Sembcorp Industries

Annual Report 2024

Driving Energy Transition

As a leading energy player and an established industrial and urban solutions provider in Asia, Sembcorp plays a key role in the transition towards a sustainable and low-carbon future. We believe in building businesses that deliver long-term shareholder value and growth.

Group FY2024 Highlights#

Turnover
S$6,417m
2023: S$7,042m

EBITDA[1]
S$1,734m
2023: S$1,789m

Adjusted EBITDA[2]
S$2,051m
2023: S$2,053m

Net Profit before EI
S$1,019m
2023: S$1,018m

Return on Equity before EI
20.5%
2023: 23.8%

Dividend Per Share
23.0 SG cents
2023: 13.0 SG cents

EBITDA: earnings before interest, tax, depreciation and amortisation EI: exceptional items m: million

The financial figures pertain to the Group's continuing operations

1 EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-offs

2 Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

Our Presence

With an energy and urban portfolio spanning 11 countries, we lead Asia's energy transition with best-in-class projects and sustainable urban developments, by leveraging our sector expertise and track record.

Total Energy Portfolio[1]

25.1GW

including

17.0GW

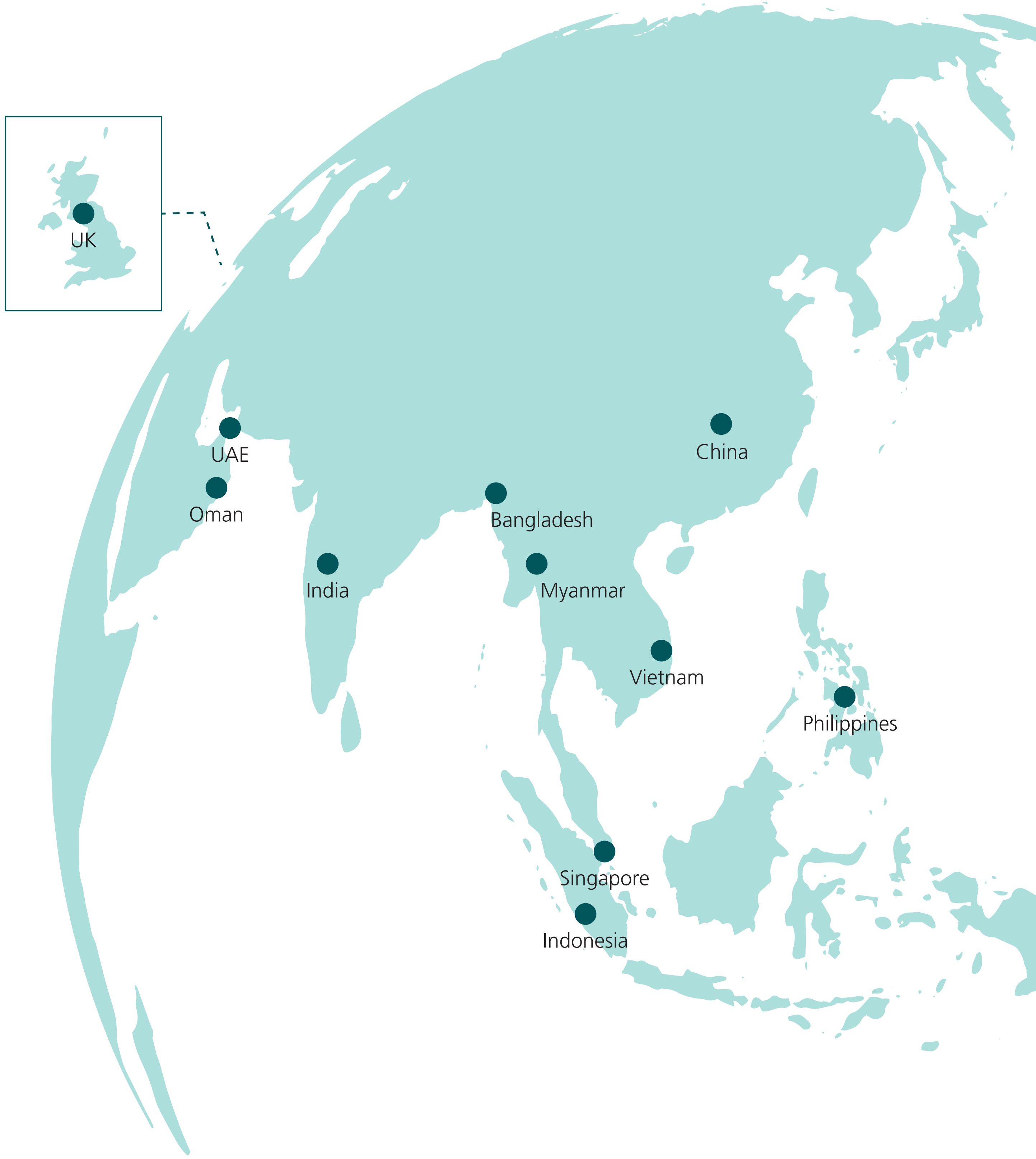
of renewable energy

Gross Development Land[1]

14,400ha

Our Portfolio

- Gas-fired, Diesel-fired **8,015MW**
- Wind **7,472MW**
- Solar **7,995MW**
- Hydro **49MW**
- Energy Storage **1,456MWh**
- Energy-from-waste **82MW**
- Gross Development Land **14,400ha**



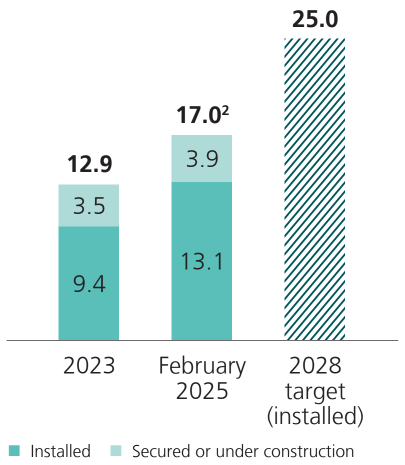
[1] Total gross capacity and development land as at February 27, 2025. Assumes 100% ownership of assets, including projects secured or under construction, and acquisitions pending completion. Energy storage capacity is presented in MWh

Our Progress

We expanded our renewable energy capacity and leveraged our competitive strengths in energy and urban solutions, making strides towards our 2028 targets.

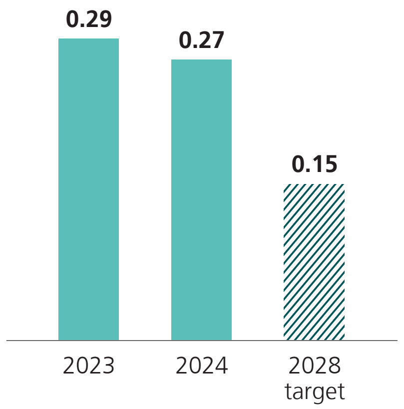
MORE
Renewables

Gross installed capacity[1], GW



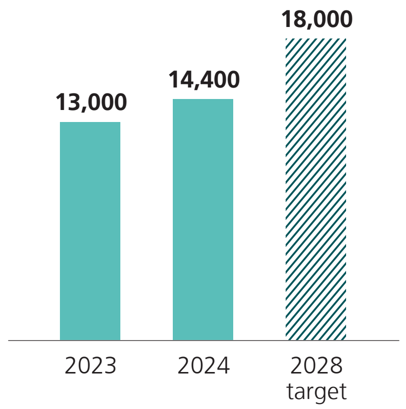
LOWER
Emissions Intensity[3]

tCO_2e/MWh

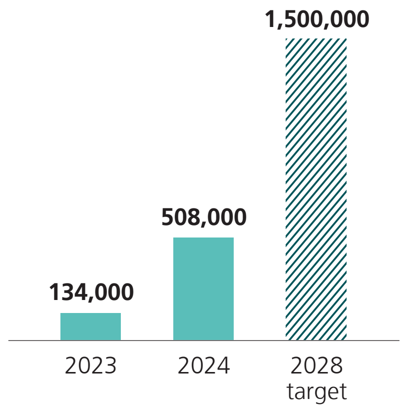


MORE
Low-carbon Industrial Developments

Land for development, ha



Industrial properties[4], GFA, sqm



2023

Set 2028 targets

2025

Targets
(set in 2021)

Renewables[5]
10GW

Emissions intensity[3]
0.40tCO_2e/MWh
aligned with well below 2°C pathway

Targets for emissions intensity and renewables were met in 2023 and 2024 respectively

2028

Targets
(set in 2023)

Renewables[5]
25GW

Emissions intensity[3]
0.15tCO_2e/MWh
aligned with 1.5°C pathway

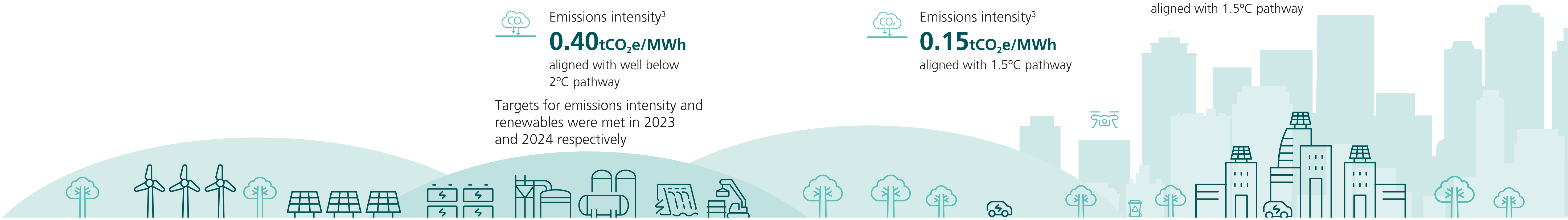
2030

Target
(set in 2021)

Absolute emissions[3]
2.7$mtCO_2e$
aligned with 1.5°C pathway

2050

Target to achieve net zero[3]



[1] Assumes 100% ownership of assets, including projects secured or under construction. Energy storage capacity is presented in GWh
[2] Includes acquisitions pending completion
[3] GHG emissions intensity target refers to the Group's total Scope 1, Scope 2 and biogenic emissions, divided by total energy generated and purchased. Our GHG emissions (absolute and intensity) are calculated using an equity share approach. 2030 and 2050 targets cover the Group's absolute Scope 1 and Scope 2 emissions
[4] From majority-owned industrial properties
[5] Gross installed renewable energy capacity

Project Highlights

Our diverse renewables portfolio highlights our strengths in creating innovative, scalable, and sustainable solutions that drive the energy transition.

Manah II Solar Independent Power Project in Oman

588MWp

Achieved early commercial operation over four months ahead of schedule, following successful acceptance tests.

Largest utility-scale solar farm: Sembcorp's largest utility-scale solar farm with a 588MW peak capacity, backed by a 20-year power purchase agreement.

Supporting Oman's renewables goals: Contributes to Oman's 30% renewable energy target by 2030, and enhances our regional presence and track record.

Sembcorp Energy Storage System (ESS) in Singapore

326MWh

Largest ESS in Southeast Asia, located on Jurong Island, supporting grid stability and solar energy deployment.

Innovative battery stacking solution: Partnering with Energy Market Authority to pilot Singapore's first battery stacking solution on land, increasing capacity from 285MWh to 326MWh.

Driving energy transition: Supporting Singapore's energy transition by enabling solar grid integration, reducing fossil fuel reliance, and advancing the country's net-zero targets.

Hybrid Projects in India

>2,000MW

Secured over 2GW of hybrid wind-solar and solar-energy storage tenders.

First solar-energy storage milestone: Won a 150MW solar photovoltaic project, coupled with a 300MWh battery energy storage system, to deliver reliable, peak demand power support.

Efficient wind portfolio: Operating one of the largest in-house managed wind portfolios, using craneless wind turbine blade installations to boost efficiency and cost savings.

Chairman and CEO's Statement

As we look ahead, we remain committed to leading Asia's energy transition with best-in-class projects and sustainable urban developments, paving the way towards a low-carbon future.

Dear Shareholders,

Against a backdrop of heightened geopolitical and economic uncertainty, Sembcorp delivered resilient financial performance in 2024. Group net profit before exceptional items surpassed the S$1 billion mark for the second consecutive year, reaching S$1.02 billion, comparable to 2023, despite a planned major maintenance in the Gas and Related Services segment in the first half of 2024. Group net profit after exceptional items and discontinued operation grew from S$942 million to S$1.01 billion, a 7% year-on-year increase.

In recognition of the Group's strong performance, the Board is pleased to propose a final dividend of 17.0 cents per ordinary share, subject to shareholders' approval. Together with the interim dividend of 6.0 cents per ordinary share paid in August 2024, this brings our total dividend for the year to 23.0 cents per ordinary share. This is a 77% increase from our 2023 dividend of 13.0 cents, and implies a higher dividend payout ratio of 40%, compared to 23% in 2023. This higher payout is supported by our portfolio which is underpinned by long-term offtake contracts, providing enhanced cash flow visibility.

Continued Execution towards 2028 Targets

Since our Investor Day in 2023, we have made significant progress in our 2024–2028 strategic plan, transforming our business to meet the evolving needs of the energy sector. We continue to actively manage our gas portfolio to support Asia's transition to a clean and responsible energy future, while growing our renewables portfolio. In August 2024, we also updated our targets for the Urban business.

Gas and Related Services Segment: Engine of Growth

Our Gas and Related Services segment delivered strong results in 2024. By optimising our integrated gas and power portfolio, we mitigated the impact of lower wholesale electricity prices in Singapore. Excluding the planned major maintenance for the Singapore cogeneration plant in the first half of 2024, earnings for the Singapore gas-fired generation portfolio remained resilient, despite a 34% decline in Singapore wholesale electricity prices.

Through our proactive contracting strategy, 98% of the Group's gas-fired generation capacity is underpinned by offtake contracts, with more than 60% secured for over five years, insulating us from merchant market volatility. In Singapore, 80% of our gas-fired generation capacity is secured under contracts with energy-intensive industries such as high-tech manufacturing companies and data centres. We are now the leading power provider to the data centre sector in Singapore, accounting for one-third of the data centres' power needs.

As Singapore's electricity demand grows, driven by electricity-intensive sectors including advanced manufacturing, digital economy, and transport, natural gas remains a cornerstone of energy security and stability. We will continue to build on our portfolio to further enhance earnings visibility. In November 2024, we successfully completed the acquisition of a 30% stake in Senoko Energy, one of the largest electricity suppliers in Singapore, to capture new growth opportunities. We believe this acquisition will enable us to further support Singapore's energy transition, to meet the energy needs and sustainability goals of our customers and Singapore.

