community

Building on our refreshed strategy unveiled at Investor Day 2023, Sembcorp's senior management and the investor relations team continued to strengthen engagement with the investment community. A key focus was outlining the Urban business' strategic roadmap to become a leading low-carbon industrial park player in Asia, with targets set for 2028. Urban's renewed focus on driving growth and delivering low-carbon industrial solutions to customers aligns closely with the Group's commitment to creating value and supporting the energy transition.

We actively engaged with the investment community through major conferences, including the Citi Pan-Asia Investor Conference,

HSBC Global Investment Summit, Macquarie ASEAN Conference and Morgan Stanley 23rd Annual Asia Pacific Summit. In addition, through non-deal roadshows in Hong Kong, Kuala Lumpur, Tokyo, Frankfurt, London, and Paris, we reached out to existing and potential investors to discuss our business strategy and developments. Overall, senior management and the investor relations team interacted with over 240 unique members of the investment community through one-on-one and group meetings during the year.

During our full year 2024 results briefing, held in February 2025, we updated investors on our

internal reorganisation to accelerate growth. The presentation provided details on our leadership structure and growth ambitions beyond 2028.

To deepen investors' understanding of our operations, the investor relations team hosted site visits to the Sembcorp Tengeh Floating Solar Farm, as well as to the region's largest Energy Storage System and other facilities in Singapore.

Sembcorp's commitment to governance and transparency has earned prestigious recognition. At the SIAS Investors' Choice Awards 2024, we received the Singapore Corporate Governance Award (Big Cap) and the Most Transparent Company Award (Utilities). At the Singapore Corporate Award 2024, Sembcorp was awarded the Special Recognition Award for Transformation, acknowledging our efforts and achievement in transforming to be



Management update on the strategic reorganisation at the 2024 full year results briefing

ready for the future. Group CEO Mr Wong Kim Yin was also named Best CEO in the large-cap category.

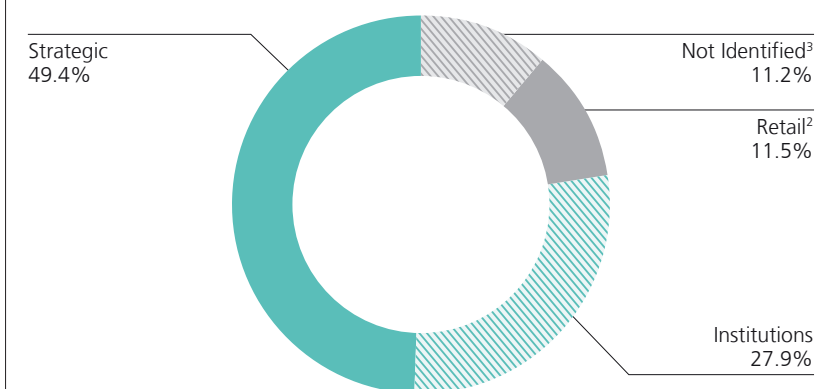
Total Shareholder Return

Sembcorp's last traded share price in 2024 was S\$5.52, representing a market capitalisation of S\$9.8 billion. Based on closing prices, the company's share price averaged S\$5.20 during the year, with a high of S\$5.81 in February and a low of S\$4.45 in August. Daily turnover averaged 3.3 million shares.

Sembcorp delivered a total shareholder return (TSR)¹ of 7% in 2024, compared to the Straits Times Index (STI)'s 23%, which was bolstered by strong performance in the banking sector. Through our transformation, Sembcorp has achieved a five-year TSR of 443%, a significant outperformance versus the STI's 46%, reflecting strong long-term value creation.

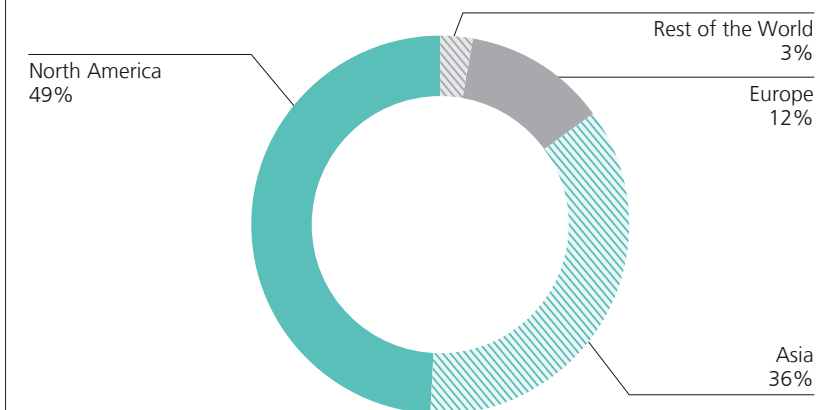
For the financial year 2024, an interim dividend of 6.0 cents per ordinary share was declared and paid to shareholders in August 2024. A final dividend of 17.0 cents per ordinary share has been proposed, subject to approval by shareholders at the upcoming Annual General Meeting in April 2025. Together with the interim dividend, total dividend for 2024 will amount to 23.0 cents per ordinary share, an increase of 77% from 13.0 cents in 2023. The increase in dividend reflects our confidence in the company's future performance and ability to generate sustainable returns. We remain committed to delivering increasing value to our shareholders.

Share Ownership by Investor Category*



Share Ownership by Geographical Distribution*

Excluding shares held by major shareholder Temasek Holdings and shareholders not identified



* As at December 31, 2024

Shareholder Information

Institutional shareholdings in 2024 increased to 27.9% from 26.7% in 2023, while retail shareholdings² remained stable at 11.5%, compared to 11.4% in 2023. Temasek Holdings, our major shareholder, held 49.4% of our shares as of end 2024. Unidentified shareholders³ accounted for 11.2% of issued share capital.

Institutional shareholders held 55.2% of free float, while retail shareholders² accounted for 22.8%. Excluding the stake held by Temasek Holdings and unidentified shareholders, North America represented the largest geographical shareholding base at 49%, followed by Asia at 36% and Europe at 12%.

¹ Source: Bloomberg

² Retail shareholders include private investors, brokers, custodians and corporates

³ Shareholders not identified mainly include investors whose holdings fall below the threshold of 250,000 shares