In line with our commitment to sustainability and the pursuit of cleaner energy solutions, we successfully divested our 49% stake in Chongqing Songzao during the year. With this divestment, our portfolio is now free of coal-fired power assets.

Renewables: Diversification of Growth

Our renewables portfolio achieved gross installed capacity of 13.1GW in 2024, marking a significant milestone toward our 2028 target of 25GW. One of the key achievements was the early completion of the Manah II Solar Independent Power Project in the Sultanate of Oman. This is our first renewables project in the Middle East and our largest utility-scale solar farm with a peak capacity of 588MW. The early completion of the project underscores our strong project management capabilities. It further reinforces our presence in Oman, where Sembcorp has successfully developed and operated the Salalah Independent Power and Water Plant for more than 15 years.

In 2024, we capitalised on strong momentum in India's greenfield tenders, securing significant contract wins in the renewables sector. We successfully secured over 2GW of hybrid renewable energy bids in India, demonstrating our expertise in developing and executing projects. We also secured our first energy storage project in India through a solar-battery energy storage systems hybrid bid. Tariffs in India have improved, with our hybrid projects securing higher tariffs, underscoring our competitive edge.

However, our China portfolio faced challenges due to higher curtailment rates, resulting from a weaker macroeconomic outlook and rapid expansion in renewables new-built outpacing the development of adequate transmission infrastructure. Despite these near-term headwinds, China's renewables capacity is expected to grow, which is crucial to achieving the country's emissions reduction targets.

Sembcorp's wind assets in Tamil Nadu, India

Chairman and CEO's Statement

Rooftop solar panels installed on a tenant facility in Vietnam Singapore Industrial Park Binh Duong I, Vietnam

In January this year, we successfully launched the Nusantara Sembcorp Solar Energi Power Plant, comprising a 50MW solar farm with a 14MWh battery energy storage system. The project is the first utility-scale integrated solar and energy storage project in Indonesia and Sembcorp's inaugural venture into large-scale solar development in the country. We also signed a share purchase agreement to acquire a 96MW solar farm in the Philippines, marking our entry into the Philippines' renewable energy sector. This brings our group's gross renewables capacity to 17.0GW, a notable increase from 12.9GW a year ago.

Looking ahead, renewables growth across Southeast Asia, China, India and the Middle East is expected to remain robust, with capacity projected to double from 1,550GW currently to 3,200GW by 2028, according to GlobalData estimates. We are well-positioned to achieve our 2028 target of 25GW of gross installed renewables capacity, and will maintain a disciplined approach to pursuing opportunities in these markets.

Urban:
Clear Targets and Growth
2024 was a turning point for our Urban business, which achieved a 76% year-on-year net profit growth. During the year, we unveiled our strategic plan to position ourselves as a leading low-carbon industrial park player in Asia. With a proven track record since 1994, our industrial parks have attracted over 1,000 customers, generated more than 414,000 jobs, and secured close to US$58 billion in investments. The Urban business aims to expand its land bank from 14,000 hectares[1] to 18,000 hectares by 2028, while scaling industrial properties from 0.1 million square metres[1] to 1.5 million square metres. This growth will support increasing manufacturing demand, domestic consumption and the rise of e-commerce in Southeast Asia.

Decarbonisation Solutions:
Developing Low-carbon Alternatives
As we focus on areas of competitive strengths, we are also investing in low-carbon energy solutions including renewables import, green hydrogen and ammonia. In December 2024, we signed a two-year supply agreement with Tenaga Nasional Berhad to import 50MW of renewable energy from Peninsular Malaysia to Singapore. This is the first-ever renewable energy import with Renewable Energy Certificates into Singapore. We are also exploring further cooperation in renewable energy, including the import of electricity from Sarawak via subsea cables. These investments in renewables imports and decarbonisation solutions will help lower the carbon emissions intensity of our assets and support our customers' emissions reduction efforts. By tapping into abundant low-carbon electricity from the region, we aim to promote the development of renewable energy in the region and contribute to realising the ASEAN Power Grid vision.

Capital Recycling
As part of our regular portfolio review, we announced the proposed divestment of Sembcorp Environment for a consideration of S$405 million, a 43% premium over the book value. This aligns with Sembcorp's strategic focus on the energy sector. The proceeds will be re-deployed into our key areas of focus, including our energy transition strategy.

[1] As at June 30, 2024

We will continue to review our portfolio to ensure strategic fit and maximise shareholder value.

People and Community

As we implement our growth strategy, we recognise our responsibility to uplift the sector and support the community. We are honoured to be appointed as the first SkillsFuture Queen Bee for the Energy and Power sector. This recognition underscores our commitment to nurturing talent in the industry through skills training and mentorship, and creating a vibrant ecosystem for sustainable growth.

As part of our commitment to promote sustainability and empower local communities, we sponsored the installation of a 95kWp solar energy system on the roof of Boys' Town through the Sembcorp Energy for Good Fund's Solarisation Programme. This system is expected to reduce their annual energy consumption by 20%, allowing them to reinvest the savings into their core mission of youth development and community service.

Safety

The safety of our workforce remains our top priority. We regret the loss of three contractor staff in 2024 and have taken immediate action to address high-risk areas. To better protect our employees and contractors, we will enhance our safety training programmes and have deployed tools and technology, enabling our employees to effectively identify, report and prevent hazards.

Acknowledgments

We extend our deep appreciation to fellow directors for their dedication and wise counsel, which have enabled Sembcorp to navigate the uncertain global environment and deliver strong results. In April 2024, Ajaib Haridass stepped down from the board, and we express our heartfelt gratitude for his many contributions to Sembcorp. We would also like to express our appreciation to Nagi Hamiyeh, who will be retiring as a member of the board at the conclusion of the forthcoming Annual General Meeting. We thank Mr Hamiyeh for his experience, knowledge and dedication over the years. We are pleased to welcome Manu Bhaskaran and Prof Uwe Krueger to our board in July 2024 and October 2024 respectively. Their wealth of experience will undoubtedly further strengthen the board and guide us in our journey ahead.

As we look ahead, we remain committed to leading Asia's energy transition with best-in-class projects and sustainable urban developments, paving the way toward a low-carbon future. On behalf of the board, we would like to express our sincere gratitude to our employees, customers and partners for their hard work, loyalty and support. We are proud to have our talented and dedicated team working together to achieve our goals. We also thank our shareholders for their continued support, trust and confidence. With a solid foundation and a clear vision, we are poised to navigate the evolving energy landscape and deliver lasting and growing value to our shareholders.

Tow Heng Tan
Chairman

Wong Kim Yin
Group Chief Executive Officer

February 27, 2025

Representatives from Sembcorp, Community Foundation of Singapore and Boys' Town being briefed on the solarisation programme by Dr Roland Yeow, Executive Director of Boys' Town (far right)

Group Financial Review

Financial Highlights

	2024	2023	Change (%)
For the year *(S$ million)*			
Turnover	**6,417**	7,042	(9)
Gas and Related Services	**4,637**	5,457	(15)
Renewables	**746**	703	6
Integrated Urban Solutions	**431**	418	3
Decarbonisation Solutions	**53**	16	231
Other Businesses and Corporate	**550**	448	23
Earnings before interest, tax, depreciation and amortisation (EBITDA)[1]	**1,734**	1,789	(3)
Share of results: Associates and joint ventures, net of tax	**317**	264	20
Adjusted EBITDA	**2,051**	2,053	*
Profit before tax	**1,251**	1,230	2
Net profit before exceptional items	**1,019**	1,018	*
Gas and Related Services	**727**	809	(10)
Renewables	**183**	200	(9)
Integrated Urban Solutions	**169**	121	40
Decarbonisation Solutions	**(20)**	(13)	(54)
Other Businesses and Corporate	**(40)**	(99)	60
Exceptional items	**1**	2	(50)
Net profit from continuing operations	**1,020**	1,020	–
Net loss from discontinued operation	**(9)**	(78)	88
Net profit	**1,011**	942	7
Capital position *(S$ million)*			
Owners' funds	**5,361**	4,588	17
Total assets	**18,178**	15,497	17
Net debt	**7,800**	6,487	20
Operating cash flow	**1,412**	1,481	(5)
Free cash flow	**1,790**	1,962	(9)
Capital expenditure and equity investment	**1,991**	1,566	27
Shareholder returns			
Net assets per share *(S$)*	**3.01**	2.58	17
Earnings per share *(cents)*	**56.72**	52.83	7
Earnings per share – continuing operations *(cents)*	**57.23**	57.21	*
Dividends per share *(cents)*	**23.00**	13.00	77
Last traded share price[2] *(S$)*	**5.52**	5.31	4
Total shareholder return *(%)*	**7**	62	(89)

* Denotes amount of less than 1%

[1] EBITDA excludes major non-cash items such as effects of fair value adjustments, re-measurements, impairments, and write-offs

[2] As at December 31 of the respective years

Overview

The Group delivered strong financial performance in 2024, driven by resilient earnings and robust cash flow. Group net profit before exceptional items (EI) and discontinued operation was S$1.02 billion, comparable to 2023, despite a planned major maintenance of a cogeneration plant in Singapore in the first half of 2024. Group net profit after EI and discontinued operation was S$1.01 billion, 7% higher than S$942 million in 2023.

Turnover

In 2024, the Group turnover declined by 9%, to S$6.4 billion, down from S$7.0 billion in the previous year.

Turnover in the Gas and Related Services segment was S$4.6 billion in 2024, 15% lower year-on-year. The decrease in turnover was primarily attributed to lower generation resulting from the planned major maintenance of a cogeneration plant, reduced pool prices, lower gas offtake and gas prices in Singapore. There was also a lack of scarcity events in the UK, as well as lower power prices.

Turnover from the Renewables segment increased by 6% to S$746 million, from S$703 million in 2023. The increase in turnover was attributable to acquisitions in India and Vietnam as well as higher operational capacity.

The Integrated Urban Solutions segment recorded a turnover of S$431 million, 3% higher than turnover of S$418 million in 2023, primarily driven by its waste management business in Singapore.

The Decarbonisation Solutions segment reported a turnover of S$53 million, S$37 million higher compared to S$16 million in 2023, driven by the Group's carbon management business in Singapore.

The Other Businesses and Corporate segment reported a turnover of S$550 million, 23% higher compared to 2023, from increased activities in the specialised construction business.

Net profit

Net profit from continuing operations before EI of S$1.02 billion was in line with 2023. The better performance in the Integrated Urban Solutions and Other Businesses and Corporate (from specialised construction business and deferred payment note (DPN) income) segments, was offset by the lower performance in the Gas and Related Services and Renewables segments. DPN income was higher due to foreign exchange gain of S$10 million in 2024 compared to a loss of S$46 million in 2023.

Including the discontinued operation, net profit after EI in 2024 was S$1.01 billion, 7% higher than S$942 million in 2023.

Net profit before EI for the Gas and Related Services segment in 2024 was resilient at S$727 million, despite the planned major maintenance of a cogeneration plant in Singapore and a 34% decline in Singapore wholesale electricity prices during the year. The Group continued to secure long-term contracts for its Singapore portfolio, enhancing certainty and growing earnings visibility. As of end 2024, 98% of the Group's gas-fired power portfolio was underpinned by offtake contracts, with more than 60% of capacity locked in for over five years. Through a proactive contracting strategy, the Gas and Related Services segment is now an anchor of the Group's earnings.

The Renewables segment recorded net profit before EI of S$183 million, 9% lower compared to S$200 million in 2023. The lower net profit was mainly due to curtailment in China during the year as well as a S$19 million provision made for receivables in China and lower wind speeds in India.

Net profit before EI from the Integrated Urban Solutions segment was S$169 million compared to S$121 million in 2023. The higher net profit was contributed by higher land sales from the Urban business in Vietnam and Indonesia, as well as better performance in the energy-from-waste business in Singapore.

Cash flow and liquidity

As at December 31, 2024, the Group's cash and cash equivalents in the cash flow statement stood at S$850 million. Net cash from operating activities stood at S$1.4 billion, compared to S$1.5 billion in 2023.

Net cash used in investing activities was S$1.4 billion, compared to S$878 million in 2023, mainly for the purchase of fixed assets for the renewables business, acquisitions of subsidiaries and investments in joint ventures and associates, partially offset by the DPN receipts.

Net cash from financing activities was S$154 million, primarily due to the proceeds from borrowings, net of interest payments and repayment of loans amounting to S$604 million, offset by dividend payments to owners of the Company of S$250 million.

Financial position

Group shareholders' funds increased to S$5.4 billion as at December 31, 2024, from S$4.6 billion as at December 31, 2023. The increase was mainly due to profit for the year offset by dividends to shareholders.

The net increase in total assets was mainly attributable to the consolidation of the property, plant and equipment (PPE) of the newly acquired subsidiaries, as well as share of results from associates and joint ventures for the year. The increase was also due to higher PPE (including right-of-use (ROU) assets) which includes additions to fulfil the renewables projects in Singapore, India and Oman, as well as development of a new multi-utilities centre on Jurong Island. The total increase in ROU assets of S$514 million included the leasing of JTC land and rooftops for solar deployment in Singapore and land lease for India's renewables and hydrogen projects.

Net debt

Gross debt was S$8.7 billion as at December 31, 2024, compared to S$7.3 billion in 2023. Net debt was S$7.8 billion as at December 31, 2024, compared to S$6.5 billion in 2023. The S$1.3 billion increase in net debt was mainly for the financing of acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries.

Group Financial Review

Shareholder returns
In 2024, the return on equity of the Group's continuing operations was 20.5% and earnings per share of the Group's continuing operations was 57.2 cents. Subject to approval by shareholders at the next annual general meeting, a final dividend of 17.0 cents per ordinary share has been proposed. Together with the interim dividend of 6.0 cents per ordinary share paid in August 2024, this brings the Group's total dividend for the financial year ended December 31, 2024, to 23.0 cents per ordinary share, an increase from 13.0 cents per ordinary share in 2023. The increase in dividend in 2024 reflects management's confidence in the Group's future performance and ability to generate sustainable returns.

Five-year Financial Performance

	2024	2023	2022[1]	2021	2020[2]
For the year *(S$ million)*					
Turnover	**6,417**	7,042	7,825	7,795	5,447
Earnings before interest, tax, depreciation and amortisation (EBITDA)[3]	**1,734**	1,789	1,308	1,288	1,184
Share of results: Associates and joint ventures, net of tax	**317**	264	248	206	233
Adjusted EBITDA	**2,051**	2,053	1,556	1,494	1,417
Profit before tax	**1,251**	1,230	865	423	211
Net profit from continuing operations	**1,020**	1,020	704	279	157
Discontinued operation (including loss on the Distribution)	**(9)**	(78)	144	–	(1,154)[4]
Net profit	**1,011**	942	848	279	(997)
At year end *(S$ million)*					
Property, plant and equipment, and investment properties	**8,511**	6,618	5,438	7,232	7,339
Other non-current assets	**6,305**	6,173	4,074	3,230	3,219
Net current assets / (liabilities)	**451**	(770)	1,687	1,028	877
Non-current liabilities	**(9,608)**	(7,149)	(6,983)	(7,572)	(7,959)
Net assets	**5,659**	4,872	4,216	3,918	3,476
Share capital and reserves	**5,361**	4,588	3,977	3,767	3,339
Non-controlling interests	**298**	284	239	151	137
Total equity	**5,659**	4,872	4,216	3,918	3,476
Per share					
Earnings *(cents)*	**56.72**	52.83	47.59	15.64	(56.81)
Net assets *(S$)*	**3.01**	2.58	2.24	2.12	1.87
Dividends *(cents)*	**23.0**	13.0	12.0	5.0	4.0

[1] Following the shareholders' approval of the sale of Sembcorp Energy India Limited (SEIL) on November 8, 2022, the performance of SEIL for the period was reported under discontinued operation
[2] Following the completion of the distribution *in specie* of ordinary shares in the capital of Sembcorp Marine to Sembcorp Industries shareholders, the performance of the Marine business for the period from January 1, 2020, to September 11, 2020, was reported as a discontinued operation
[3] EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments, and write-offs
[4] Loss from discontinued operation included fair value loss of S$970 million on distribution *in specie* of ordinary shares in the capital of Sembcorp Marine

Value Added and Productivity Data

In 2024, the Group's total value added was S$2.7 billion. This was absorbed by employees in wages, salaries and benefits of S$541 million, by governments in income and other taxes of S$258 million and by providers of capital in interest, dividends and distribution of S$622 million, leaving a balance of S$1.3 billion retained in business.

Value added statement *(S$ million)*

	2024	2023	2022	2021	2020
Value added from					
Turnover	**6,417**	7,042	7,825	7,795	5,447
Less: Bought-in materials and services	**(4,278)**	(4,886)	(6,100)	(6,115)	(4,075)
Gross value added	**2,139**	2,156	1,725	1,680	1,372
Investment, interest and other income	**318**	305	299	216	228
Share of results: Associates and joint ventures, net of tax	**317**	264	248	206	233
Other non-operating expenses	**(35)**	(77)	(96)	(67)	(88)
	2,739	2,648	2,176	2,035	1,745
Distribution					
To employees in wages, salaries and benefits	**541**	509	485	494	396
To government in income and other taxes	**258**	187	116	62	37
To provider of capital in:					
Interest on borrowings	**372**	410	309	423	461
Dividends to owners	**250**	232	124	107	2,615[1]
Profit attributable to perpetual securities holders	**–**	–	–	–	17
	1,421	1,338	1,034	1,086	3,526
Retained in business					
Depreciation and amortisation	**450**	454	372	457	444
Deferred tax expense / (credit)	**55**	14	36	63	(25)
Retained profits	**770**	788	580	172	(2,443)
Non-controlling interests	**25**	28	23	21	22
	1,300	1,284	1,011	713	(2,002)
Other non-operating expenses	**18**	26	131	236	221
	1,318	1,310	1,142	949	(1,781)
Total distribution	**2,739**	2,648	2,176	2,035	1,745
Productivity data					
Average staff strength	**5,283**	5,099	4,981	5,740	5,426
Employment costs *(S$ million)*	**541**	509	485	494	396
Profit after tax per employee *(S$'000)*	**193**	206	146	52	33
Value added *(S$ million)*	**2,139**	2,156	1,725	1,680	1,372
Value added per employee *(S$'000)*	**405**	423	347	293	253
Value added per dollar employment costs *(S$'000)*	**3.95**	4.24	3.56	3.40	3.46
Value added per dollar investment in property, plant and equipment *(S$)*	**0.26**	0.22	0.21	0.16	0.13
Value added per dollar sales *(S$)*	**0.33**	0.31	0.22	0.22	0.25

The value added statement is for continuing operations for the reporting period. Comparative information is not re-presented
[1] The amount included the Group's carrying value of Sembcorp Marine shares at the date of the distribution of S$2,561 million

Group Financial Review

Treasury Management

Sembcorp Financial Services (SFS), our wholly-owned treasury arm, plays a pivotal role in ensuring the Group's financial health. Based in Singapore, SFS manages financing and treasury activities locally and collaborates with respective finance and treasury teams across other markets to align strategies and optimise resources. Funds borrowed by SFS are on-lent to businesses within the Group, where appropriate.

SFS employs an efficient cash management approach, recycling surplus cash from businesses within the Group to support areas with greater funding needs. Debt is managed through careful review of refinancing requirements to optimise capital allocation. Through cash pooling structures established in various countries, we maximise the use of available resources, channelling surplus funds from businesses to those with funding needs. This proactive approach ensures efficient and cost-effective cash management to meet the Group's funding requirements effectively.

Facilities

As at December 31, 2024, the Group had secured total credit facilities of S$18.6 billion (2023: S$17.0 billion), which included its Multicurrency Debt Issuance Programmes and Euro Medium Term Note (EMTN) Programme. This comprised S$16.8 billion (2023: S$15.5 billion) in borrowing facilities, as well as S$1.8 billion (2023: S$1.5 billion) in trade-related facilities. The latter covers instruments such as bank guarantees, letters of credit, bid bonds and performance bonds.

Borrowings and bond issuance

The Group aims to closely align its debt structure and maturity profile with the commercial profile of its core assets, while maintaining adequate liquidity to support its businesses. Strong banking relationships remain critical to securing funding on competitive terms, enabling the Group to seize commercially viable and strategically attractive opportunities. SFS continues to explore and diversify funding options to meet the Group's financing objectives effectively.

In 2024, SFS collaborated with Sembcorp Energy (Shanghai) Holding Co., Ltd. (SESH), a wholly-owned subsidiary of the Group, to secure a dual currency denominated revolving credit facility (RCF) of CNH400 million or its equivalent in Hong Kong Dollars. This facility provides SESH with an alternative offshore funding source. Drawdowns from the RCF will support general corporate purposes, including refinancing, capital expenditure, working capital, equity investments, and funding mergers and acquisitions in China.

On October 23, 2024, SFS issued a 12-year S$350 million green bond at an annual interest rate of 3.65% under the S$5.0 billion EMTN Programme. The net proceeds of the green bond will finance or refinance Eligible Green Projects in accordance with Sembcorp Green Financing Framework (2024).

As at December 31, 2024, the Group's gross borrowings stood at S$8.7 billion (2023: S$7.3 billion). The Group remains committed to maintaining a diversified and optimised funding base while upholding prudent financial ratios.

The overall debt portfolio in 2024 comprised 81% fixed-rate debt (2023: 72%) and 19% floating rate debt (2023: 28%). The Group will continue to proactively monitor and manage its debt portfolio mix in response to the prevailing interest rate environment.

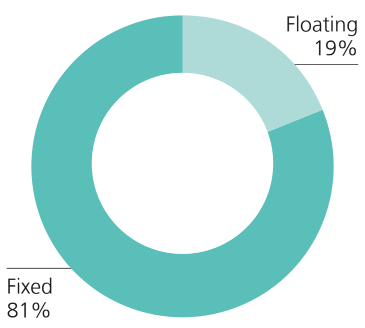
Financing and treasury highlights *(S$ million)*

	2024	2023
Source of funding		
Cash and cash equivalents	**871**	767
Borrowing facilities (including Multicurrency Debt Issuance Programmes and EMTN Programme)		
Committed borrowing facilities	**11,136**	9,662
Less: Amount drawn down	**(8,567)**	(7,205)
Unutilised committed borrowing facilities	**2,569**	2,457
Uncommitted borrowing facilities	**5,640**	5,850
Less: Amount drawn down	**(104)**	(49)
Unutilised uncommitted borrowing facilities	**5,536**	5,801
Total unutilised borrowing facilities	**8,105**	8,258
Trade-related facilities		
Facilities available	**1,842**	1,498
Less: Amount used	**(640)**	(550)
Unutilised trade-related facilities	**1,202**	948
Funding profile		
Maturity profile		
Due within one year	**671**	1,281
Due between one to five years	**4,073**	3,180
Due after five years	**3,927**	2,793
	8,671	7,254
Debt mix		
Fixed rate debt	**7,024**	5,234
Floating rate debt	**1,647**	2,020
	8,671	7,254

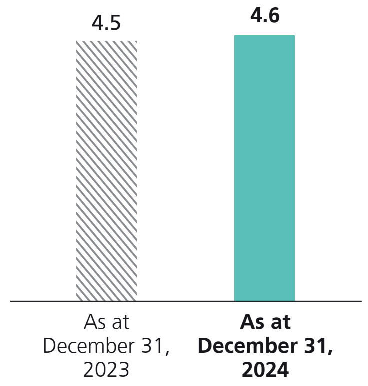
	2024	2023
Group debt financial ratios		
Interest cover ratio		
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1,734**	1,789
Adjusted EBITDA[1]	**2,051**	2,053
Finance costs	**372**	409
EBITDA / Finance costs	**4.7**	4.4
Adjusted EBITDA[1] / Finance costs	**5.5**	5.0
Debt ratios		
Net debt / EBITDA	**4.5**	3.6
Net debt / Adjusted EBITDA[1]	**3.8**	3.2

[1] Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

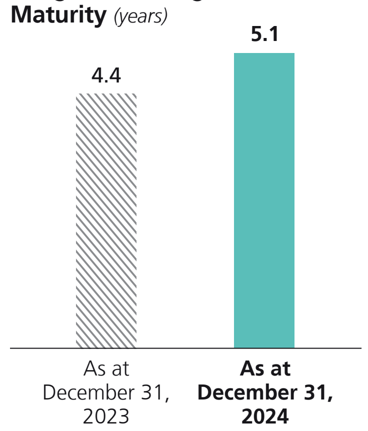
Hedging Profile



Weighted Average Cost of Debt *(%)*



Weighted Average Debt Maturity *(years)*



Business Review

Gas and Related Services

- Singapore's leading integrated utilities player
- Only generation company with gas importation and gas-fired power generation
- Comprehensive suite of solutions for customers' energy requirements

Refer to pages 20 to 22

Renewables

- Established presence in fast growing markets
- Proven success and ability to replicate capabilities in multiple geographies
- Disciplined approach to investment evaluation to accelerate growth

Refer to pages 23 to 27

Integrated Urban Solutions

- Over three decades of experience in industrial park development
- Proven water and renewable energy capabilities to deliver low-carbon solutions
- Strong turnaround since refreshed strategy in August 2024

Refer to pages 28 to 30

Decarbonisation Solutions

- Pursue renewables import projects
- Invest in low-carbon alternatives to drive energy transition beyond 2028

Refer to pages 31 to 32

Financial Indicators *(S$ million)*	Gas and Related Services 2024	2023	Change *(%)*	Renewables 2024	2023	Change *(%)*	Integrated Urban Solutions 2024	2023	Change *(%)*	Decarbonisation Solutions 2024	2023	Change *(%)*
Turnover[1]	**4,637**	5,457	(15)	**746**	703	6	**431**	418	3	**53**	16	231
EBITDA[2]	**908**	1,088	(17)	**564**	513	10	**141**	120	18	**(23)**	(14)	(64)
Adjusted EBITDA[3]	**1,040**	1,182	(12)	**622**	601	3	**268**	202	33	**(23)**	(14)	(64)
Net profit before exceptional items[4]	**727**	809	(10)	**183**	200	(9)	**169**	121	40	**(20)**	(13)	(54)
Return on equity before exceptional items[4] *(%)*	**32.2**	40.7	(21)	**8.0**	11.0	(27)	**8.5**	6.7	27	**NM**	NM	NM

EBITDA: Earnings before interest, tax, depreciation and amortisation

NM: not meaningful

[1] Turnover figures are stated before inter-segment eliminations

[2] EBITDA excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-offs

[3] Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

[4] 2024 exceptional items totalling S$1 million comprised net gain of S$3 million on disposal of assets and S$8 million gain on bargain purchase on the acquisition of two special purpose vehicles of Leap Green Energy in India, partially offset by impairments of S$6 million for project expenses incurred in Singapore and Vietnam, and S$4 million change in fair value of contingent consideration for a past acquisition in India upon collection of certain receivables

2023 exceptional items totalling S$2 million comprised divestment gains of S$5 million from the sale of its water businesses in Indonesia, a S$1 million recognition of negative goodwill arising from the acquisition of a 49% joint venture in the solar business in Vietnam offset by a S$4 million restructuring expense incurred for China operations

Gas and Related Services

Bridging the Energy Transition

The Gas and Related Services portfolio comprises 8GW of primarily gas-fired power capacity across various geographies including Bangladesh, China, Myanmar, Oman, Singapore, the UK and the United Arab Emirates. In Singapore, Sembcorp is a leading natural gas player, offering a comprehensive suite of services including gas sourcing, importation and trading.

Operational Indicators *(MW)*

	2024	2023
Gross gas and diesel-fired power capacity	**8,015**	6,119
– Gas	**7,955**	6,059
– Diesel	**60**	60

Enhancing Earnings Visibility with Long-term Contracts

As one of Singapore's largest importers of natural gas, Sembcorp leverages its established long-term gas supply arrangements to offer stable long-term power purchase agreements (PPAs). These PPAs provide customers with reliable power and cost certainty for their operations, mitigating the impact of volatile energy prices.

In 2023, Sembcorp became the first company in Singapore to secure multiple long-term PPAs, transforming its merchant-centric portfolio, which was vulnerable to volatile wholesale prices, into one that delivers stable recurring income. Industry leaders such as Micron Semiconductor Asia Operations, Singapore Telecommunications and STT Telemedia Global Data Centres have signed PPAs lasting between eight and 18 years with Sembcorp to meet their growing energy requirements.

Sembcorp's Gas Receiving Terminal in Jurong Island, Singapore

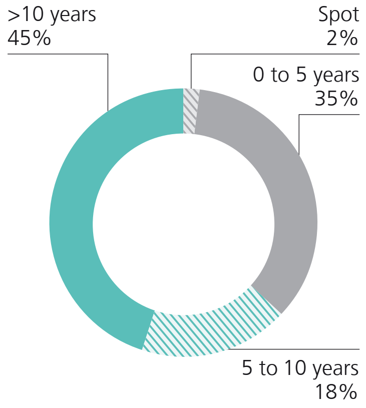
Sole provider of bundled energy solutions to support customers' decarbonisation goals

In 2024, we reinforced our earnings resiliency by securing additional long-term PPAs. These new contracts increasingly incorporate green elements, such as renewable energy or renewable energy certificates, to support our customers' decarbonisation goals. We signed contracts with subsidiaries of global biopharmaceutical company, GSK, for tenures of up to 10 years. The agreements involve supplying up to 10MW of electricity to their Singapore manufacturing sites, along with up to 87,600MWh of renewable energy certificates annually. This supports GSK's goal of achieving 100% purchased renewable electricity by 2025. We also signed a long-term PPA with Equinix, supplying 30MW from our power generation portfolio for up to 18 years. This complements two other long-term renewable energy PPAs with Equinix, with supply sourced from Sembcorp's solar assets.

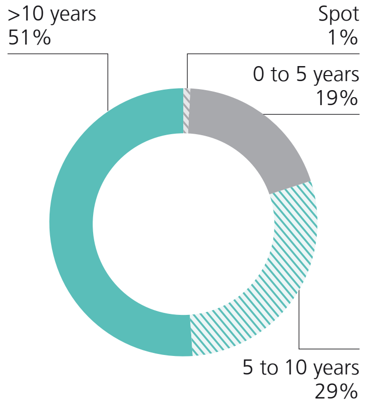
As of end 2024, 99% of our gas-fired power generation in Singapore[1] was underpinned by offtake contracts, with 51% secured for over 10 years and 29% locked in for five to 10 years, strengthening earnings stability.

[1] Excluding Senoko Energy which was acquired in November 2024

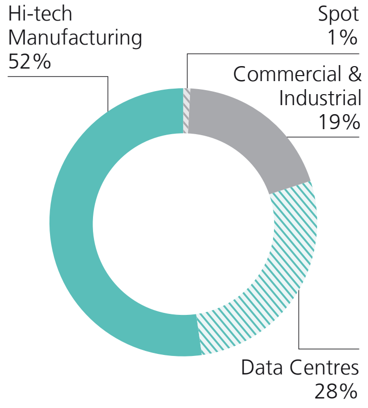
Group Contracting Profile by Contract Tenure



Singapore Contracting Profile[2] by Contract Tenure



Singapore Contracting Profile[2] by Customer Type



[2] As at December 31, 2024. Based on generation capacity of gas-fired power plants and maximum contracted load. Excludes 30%-owned Senoko Energy which was acquired in November 2024

Our gas-fired power plants in Bangladesh, Myanmar, Oman and the United Arab Emirates are also contracted under long-term PPAs. In 2024, our assets in Bangladesh and the Middle East continued to deliver strong performance, contributing stable earnings to the Group.

During the year, operations at our power plant in Myanmar were temporarily suspended for 12 days to ensure the safety of our employees amid escalating civil unrest in Myingyan township, Mandalay, where the plant is located. The plant remained largely unaffected, and the shutdown had no material impact on the Group's earnings. In February 2024, our contract for the Phu My 3 power plant in Vietnam expired and the plant was successfully transferred back to the Vietnam government. As Vietnam's first build-operate-transfer power project, this marked the culmination of a two-decade collaboration between Sembcorp, its joint venture partners, and the Vietnam government – delivering reliable power while facilitating knowledge transfer. Excluding Phu My 3, 98% of the Group's gas-fired power portfolio was secured by offtake contracts as of end 2024.

Well-positioned to Capture Growth in Singapore

Singapore's electricity demand has been rising steadily over the years, driven by the expansion of energy-intensive sectors such as advanced manufacturing and data centres. To tap into the growing demand from corporate customers, 80% of our generation capacity in Singapore is contracted with energy-intensive industries including high-tech manufacturing companies and data centres.

As part of our strategy to enhance resilience and support Singapore's energy transition, we expanded our presence in the gas-fired power market and captured new growth opportunities through a key acquisition. In November 2024, we completed the acquisition of a 30% interest in Senoko Energy from ENGIE Global Developments for an equity consideration of S$96 million. Senoko Energy is one of the largest electricity suppliers in Singapore, operating around 2.6GW of registered gas-fired generation capacity.

As natural gas remains critical for energy security, this acquisition strengthens our ability to meet Singapore's growing energy needs while supporting its energy transition. The stake in Senoko Energy enables us to better serve high-growth sectors such as data centres and semiconductor manufacturing, while leveraging synergies with our existing gas business. With most of our energy portfolios in Singapore being contracted, the inclusion of Senoko Energy's assets positions us to capitalise on the growing power demand and support Singapore's role as a regional technology and digital hub.

Additionally, it offers potential synergies with our existing gas business where we can supply gas directly to Senoko Energy. This not only secures a stable feedstock for Senoko Energy's plants but also provides a potential growth avenue for our gas sales business.

Senoko Energy's assets are strategically situated in the northern region of Singapore's grid, near energy-intensive sectors such as the semiconductors cluster, which is expected to drive energy demand in the future. The site includes land available for the potential development of a new combined cycle gas turbine power plant.

Gas and Related Services

This provides us with longer term options to expand capacity and implement high-efficiency technologies to meet evolving energy needs.

The acquisition is a strategic fit, leveraging significant synergies between Sembcorp and Senoko Energy to drive growth and strengthen our role in supporting Singapore's rising power demand and energy transition.

Diversifying Gas Supply in Singapore

To strengthen gas supply security, we continued diversifying our gas sources during the year.

We secured two liquefied natural gas sale and purchase agreements: one with TotalEnergies Gas & Power Asia to import up to 0.8 million tonnes per year from 2027 for 16 years, and another with Chevron U.S.A to import up to 0.6 million tonnes per year from 2028 for 10 years. These contracts extend Sembcorp's natural gas supply beyond 2028, ensuring a stable and diverse supply of piped and liquefied natural gas to Singapore.

As Singapore transitions to a low-carbon future, natural gas plays a key role in maintaining energy security while supporting decarbonisation. With a comprehensive suite of diversified products spanning gas, utilities and renewables, Sembcorp is well-positioned to support this transition. Our competitive and reliable energy solutions meet the country's energy needs while supporting our customers in achieving their decarbonisation goals.

Divestment of Chongqing Songzao in China

In December 2024, we divested our 49% stake in Chongqing Songzao Electric Power, which operates a 1,320MW of coal-fired power plant, to our joint venture partner Chongqing Energy Investment Group. The asset's carrying value had been fully impaired in 2021, following the government's decision to close all Chongqing-based coal mines, removing the plant's mine-mouth advantage.

This divestment marks a significant milestone – Sembcorp no longer holds any coal assets, reflecting our commitment to reshaping our portfolio and advancing the energy transition.

Decarbonising our Gas-fired Generation Portfolio

We are actively exploring levers to decarbonise our assets. Our new 600MW hydrogen-ready combined cycle power plant on Jurong Island in Singapore is slated for full operation by 2026. The hydrogen-ready plant is designed for a potential blend of up to 30% hydrogen by volume with natural gas.

We are also collaborating with partners to explore the use of hydrogen and ammonia in the energy and industrial sectors. These initiatives position us for rapid adoption of low-carbon technologies as they become commercially viable.

For a summary on our decarbonisation progress in 2024, please refer to Figure 3 on page 61 of this report.

At Wilton International, we continue to support the decarbonisation of industrial energy use in the UK. In January 2025, LanzaJet selected Wilton International as the site for Project Speedbird, its first ethanol-to-Sustainable Aviation Fuel (SAF) production facility in the country. It is expected to produce over 90,000 tonnes of SAF and renewable diesel annually. This reinforces Wilton's role in the UK's industrial decarbonisation and provides opportunities to integrate lower-carbon solutions into our portfolio.

As part of our climate action targets, we will continue to identify opportunities to manage certain assets within the portfolio for value through possible divestments and capital recycling, aligning with our decarbonisation goals.

Outlook

The Gas and Related Services segment delivered a resilient performance in 2024. Earnings before exceptional items are expected to be strong in 2025, driven by our contracted portfolio and contribution from our 30% stake in Senoko Energy. Operations of the gas-fired power plants in Bangladesh, Myanmar and the Middle East, which are contracted under long-term PPAs, are expected to remain stable.

With the rising power demand, particularly from data centres and semiconductor manufacturing, Sembcorp is well-positioned to capitalise on growing energy needs. At the same time, we will continue to explore decarbonisation opportunities to achieve our climate goals.

Renewables

Progressing towards 2028 Target

In 2024, Sembcorp continued to advance its strategic transformation to drive energy transition. As at December 31, 2024, Sembcorp's gross renewable capacity, comprising wind, solar, hydropower and energy storage, reached 16.8GW, marking an increase of 3.9GW from 12.9GW the previous year.

Our investments are underpinned by strong development and asset management capabilities, complemented by strategic partnerships in key markets. With a diversified portfolio spanning China, India, Southeast Asia (Singapore, Vietnam, Indonesia and the Philippines), Oman, and the UK, we remain committed to our strategy of achieving 25GW gross installed capacity by 2028.

Operational Indicators[1] *(MW / MWh)*

	2024	2023
Gross renewables capacity	**16,827**	12,861
– Wind	**7,472**	6,546
– Solar	**7,899**	5,306
– Energy Storage[2]	**1,456**	1,009
Gross renewables capacity	**16,827**	12,861
– Installed	**13,072**	9,353
– Secured or under construction	**3,755**	3,508

[1] Figures refer to total gross capacity as at December 31 of the corresponding year. Excludes a 49MW hydropower asset pending acquisition

[2] Energy storage capacity is in MWh

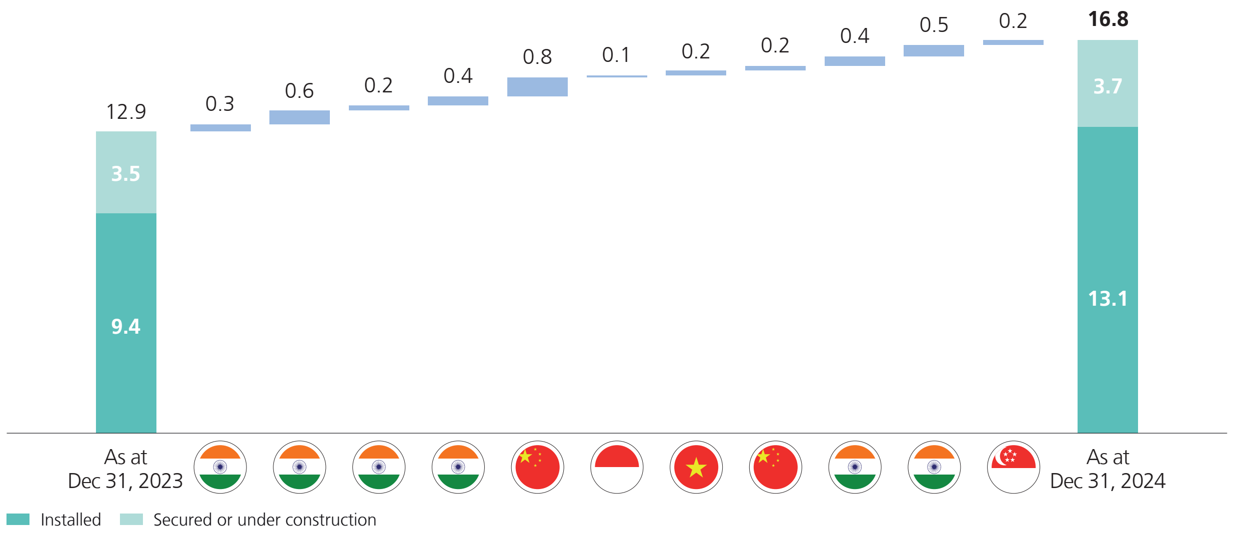
Accelerating Portfolio Expansion

We continue to implement differentiated strategies tailored to the unique conditions of each market, to drive the growth of our renewables portfolio. Our success is built on a deep understanding of local markets, a strong focus on asset quality and project returns, and the effective sharing of expertise across key regions.

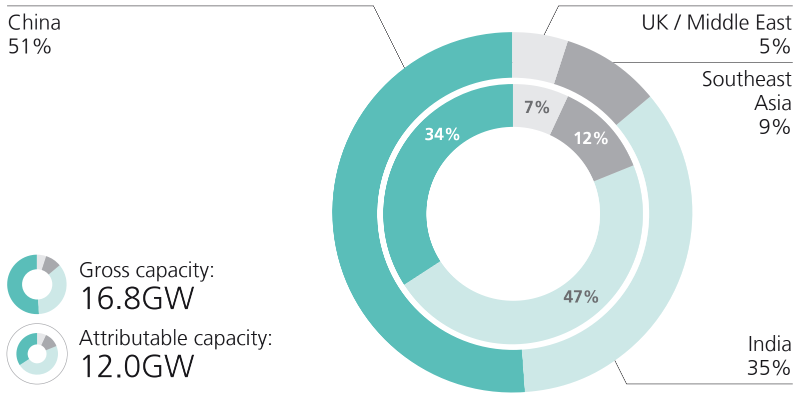
Sembcorp's solar assets in East Kalimantan, Indonesia

Renewables

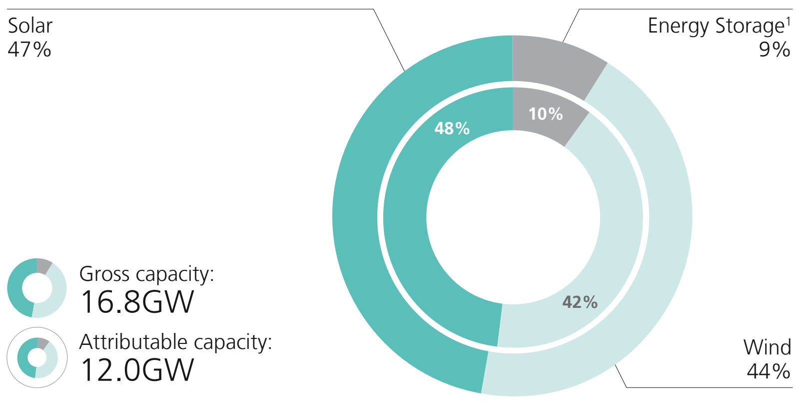
Gross Renewables Capacity[1] *(GW/GWh)*



Renewables Capacity by Country



Renewables Capacity by Technology Type



[1] Energy storage capacity measured in GWh

Our geographic spread mitigates exposure to country-specific risks, ensuring stability and resilience of our portfolio.

Strategic Focus: Geographical Diversity and Disciplined Investments

China: Focused expansion through partnerships

As at December 31, 2024, our total renewables capacity in China was 8.5GW, an increase of 1.1GW in the year. This includes 0.2GW of capacity secured and under construction. In collaboration with our joint venture partner, SDIC Power, we successfully completed Sembcorp's first Concentrated Solar Power project, with a gross capacity of 110MW. This project highlights our commitment to innovation and strengthens our expertise in delivering advanced renewable energy solutions.

In 2024, our assets in northwestern China, including Gansu, Qinghai, and Xinjiang totalling 853MW in attributable installed capacity, faced increased curtailment due to accelerated renewable deployment. This created a supply-demand imbalance and constrained grid infrastructure for energy export. In January 2025, China's largest power grid operator, State Grid Corporation of China, indicated that they would invest over RMB650 billion in optimising the power grid, strengthening distribution infrastructure and providing for the high-quality development of renewable power in 2025.

We maintain a disciplined approach to investment evaluation, strategically targeting regions that rely on imported power and are near major hubs with strong electricity demand. This approach ensures efficient power distribution, minimises transmission losses, and maximises the impact of our renewable energy solutions in high-demand areas.

Sembcorp's hybrid renewables project in Rajasthan, India

India: Leveraging hybrid solutions for growth

India remains a growth market for Sembcorp, where we have successfully leveraged our strong development expertise and asset management capabilities across various technologies to drive portfolio growth and enhance returns.

During the year, we secured over 2GW of hybrid renewables projects, integrating solar and wind as well as solar and energy storage systems, at higher tariffs compared to single-technology contracts. These hybrid projects optimise energy generation by mitigating intermittency challenges, ensuring a more stable and reliable power supply.

Our active participation in these projects underscores our strong in-house project management capabilities across various renewable technologies, including solar, wind, and battery energy storage systems (BESS), while improving our project returns.

Strategically located in regions where Sembcorp already has existing assets, these projects will benefit from operational and maintenance efficiencies and the application of best practices to maximise performance.

In addition to our greenfield projects, we successfully acquired from Leap Green Energy a portfolio comprising 228MW of operational wind assets in India during the year.

Greenfield projects secured during the year in India

Date	Project Details	Awarding Entity	PPA Details	Tariff *(INR/kWh)*
January 2024	450MW wind-solar hybrid	Solar Energy Corporation of India Ltd (SECI)	25-year PPA from completion	3.21
March 2024	440MWW wind-solar hybrid	SJVN Limited		3.48
October 2024	150MW wind-solar hybrid	SECI		3.26
November 2024	300MW wind-solar hybrid	NTPC Ltd		3.29
December 2024	150MW solar with 300MWh battery energy storage system	SECI		3.52

Renewables

Sembcorp's wind assets in Quảng Trị, Vietnam

Through disciplined bidding, investment, and efficient asset management, Sembcorp's gross renewables portfolio in India stands at 5.8GW, of which 3.0GW are secured or under construction. These achievements reflect our ongoing commitment to India's renewable energy transition while delivering sustainable returns.

Southeast Asia: Strategic market entry and expansion

During the year, we expanded into the hybrid renewables segment in Indonesia with the construction of a 50MW solar plant and a 14MWh BESS project in Nusantara. Developed in partnership with PT PLN Nusantara Renewables through a joint venture, Sembcorp holds a 49% stake in the project. Backed by a 25-year long-term PPA, the project supplies power to state-owned utility provider PT PLN (Persero). Successfully launched in January 2025, this marks the first utility-scale integrated solar and energy storage project in Indonesia and Sembcorp's inaugural venture into large-scale solar development in the country. Leveraging our experience, we will continue to pursue growth opportunities with partners and expand our capabilities into geographies with promising potential.

In Vietnam, we expanded our portfolio through acquisition of 196MW of gross renewables capacity comprising wind and solar assets from various subsidiaries of Gelex Group Joint Stock Company in June 2024. Pending regulatory approvals, the acquisition of the remaining 49MW hydropower asset is anticipated to be completed in the first half of 2025.

In Singapore, we continue to build on our leadership position. Our solar portfolio of 949MWp (729MW) represents over half of Singapore's solar energy deployment target of 1.5GWp by 2025. We were awarded a solar deployment project involving the solarisation of 60 buildings across four industrial estates under JTC Corporation's SolarRoof Phase 4. The green energy generated along with our ongoing projects under SolarRoof Phases 2 and 3, will be exported to the national grid to help meet JTC's target of achieving 350MWp by 2030. In 2022, we exceeded Singapore's 2025 target for BESS deployment of 200MWh by successfully commissioning a 285MWh BESS on Jurong Island within six months. Building on this success, we will collaborate with the Energy Market Authority to pilot Singapore's first battery stacking solution on land. This initiative aims to increase the existing system's capacity from 285MWh to approximately 326MWh, optimising land usage already occupied by the current systems.

In January 2025, Sembcorp marked its entry into the Philippines' renewable energy sector with the strategic acquisition of Puente Al Sol Inc. for S$105 million. Puente Al Sol Inc is currently developing a 96MW solar farm in Cadiz which is scheduled to commence operations later this year. Subject to regulatory approvals, the transaction is expected to close by the second half of 2025. This acquisition aligns with Sembcorp's ambition to expand its renewables footprint in Southeast Asia and reinforces our commitment to driving the region's energy transition.

Renewable Energy Integration with Blended PPA Solutions

Sembcorp continues to solidify its leadership position in renewable energy solutions in Singapore through strategic partnerships and PPAs with major global companies. In April 2024, we entered into a 75MWp solar energy PPA with Equinix, a global data centre provider, marking their first renewable energy initiative in Singapore. In November 2024, we strengthened our partnership with Equinix with a second renewable energy PPA, supplying up to 58.5MWp for 15 years beginning in 2029. This brings the total contracted renewable energy capacity with Equinix to 133.5MWp, reinforcing our mutual commitment to accelerating the transition to a low-carbon future and integrating renewable energy into the data centre sector to help customers meet their sustainability targets.

We also secured long-term PPAs with global biopharmaceutical company GSK. Through the PPAs, Sembcorp will supply up to 10MW of electricity to GSK's three global manufacturing sites in Singapore, as well as provide up to 87,600MWh of renewable energy certificates annually. These PPAs, which commenced on January 1, 2025, support GSK's goal of achieving 100% renewable electricity for its Singapore operations by 2025, further enhancing our position as a key player in Asia's renewable energy market.

With a comprehensive suite of energy solutions designed to help customers meet their sustainability objectives, we continue to deliver innovative, scalable, and sustainable energy solutions across industries, driving the energy transition with our commitment to growing renewables.

Growth Opportunities in Emerging Markets

In December 2024, we successfully achieved commercial operation for the Manah II Solar Independent Power Project in Oman, more than four months ahead of schedule, demonstrating our strong development capabilities. As our first greenfield renewables project in the Middle East and the largest utility-scale solar farm in our global portfolio with a peak capacity of 588MW, this milestone reflects Sembcorp's growing leadership in renewable energy. The project also builds on more than 15 years of expertise and presence in Oman through our Salalah Independent Water and Power Plant, one of the largest and most efficient utility providers in the Dhofar region. The 500MW asset is backed by a 20-year PPA with Nama Power and Water Procurement Company, supporting Oman's energy transition goal of increasing renewable energy's share to 30% by 2030.

Outlook

According to the International Energy Agency, the outlook for renewable energy remains positive, despite ongoing challenges such as geopolitical challenges and shifting government policies. Nonetheless, the transition to clean energy is progressing rapidly, driven by supportive policies and market forces.

In China, under guidelines by the National Development and Reform Commission in October 2024, the government will continue to accelerate its renewables growth, improve grid infrastructure, and encourage the adoption of renewable energy. It also announced in February 2025 that 100% of on-grid renewable energy be dispatched through a market-based sales mechanism, for new projects which are commissioned from June 1, 2025. We continue to monitor the economic and regulatory developments in China, and the corresponding impact on our China portfolio.

In India, the government has implemented a range of measures and initiatives aimed at promoting and accelerating renewable energy capacity, with an ambitious target of 500GW of installed electricity capacity from non-fossil sources by 2030. The Ministry of New and Renewable Energy plans to introduce an initial requirement of 10% battery storage capacity for renewable energy plants to address intermittency, with the potential to increase this requirement over time.

In Southeast Asia, eight out of the 10 countries have set net-zero emissions goals. While the momentum for clean energy is rising, the region faces significant challenges, including dependence on fossil fuels and energy security risks. Geopolitical tensions and environmental issues like air pollution and climate-related disasters add further complexity to the region's energy transition.

We are well-positioned to leverage our proven track record, deep local knowledge, expertise in renewables, and differentiated strategies to capitalise on the opportunities. We will continue to monitor macroeconomic developments to ensure proactive adaptation. The Renewables segment is expected to grow, driven by full-year contribution of assets acquired during the year, as well as commissioning of greenfield projects.

Integrated Urban Solutions

Transforming the Urban Portfolio for Sustainable Growth

The Integrated Urban Solutions segment comprises Urban, Water and Waste-to-resource businesses. The segment integrates energy, water, waste management, and smart technologies into the development and management of industrial spaces to create sustainable environments that meet modern urban and industrial needs.

Operational Indicators

	2024	2023
Urban		
– Land sales *(ha)*	**342**	248
– Total gross land (cumulative) *(ha)*	**14,400**[1]	13,000
– Leasable space *(GFA sqm)* from majority-owned industrial properties	**508,000**	134,000
– Portfolio occupancy *(%)* for majority-owned completed industrial properties	**76%**	47%
Water		
– Water and wastewater treatment capacity *(m^3/day)*	**8,075,570**	8,075,114
Waste-to-resource		
Energy-from-waste (Efw) gross installed capacity		
– Wilton 11 Efw Plant *(MW)*	**48**	48

GFA: gross floor area ha: hectares m^3/day: cubic metres per day sqm: square metres

[1] Inclusive of Tembesi project, a joint venture agreement signed with Panbil Group in January 2025

Urban: Leading the Way in Low-carbon Industrial Parks and Spaces

With 35 years of experience, Sembcorp has built a strong reputation as a trusted leader in delivering integrated urban solutions across Asia. In August 2024, we refreshed our Urban segment targets, with a clear focus on establishing ourselves as a leading low-carbon industrial park player in the region, building on our track record and expertise in master development and renewable energy. The strategic initiatives and targets include:

- **Expand land bank:** Grow to 18,000ha by 2028
- **Grow recurring income:** Increase industrial properties leasable space to 1.5 million sqm by 2028
- **Enhance financial metrics:** Achieve net profit compound annual growth rate (2022–2028) above 15% and 2028 return on equity of 10%.

The Urban business' ability to attract foreign direct investment and create jobs positions us strongly to secure new projects in existing and new markets. We have identified Vietnam and Indonesia as key focus markets, where strong growth opportunities are driven by robust GDP growth, thriving manufacturing sectors, rising urbanisation and a growing middle class. Additionally, the Urban business will explore new markets and actively manage its operations in China to enhance returns.

As sustainability becomes increasingly integral to business operations, manufacturers are transitioning to green factories and adopting decarbonisation and energy-efficient solutions. Our expertise in providing low-carbon solutions, positions us to meet this growing demand. Our offerings include development of low-carbon industrial parks, green industrial properties for lease, and integration of renewable energy solutions within these developments to reduce carbon footprints. These initiatives align with global sustainability trends, enhancing the appeal of our developments to environmentally conscious tenants.

Strong Performance Reinforces Urban's Refreshed Strategic Initiatives

The Urban business achieved a significant turnaround in its financial and operational performance in 2024, reflecting the progress made from the August 2024 strategy refresh. Net profit before exceptional items increased by 76% year-on-year, driven by land sales of 342ha, up from 248ha in 2023. These came from the Vietnam Singapore Industrial Parks (VSIP) in Vietnam and Kendal Industrial Park in Indonesia – two primary focus markets outlined in our strategy.

During the year, investment licences were awarded for VSIP Thai Binh, VSIP Quang Ngai II, and Becamex-VSIP Binh Thuan, expanding the VSIP portfolio to 18 projects. These new developments will contribute to our saleable land bank from 2026, offering our manufacturing customers unique location advantages across Vietnam.

In January 2025, we entered into a strategic joint venture with Panbil Group, a prominent player in the industrial and hospitality sectors in Batam, Indonesia. This partnership leverages our expertise in international investment promotion and green energy solutions, alongside Panbil's construction capabilities, to develop a 100ha low-carbon industrial park in Tembesi, within Batam's Muka Kuning area – an established hub for industries such as electronics, electrical, precision engineering, and pharmaceuticals. Additionally, we signed a Memorandum of Understanding (MoU) with Panbil to explore the development of a 500ha industrial park on Tanjung Sauh, a newly designated special economic zone for industrial development in the smaller island in Batam. The collaboration with Panbil strengthens our presence in Indonesia, extending beyond our Kendal project in Central Java.

With the addition of these industrial parks, our total gross land bank now stands at 14,400ha, moving us closer to our 2028 target.

Leveraging our township development expertise, we also signed a non-binding MoU with Odisha Industrial Infrastructure Development Corporation in January 2025, to assess opportunities for an industrial park in Odisha, India. This builds on our Group's capabilities and presence in India to evaluate high-potential opportunities for sustainable and attractive returns.

During the year, we acquired land in multiple locations in Vietnam to develop a new portfolio of industrial properties for lease, marking a significant step in the execution of our refreshed business strategy to grow industrial leasable space to 1.5 million sqm GFA by 2028. Approximately 374,000 sqm of modern ready-built warehouses and factories will be added to our current operational industrial portfolio of 134,000 sqm. This strategic initiative expands our offering of high-quality spaces and strengthens our recurring income[2] stream, positioning us for continued growth and stability. Recurring income accounted for 9% of the year's profit, while occupancy rates for completed industrial properties rose to 76%, up from 47% in 2023.

In China, we successfully mitigated the impact of a slowing economy by optimising costs, focusing on tenancy renewals, and increasing occupancy at the Nanjing Global Sustainability Hub.

Sembcorp Nanjing Suiwu Wastewater Treatment Plant, China

Advancing Water Sustainability: Innovative Solutions for Efficient Water Management and Wastewater Treatment

As a leading water management specialist, we help businesses achieve their water sustainability goals through solutions such as industrial wastewater treatment and water reclamation. Our sustainability-first approach allows businesses to minimise liquid discharge and conserve their water resources. We specialise in addressing the challenges of complex industrial effluents, using customised solutions to manage even the most challenging wastewater streams effectively.

In April 2024, we completed the Sembcorp Nanjing Suiwu Industrial Wastewater Joint Advanced Treatment Project and NCIP Distributed Solar Power Project in Jiangsu, China. Using advanced technologies, such as our Virtual Brain™ Water real-time digital management platform, we enhanced water treatment efficiency, reduced energy consumption, and minimised chemical usage while maintaining effluent compliance.

The project was recognised as the High Quality Development Service Provider for Chemical Industrial Parks at the 2024 China Chemical Industry Park Development Conference in Chengdu in October 2024. This recognition reinforces our commitment to delivering sustainable and efficient industrial wastewater treatment solutions.

Sale of Sembcorp Environment: Capital Recycling

We continue to review our portfolios and sharpen our focus in the energy sector to ensure strategic alignment and to maximise shareholder value. In November 2024, we announced the sale of Sembcorp Environment Pte Ltd (SembEnviro) for a consideration of S$405 million[3]. The sale consideration represents approximately 43% premium over its book value and net asset value.

[2] Recurring income refers to industrial and commercial space for lease, utilities income, estate management fees, and excludes corporate costs

[3] The sale of SembEnviro to SBT Investment 2 was completed on March 18, 2025

Integrated Urban Solutions

Vietnam Singapore Industiral Park in Nghe An, Vietnam

Upon completion of the sale, the proceeds will be re-deployed, under our S$14 billion investment plan (2024–2028), to accelerate growth and drive energy transition.

SembEnviro is an integrated waste management services provider involved in the processing, collection and recycling of industrial, commercial and municipal solid waste in Singapore. To ensure business continuity, all staff and management will be retained for at least 24 months. We have also engaged the relevant unions to provide assurance that employees will remain in their current jobs. The buyer, SBT Investment 2, a wholly-owned subsidiary of TBS Energi, is an integrated energy company dedicated to reducing its carbon footprint and promoting environmental sustainability from low-carbon growth. With expertise in power generation, renewable energy, and waste management, TBS will build on SembEnviro's strong foundation and reputation, to deliver waste management solutions that adapt to the evolving needs of Singapore's communities and industries.

Outlook

We remain committed to expanding our presence in key markets while leveraging our renewable energy capabilities. Earnings for the Integrated Urban Solutions segment are expected to remain stable, with growth in the Urban segment offsetting the absence of contribution from SembEnviro. A gain of no less than S$100 million is expected to be recognised upon completion of the sale.

In the Urban segment, we will continue to evaluate and enter new markets on a strategic basis to build up our land bank and develop sustainable industrial parks and townships. Our strategic partnerships in Vietnam and Indonesia, along with our focus on expanding our industrial leasable space, position us well to capture the growing demand for green, energy-efficient industrial spaces.

Our water business is expected to remain stable. We will continue to innovate and adopt initiatives to improve efficiency in operations while strategically allocating capital to higher-returning assets and optimise returns for less value-adding assets.

Decarbonisation Solutions

The Decarbonisation Solutions segment was introduced in November 2023 under the 2024–2028 strategic plan, reinforcing Sembcorp's commitment to advancing the energy transition. This segment includes businesses focused on the trading of environmental attributes, low-carbon feedstock (green hydrogen and ammonia), power imports, as well as carbon capture, utilisation and storage. By investing in low-carbon energy products and services, Sembcorp aims to accelerate decarbonisation and energy transition, while paving the way for growth beyond 2028.

Low-carbon Alternatives: Developing and Scaling Green Feedstock Technologies

In 2024, the following key milestones underscored our commitment to developing green feedstock technologies and cross-border low-carbon supply chains.

Building on the Memorandum of Understanding (MoU) signed in December 2023 to explore the supply of green ammonia from India to Japan, Sembcorp made significant progress in establishing a cross-border green ammonia supply and transportation network throughout the year. In June 2024, we signed a Heads of Terms (HoT) agreement with Sojitz Corporation (Sojitz) and Kyushu Electric Power Co (Kyushu) to finalise a definitive green ammonia offtake agreement. In August 2024, we entered into a HoT with Nippon Yusen Kabushiki Kaisha (NYK), appointing NYK as the shipping partner for green ammonia exports to Japan. This collaboration brings together three Indo-Pacific Economic Framework members – India, Japan, and Singapore – united in advancing a low-carbon supply chain and facilitating the region's clean energy transition. India's National Green Hydrogen Mission underpins these efforts with a 25-year waiver on interstate electricity transmission charges for green hydrogen and ammonia projects commissioned on and before December 31, 2030. The mission aims to produce 5 million metric tonnes per annum of green hydrogen by 2030, positioning India as a global leader in green hydrogen production and export. With abundant natural resources and the potential to expand renewable energy capacity, India is well-placed to drive the green hydrogen economy forward.

Leveraging its expertise in renewable energy, Sembcorp is leading the development of renewable energy and green ammonia production facilities in India. Front-end engineering and design work has commenced for the green ammonia plant in Thoothukudi (formerly known as Tuticorin), Tamil Nadu with the next step being the final investment decision for the project.

In Southeast Asia, Sembcorp strengthened its green feedstock production ambitions by signing a joint development framework agreement with PT PLN Energi Primer Indonesia in October 2024 to develop Southeast Asia's largest green hydrogen project in Sumatra, Indonesia. The facility, designed to produce 100,000 metric tonnes per annum of green hydrogen, aims to establish a regional green hydrogen hub connecting Sumatra, the Riau Islands, and Singapore. This milestone follows a successful feasibility study and represents a pivotal step towards the next phase of development, which includes detailed engineering and commercial structuring. The collaboration reflects a shared commitment to accelerating sustainable energy solutions in the region.

Supporting Singapore's Innovation in Low-carbon Energy

Singapore is accelerating its low-carbon transition under the Green Plan 2030. As a key player in this journey, Sembcorp is driving the energy innovation through strategic partnerships.

In June 2024, Sembcorp partnered with Bloom Energy, a global leader in solid oxide fuel cell technology, to bring low-carbon solutions to Singapore. This collaboration will involve the deployment of Bloom's proprietary solid oxide fuel cell technology and third-party proven carbon capture systems to produce reliable, low-carbon electricity to meet Singapore's changing energy needs. This aligns with Singapore's Green Data Centre Roadmap, which focuses on expanding sustainable energy solutions for the digital economy. By integrating Bloom's Energy Server with carbon capture, the system will provide low-carbon power and potentially generate green energy using low-carbon feedstock in the future, while mitigating grid constraints through grid-parallel deployment.

In December 2024, Sembcorp entered into a landmark agreement with Tenaga Nasional Berhad to import 50MW of renewable energy from Malaysia to Singapore, marking the first renewable energy import to Singapore with Renewable Energy Certificates (RECs). This initiative supports Malaysia's green electricity trading programme and strengthens Singapore's push for a diversified, resilient energy mix. By ensuring the energy is sustainably sourced, Sembcorp reinforces its position as a leader in low-carbon solutions in the region.

Sembcorp was also shortlisted as one of two consortia to develop a low- or zero-carbon ammonia solution for power generation and bunkering on Jurong Island. This project is key to Singapore's strategy to harness low-carbon hydrogen as a major decarbonisation pathway to achieve net-zero emissions by 2050.

By investing in advanced technologies and regional collaborations, we remain committed to delivering sustainable, low-carbon solutions for Singapore's greener future.

Decarbonisation Solutions

GoNetZero™: Scaling Decarbonisation Efforts for Outsized Impact

Founded in 2022 as the carbon management business of Sembcorp, GoNetZero™ empowers businesses worldwide to achieve their net-zero goals. It offers comprehensive solutions through its digital platform, and additionally provides verified environmental attributes (EA), including RECs and carbon credits. GoNetZero™'s suite of digital solutions includes *Measure* – which enables clients to begin their net-zero journeys by assessing their organisations' emissions; *Manage* – which allows clients to view, manage and retire their EAs portfolio seamlessly on a single platform; and *Perform* – which helps clients maximise the output and lifespan of their renewable energy assets across multiple sites on a single dashboard.

In 2024, GoNetZero™ achieved a substantial threefold growth in revenue as market demand for decarbonisation products and solutions continued to rise. The business supported its clients in compensating for 5 million tonnes of residual emissions through verified carbon credits, a twofold increase from the previous year, while driving the adoption of renewable energy by 1.6 million MWh through RECs, enabling projects that contribute to long-term sustainability and ecosystem restoration. GoNetZero™'s digital platform gained over 30 new clients, expanding its customer base to more than 80 clients across 14 countries, positioning the business for accelerated growth and broader impact.

In 2024, GoNetZero™ further advanced its mission to drive global decarbonisation, by partnering with like-minded innovators:

Supporting organisations in their decarbonisation journeys

In support of Singtel's net-zero 2045 goals, GoNetZero™ signed an MOU with Singtel's Digital InfraCo, to explore integrating GoNetZero™'s end-to-end digital decarbonisation solutions into Digital InfraCo's service platform. This integration enables Singtel's enterprise customers to seamlessly purchase and retire EAs, enabling greater efficiency in their sustainability efforts. To further support Singapore's energy transition, GoNetZero™ worked with the Energy Market Authority to offset travel emissions for 25 key energy leaders at the Singapore International Energy Week 2024. With emissions calculations powered by GoNetZero™'s *Measure* solution, the carbon credits retired were sourced from Sembcorp's 300MW wind energy project in India, registered under the Gold Standard.

Beyond Singapore, GoNetZero™ continued to drive green transformation. In Vietnam, GoNetZero™ signed an MOU with CMC Global to help clients reduce their carbon footprints, supporting Vietnam's net-zero ambitions by 2050. This partnership is expected to drive decarbonisation, sustainable development, and digital transformation in Vietnam and across the region. GoNetZero™'s regional influence extended further through collaborative efforts with Bureau Veritas in Southeast Asia. Together with Bureau Veritas Singapore, it has enhanced transparency and trust in businesses' sustainability efforts. By offering tailored solutions, the partnership empowers businesses to meet their decarbonisation goals with confidence.

Advancing global access to decarbonisation infrastructure and innovations

Pioneering new pathways in decarbonisation, GoNetZero™ partnered with Xpansiv to offer clients seamless access to trading platforms, automated settlement, and portfolio management integrated with 13 global carbon and renewable energy registries, accelerating their decarbonisation efforts.

Shaping global decarbonisation dialogues

In addition to participating in over 50 industry events and discussions, GoNetZero™ officially joined the Singapore Carbon Market Alliance (SCMA), launched in 2024 by the Singapore Economic Development Board and IETA (formerly the International Emissions Trading Association). SCMA is a platform that aims to help Singapore-based corporates access high-integrity, Article 6-aligned carbon credits while fostering exchanges between industry and the government on Singapore's requirements and initiatives on Article 6-aligned carbon credits.

Outlook

During the year, Sembcorp continued to make strides in advancing energy transition through strategic investments and partnerships in low-carbon solutions. By advancing projects such as the development and transportation of green feedstock as well as innovative collaborations in renewable energy, Sembcorp is well-positioned to meet growing demand for sustainable energy alternatives.

Looking ahead, we will leverage our leadership position in Singapore to support the nation's Green Plan 2030 and the Four Switches for Energy Transition to further advance regional decarbonisation efforts. By strengthening our capabilities, we will continue to innovate and make strategic investments in low-carbon solutions. This segment is expected to generate positive earnings by 2028, positioning the company for continued growth.

Board of Directors

Tow Heng Tan *(age 69)*

Chairman
Non-executive & Non-independent Director
Appointed June 1, 2021 E C N

Mr Tow is chief executive officer of Pavilion Capital International, a North Asia-focused private equity firm.

He has previously held senior leadership positions, including as chief investment officer of Temasek International, senior director of DBS Vickers and managing director of Lum Chang Securities. He was also an investment banker with Schroders Singapore.

He is chairman of ABC Impact Holdings and TTAM Holdings, and currently serves on the boards of National Healthcare Group and Temasek Trust.

Mr Tow is a fellow of the Association of Chartered Certified Accountants, and Chartered Institute of Management Accountants in the United Kingdom. He is a chartered accountant with the Institute of Singapore Chartered Accountants.

Past directorships in listed companies and major appointments 2022–2024:

- Fullerton Financial Holdings

Lim Ming Yan *(age 62)*

Non-executive & Lead Independent Director
Appointed January 18, 2021 E C N

Mr Lim is chairman of Singapore Business Federation and deputy chairman of Changi Airport Group. He also serves on the boards of China Vanke, DLF Cyber City Developers and Enterprise Singapore. In addition, he is a member of the board of trustees of Chinese Development Assistance Council, and is Singapore's non-resident high commissioner to the Republic of Mauritius.

Mr Lim previously served as president and group chief executive officer of CapitaLand Group.

Mr Lim holds a first class honours in mechanical engineering and economics as well as an honorary doctorate from University of Birmingham. He also completed the Advanced Management Program at Harvard Business School.

Past directorships in listed companies and major appointments 2022–2024:

- Business China
- Central China Real Estate
- Future Economy Council
- Housing and Development Board
- Singapore Press Holdings
- Workforce Singapore

Manu Bhaskaran *(age 66)*

Non-executive & Independent Director
Appointed July 1, 2024

Mr Bhaskaran is a partner of the Centennial Group and founding chief executive officer of its Singapore subsidiary, Centennial Asia Advisors. As a leading Asian economist, he has 40 years of experience in studying economic, political and security issues that shape the business environment in Asia.

Prior to Centennial Group, Mr Bhaskaran held senior positions at Société Générale's Asian investment banking division and was a member of its executive committee. He previously worked for the Singapore government, supervising a team that prepared strategic political and economic assessments of Asia for senior government officials.

Mr Bhaskaran is an adjunct senior research fellow at Institute of Policy Studies, and serves as a member of the Regional Advisory Board for Asia of International Monetary Fund, council member of Singapore Institute of International Affairs, and advisor to Asia Foundation. He previously served as chairman of a high-level government committee that reviewed the regulation of money lenders, and was a member of Competition Appeals Board. He also serves on the boards of several companies including Japfa Ltd, Luminor Capital, and Niks Professional Ltd.

Mr Bhaskaran holds a Bachelor of Arts with Honours from University of Cambridge and was conferred a Master of Arts (MA (Cantab)). He also holds a Master in Public Administration from Harvard University, and is a chartered financial analyst.

Past directorships in listed companies and major appointments 2022–2024:

- CIMB Investment Bank

Marina Chin Li Yuen *(age 59)*

Non-executive & Independent Director
Appointed November 1, 2023 A R

Ms Chin, a senior counsel appointed by the Singapore Academy of Law, is joint managing partner of Tan Kok Quan Partnership where she became a senior partner in 2000. With over 30 years of legal experience, she focuses on dispute resolution for civil and commercial matters, including those with cross-border angles, across a broad spectrum of industry sectors in Asia.

Ms Chin is currently an independent non-executive director and a member of the audit and risk committee of Jurong Port. She is also a member of the appeal advisory panel of Monetary Authority of Singapore, senate member and fellow of Singapore Academy of Law, specialist mediator of Singapore International Mediation Centre, and an accreditation committee member of Singapore Institute of Legal Education.

Board Committees: E Executive A Audit R Risk C Executive Resource & Compensation N Nominating

Board of Directors

Ms Chin holds a Bachelor of Laws with honours from National University of Singapore. She was awarded the Tan Ah Tah Book Prize after completing the postgraduate practical law course.

Past directorships in listed companies and major appointments 2022–2024:

- Singapore Land Authority

Kunnasagaran Chinniah

(age 67)

Non-executive & Independent Director

Appointed August 1, 2023 E R C

Mr Chinniah is a board member of CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT), Changi Airports International, Greenko Energy Holdings, and Nirlon Limited. He is a member of Hindu Endowments Board.

He previously served at GIC for more than 20 years, where he held various positions and was responsible for investments in Asia, Europe and North America. He last served as head of GIC Global Infrastructure Group and co-head of portfolio, strategy and risk group at GIC Special Investments.

Mr Chinniah is a chartered financial analyst. He holds a Bachelor of Engineering (Electrical) from National University of Singapore, and a Master of Business Administration from University of California, Berkeley.

Past directorships in listed companies and major appointments 2022–2024:

- Azalea Asset Management
- Borkum Riffgrund 2 Investor Holding
- ECL Finance
- Edelweiss Financial Services
- Edelweiss Rural & Corporate Services
- Keppel Infrastructure Fund Management (the trustee-manager of Keppel Infrastructure Trust)
- Neptune1 Infrastructure Holdings
- Nuvama Wealth Finance
- Nuvama Wealth Management

Nagi Hamiyeh *(age 56)*

Non-executive & Non-independent Director

Appointed March 3, 2020 E

Mr Hamiyeh is Temasek's head of Europe, the Middle East and Africa. Throughout his career with Temasek, he has led the firm's investment group, consumer, industrials, natural resources and real estate investment teams, and was joint head of the enterprise development group, as well as head of Australia and New Zealand.

Prior to Temasek, Mr Hamiyeh was a banker with Credit Suisse First Boston's Energy Group. He began his career at Bain & Company.

He serves on the boards of EM Topco, OFI Group, Olam Group, and Seatrium.

Mr Hamiyeh holds a Master of Science in Civil and Environmental Engineering from Massachusetts Institute of Technology, as well as a Bachelor of Science in Civil Engineering from University of Texas.

Past directorships in listed companies and major appointments 2022–2024:

- CapitaLand Group
- CLA Real Estate Holdings
- Dream International
- Kyanite Investment Holdings
- Kyanite Investment Holdings (I)
- Olam Agri Holdings
- Olam International
- Startree Investments

Prof Uwe Krueger *(age 60)*

Non-executive & Non-independent Director

Appointed October 1, 2024

Prof. Dr. Dr. h.c. Krueger is vice chairman of Europe, Middle East and Africa (EMEA) at Temasek International, where he joined in 2018 as head of industrials, business services, energy and resources, as well as head of EMEA.

Prior to Temasek International, Prof. Dr. Dr. h.c. Krueger was chief executive officer of WS Atkins, until the company was acquired by SNC Lavalin and delisted from the London Stock Exchange. Previously, he also held senior positions in other companies, including president of Cleantech Switzerland, senior advisor for TPG Capital and chief executive officer of Oerlikon Group. He began his career at an international strategy consulting firm A.T. Kearney, followed by Hochtief AG where he held several positions during his 10-year tenure, including as chief executive officer of Central Eastern Europe, senior vice president of corporate development, as well as senior vice president and chairman of Turner International, a subsidiary of Hochtief AG.

Prof. Dr. Dr. h.c. Krueger holds a PhD in Physics and a graduate degree in Physics and Business Administration from University of Frankfurt. He also holds an honorary doctorate from Heriot Watt University. As honorary professor of physics, he lectures at Johann Wolfgang Goethe University.

Dr Josephine Kwa Lay Keng

(age 66)

Non-executive & Independent Director

Appointed August 1, 2018 A R

Dr Kwa brings to the board rich experience in technology and research and development (R&D) across various industries, including energy and engineering. She is a director of Barghest Building Performance.

Dr Kwa was previously chief executive officer of NSL and served in various functions over her 23-year tenure with the company, including being its chief operating officer and head of technology, responsible for energy and environmental investments, information technology, R&D, and strategy. Dr Kwa chaired the National Energy Efficiency Committee for Industries in Singapore from 2000 to 2009 and continues to sit on the steering committee for the Singapore Certified Energy Manager Programme.

Dr Kwa holds a PhD and Bachelor of Science with honours in Mechanical Engineering from University of Leeds.

Past directorships in listed companies and major appointments 2022–2024:

- Agency for Science, Technology and Research
- Southern Steel

Ong Chao Choon *(age 61)*

Non-executive & Independent Director

Appointed November 3, 2023 A R N

Mr Ong serves on the boards of Community Foundation of Singapore, Lee Kuan Yew Fund for Bilingualism, NCS and Singapore Food Agency. He was previously on the boards of Nanyang Business School Alumni Advisory Board, National Environment Agency, and Republic Polytechnic. He was awarded the Public Service Medal in 2017.

Mr Ong previously worked in PwC for over 30 years, where he was a partner and held various leadership positions, including deputy chairman and advisory leader of PwC Singapore, as well as managing partner of PwC Myanmar. He brings extensive experience in mergers and acquisitions advisory accumulated over two decades, in addition to more than 10 years of auditing and business advisory experience.

Mr Ong holds a Bachelor of Accountancy with honours from National University of Singapore. He also holds a Master of Business Administration in Banking and Finance from Nanyang Business School. He is a fellow of the Institute of Singapore Chartered Accountants and was a fellow of the Chartered Accountants Australia & New Zealand.

Past directorships in listed companies and major appointments 2022–2024:

- PwC Group of Companies

Wong Kim Yin *(age 54)*

Group Chief Executive Officer

Appointed July 1, 2020 E

Mr Wong has 30 years of leadership experience in the energy sector and in investment management. Since joining Sembcorp in July 2020, he has been instrumental in driving the transformation of the company's portfolio.

Prior to Sembcorp, Mr Wong was Group CEO of Singapore Power from 2012 to 2020, and has held senior roles in Temasek International and The AES Corporation.

Mr Wong actively contributes to the global energy transition as vice chair, Asia, of the World Energy Council. He is chairman of Health Promotion Board, and serves on the boards of China Venture Capital Fund Corporation, Inland Revenue Authority of Singapore and National Research Foundation. He is also a member of GIC's investment board.

Mr Wong holds a Bachelor of Science from National University of Singapore, and a Master of Business Administration from University of Chicago Booth School of Business.

Past directorships in listed companies and major appointments 2022–2024:

- DSO National Laboratories
- SkillsFuture Singapore Agency and related bodies

Yap Chee Keong *(age 64)*

Non-executive & Independent Director

Appointed October 1, 2016 A R

Mr Yap brings to the board financial, management and audit expertise, as well as experience in industry sectors including energy, infrastructure and real estate. He was formerly the executive director of The Straits Trading Company and chief financial officer of Singapore Power.

Currently, Mr Yap is the deputy chairman of Seatrium and a director of Ensign InfoSecurity, Olam Group, Pacific International Lines, Shangri-La Asia and Singapore Life Holdings.

He previously served on the board of Singapore's Accounting and Corporate Regulatory Authority (ACRA) and on ACRA's Public Accountants Oversight Committee. He was a member of the working group convened by ACRA, Monetary Authority of Singapore (MAS) and Singapore Exchange (SGX) to review the Guidebook for Audit Committees in Singapore, as well as the panel convened by ACRA, MAS, SGX and Singapore Institute of Directors which formulated guidelines for board risk committees.

Mr Yap holds a Bachelor of Accountancy from National University of Singapore and is a fellow of Institute of Singapore Chartered Accountants, Singapore Institute of Directors and CPA Australia.

Past directorships in listed companies and major appointments 2022–2024:

- Mediacorp
- Olam International

Board Committees: E Executive A Audit R Risk C Executive Resource & Compensation N Nominating

International Technology Panel

The International Technology Panel helps Sembcorp stay ahead in the fast-changing landscape of energy transition, climate action, and digital innovation. By offering strategic insights and expert advice, the panel uncovers new opportunities and provides guidance on potential challenges. Its work ensures that Sembcorp remains focused on future-ready solutions that drive sustainable growth.

Jonathan Asherson, OBE
Chairman

Mr Asherson brings extensive experience in the energy and aerospace sectors across Europe and Asia. He currently serves as chairman of Sembcorp Energy UK.

Mr Asherson was previously president of Rolls-Royce Southeast Asia and later retired as chairman of Rolls-Royce Singapore, where he oversaw the company's regional operations across civil aerospace, defence, marine, and energy in Asia Pacific.

He has chaired the Singapore International Chamber of Commerce and British Chamber of Commerce, and served as a non-executive director of the UK Department for International Trade and the Economic Development Board of Singapore. He was also a council member of the Singapore National Employers Federation.

His contributions have earned him distinguished honours, including an Order of the British Empire (OBE) medal as an officer in 2007 and the Public Service Medal (Friends of Singapore) under the Singapore National Day Awards in 2010.

He holds a Bachelor of Science in mechanical engineering and an honorary doctorate of science from Kingston University.

Prof Liu Bin
Member

Prof Liu is the deputy president (research and technology) at the National University of Singapore (NUS). She is a fellow of the Singapore Academy of Engineering and the Singapore National Academy of Sciences, and an international member of the US National Academy of Engineering.

An internationally acclaimed leader in organic functional materials, Prof Liu has been highly recognised for her contributions in polymer chemistry and the application of organic nanomaterials for biomedical, environmental, and energy (hydrogen) research. Since 2014, she has been named annually among the World's Most Influential Scientific Minds by Thomson Reuters and the Top 1% Highly Cited Researchers by Clarivate. In 2024, she was honoured with the prestigious President's Science Award in Singapore.

Prof Liu holds bachelor's and master's degrees from Nanjing University, and a PhD in chemistry from NUS. She also received postdoctoral training at the University of California, Santa Barbara.

Prof Lui Pao Chuen
Member

Prof Lui is Singapore's first chief defence scientist and the Temasek defence professor at the National University of Singapore (NUS). With extensive experience in engineering, he has played a key role in national infrastructure projects and chairs several high-level steering committees.

He serves on the boards of corporations, government agencies, research institutions, and technical organisations, as well as steering committees for major infrastructure projects.

Prof Lui is a fellow of the Singapore Academy of Engineering and the Singapore National Academy of Sciences, as well as an honorary fellow of the ASEAN Federation of Engineering Organisations. His accolades include the National Science and Technology Medal, the President's Medal from the Institute of Physics Singapore, the Pioneer Award from the International Council on Systems Engineering, the Lifetime Engineering Achievement Award, the Defence Technology Medal (Outstanding Service), and the Aviation Pioneer Award. In 2024, he was named a distinguished honorary fellow of the Institute of Physics Singapore.

Prof Lui holds a Bachelor of Science in physics from NUS and a Master of Science in operations research and systems analysis from the Naval Postgraduate School.

Philippe Joubert
Member

Mr Joubert is the founder and CEO of Earth on Board, a leading organisation advocating for the necessary changes in business governance to lead the evolution of the business model based on respect of the planet boundaries. He serves as senior advisor and is a former special envoy for energy and climate at the World Business Council for Sustainable Development.

He is also senior advisor for international development at the World Energy Council and a former chair of the advisory board of the Cambridge Institute for Sustainability Leadership, where he remains a fellow.

He previously served as president of Alstom Power, deputy CEO of the Alstom Group, and chair of the Prince of Wales's Corporate Leaders Group. He sits on the boards of several global companies.

Mr Joubert holds a Bachelor of Science in finance and economy from ESSEC Business School. He has been honoured as Chevalier de la Legion d'Honneur.

Pieter Franken
Member

Mr Franken started his career as a researcher at Hitachi's Central Research Lab in Japan and has since held executive roles at Aplus, Citigroup, Elevandi, Monex Group, Monex Securities and Shinsei Bank. He is currently an advisor on technology and innovation to the Monetary Authority of Singapore (MAS), driving Singapore's role as a leading FinTech hub since its inception and managing director at GFTN (Global Finance and Technology Network – formerly Elevandi), as well as CEO of GFTN Japan, strengthening and expanding Singapore's FinTech ecosystem into Japan and Northeast Asia.

In 2011, Mr Franken co-founded Safecast, a global non-profit creating accessible environmental data through citizen science, and is also the founding member of the ASEAN Financial Innovation Network, promoting financial inclusion and digital transformation in ASEAN through the APIX platform in collaboration with IFC World Bank and MAS.

As a senior researcher and guest professor at Murai Lab, Keio University, Mr Franken contributes to research on IoT, digital assets, FinTech, and financial inclusion.

He holds a Master of Science in computer science from Delft University.

Key Executives

Eugene Cheng
Group Chief Financial Officer
President & CEO, Integrated Urban Solutions

Robert Chong
Chief Corporate & Human Resource Officer

Charles Koh
Chief Digital Officer
Platform Founder, GoNetZero™

Koh Chiap Khiong
President & CEO, Gas and Related Services

Lee Ark Boon
CEO, Urban

Lee Kok Kin
CEO, SembWaste*

Bennett Neo
Chief Operating Officer

A. Nithyanand
CEO, Renewables Business, India

Nuraliza Osman
General Counsel & Company Secretary

Mike Patrick
CEO, UK

Soon Sze Meng
CEO, GoNetZero™

Alex Tan
President & CEO, Renewables, East

Tan Cheng Guan
Executive Vice President,
Office of the Group CEO

Vipul Tuli
President & CEO, Renewables, West
CEO, Hydrogen Business
Executive Director, UK

Wong Kim Yin
Group Chief Executive Officer

For profiles of our Key Executives, please refer to Our Leadership section on our webpage.

* On March 18, 2025, Sembcorp completed the sale of Sembcorp Environment Pte. Ltd. and its subsidiaries, which include SembWaste. Following the sale, Mr Lee Kok Kin will transit to the new entity as its CEO

Sustainability Report

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
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** **Resource Management**
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 support our transformation and growth.	**Workforce Transformation** **Community Engagement and Investment**
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** **Risk Governance**

2024 Performance against Targets[1]

Material Sustainability Factor	Metric	2024 Performance	Target
Climate Action	Absolute GHG Emissions (Scope 1 and 2)	9.3 million tCO_2e	2030: 2.7 million tCO_2e; 2050: Net-zero Emissions
Climate Action	GHG Emissions Intensity	0.27 tCO_2e/MWh	2028: 0.15 tCO_2e/MWh
Climate Action	Gross Installed Renewable Energy Capacity	13.1GW	2028: 25GW
Empowering Lives	Number of Employees and Partners Upgraded	623	2024: 500
Empowering Lives	Operations with Community Development Programmes	100%	Ongoing: 100%
Resilient Business	Work-related Fatalities	3 Contractors	Ongoing: 0
Resilient Business	Integrated Assurance Framework Implementation	100%	Ongoing: 100%
Resilient Business	Employee Completion of Anti-bribery and Corruption Training	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.

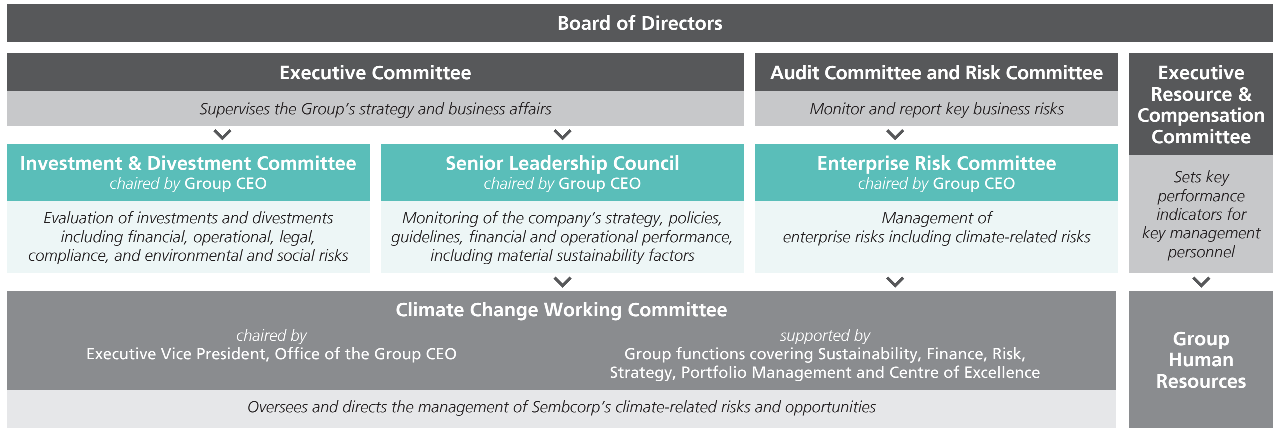
Sustainability Governance

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

CDP

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'

MSCI ESG RATINGS AA

Received a rating of AA in the MSCI ESG Ratings[1] assessment in 2024

Sustainability Contact GRI 2-3
We welcome feedback on our sustainability factors and reporting at sustainability@sembcorp.com.

[1] The use by Sembcorp Industries of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Sembcorp Industries by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI

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 emissions[1]. 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

Our governance

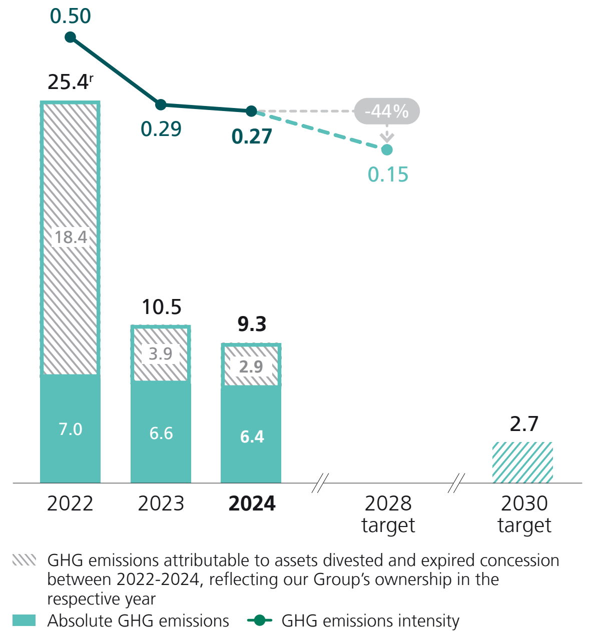
Sembcorp's Climate Change Working Committee (CCWC) oversees the development of plans, processes and reports that address the Group's climate-related risks and opportunities. Its role includes reviewing and developing policies and frameworks, assessing risks and opportunities, setting targets and implementing 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.

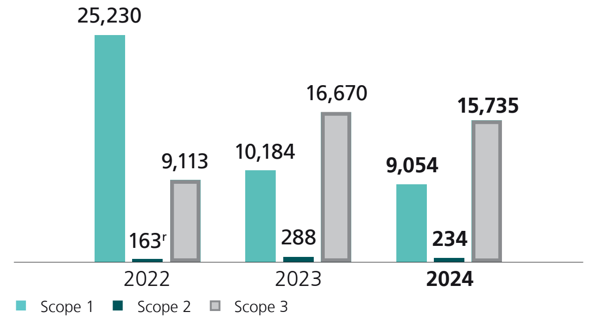
Our performance

- Absolute GHG emissions (Scope 1 and 2) decreased to 9.3 million tonnes of carbon dioxide equivalent (million tCO_2e), primarily due to the concession expiry of the Phu My 3 Power Plant in February 2024.
- GHG emissions intensity[2] reduced to 0.27 tonnes of carbon dioxide equivalent per megawatt-hour (tCO_2e/MWh), driven by the reduction in absolute GHG emissions and increase in our renewable energy generation.
- Scope 3 emissions[3] decreased by 6% to 15.7 million tCO_2e 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 capacity[4] 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 tCO_2e 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.

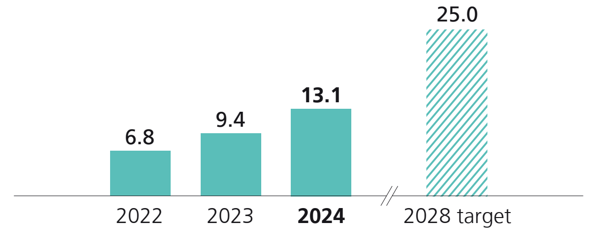
Absolute GHG Emissions (Scope 1 and 2)* *(million tCO_2e)* **and Emissions Intensity** *(tCO_2e/MWh)*



Absolute Scope 1, 2 and 3 GHG Emissions *(kilo tCO_2e)*



Gross Installed Renewable Energy Capacity *(GW)*



* – 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 intensity[2], KPI 2: GHG absolute emissions and KPI 3: Gross installed renewable energy capacity[4]. 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_2e/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 Systems[1]
- ISO 50001: Energy Management Systems

Our governance

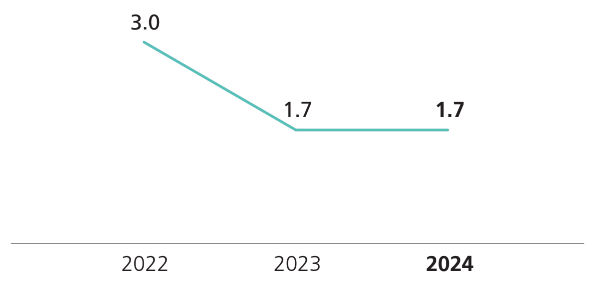
The Group Centre of Excellence (GCOE) division oversees resource management. The management of this aspect is guided by the Sembcorp Environmental Management Standard. GCOE division, together with the Group HSSE division, ensures the compliance of this standard through internal audits. Regular updates 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 intensity[2] 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)*



[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

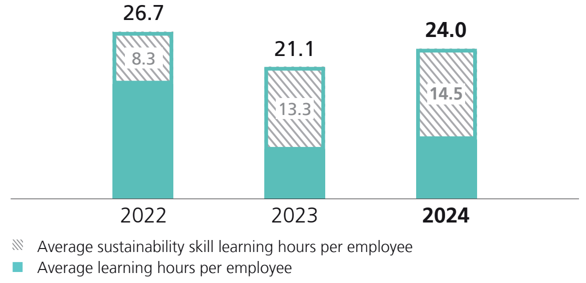
Our governance

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 hours[1].
- In 2024, a total of 623 employees and partners were upgraded[2]. 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)*



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

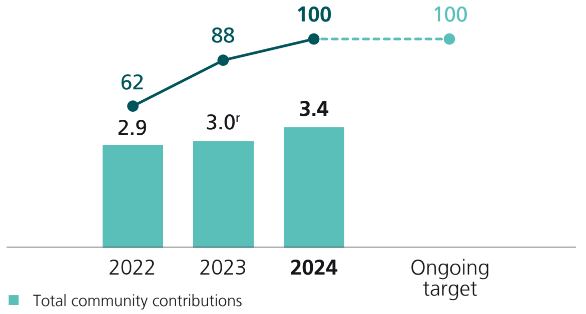
Our governance

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 mandatory[1] contributions, of which 14% were invested in SDG 7-aligned projects.
  - Over S$1.4 million were voluntary[2] contributions, of which 43% were invested in SDG 7-aligned projects.
  - Over S$7,000 were leveraged[3] contributions, benefitting a range of charitable causes.

Community Investments *(S$ million and %)*



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

- 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 kilogrammes of carbon dioxide equivalent of GHG emissions[4].
- All of our operations supported charities and communities through local community engagement and / or development programmes in 2024.

[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 Systems[1]
- 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.

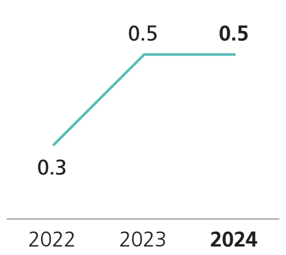
For more information on our approach to managing HSSE risks, please refer to the Corporate Governance Statement on page 88.

Our performance

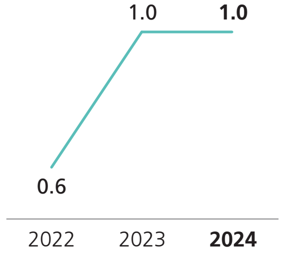
Regrettably, three contractor fatalities occurred at our sites during the year, involving two incidents in India and one in Oman. Stop-work orders were immediately initiated at the affected sites, thorough investigations were carried out to identify the root causes, and operations resumed after safety 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)*



Total Recordable Injury Rate *(number per million man-hours)*



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

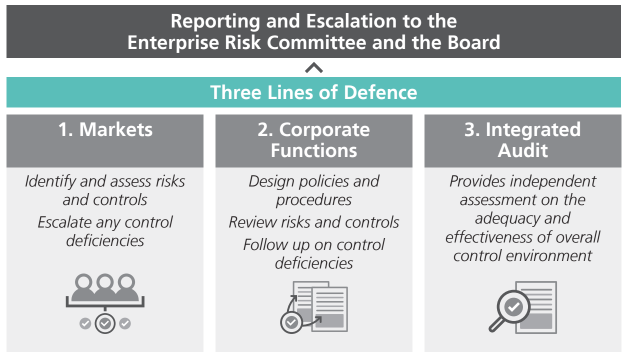
In today's complex and volatile operating landscape, the range of risks that businesses are exposed to is dynamic. Having robust risk governance is instrumental in protecting and strengthening our business resilience.

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.

Sembcorp's IAF



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

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 markets[1] implemented the IAF.
- 100% of our employees[2] received ABC training.
- 100% of our employees[2] 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

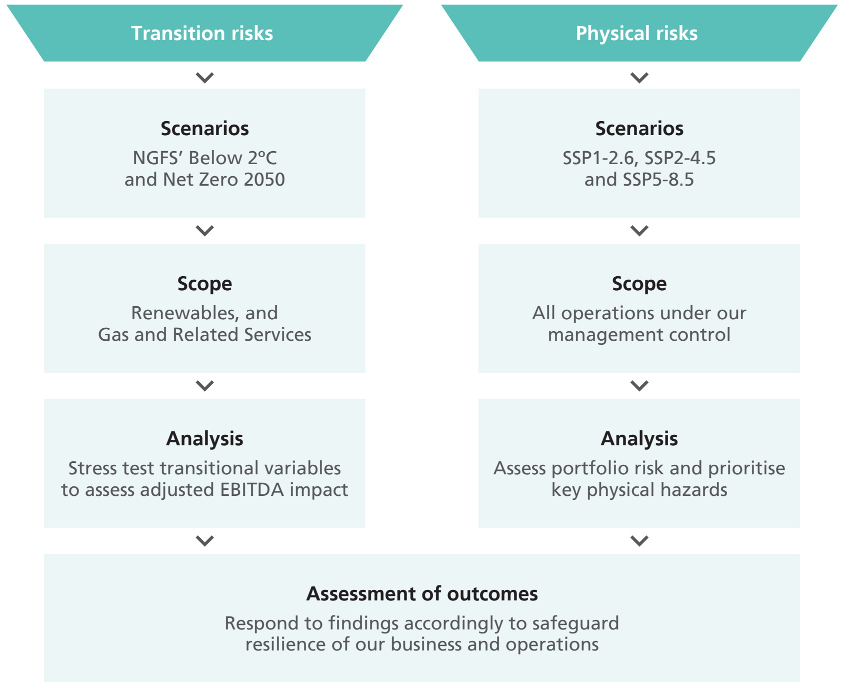


Table 1: Scenarios[1] selected for climate scenario analysis in 2024

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

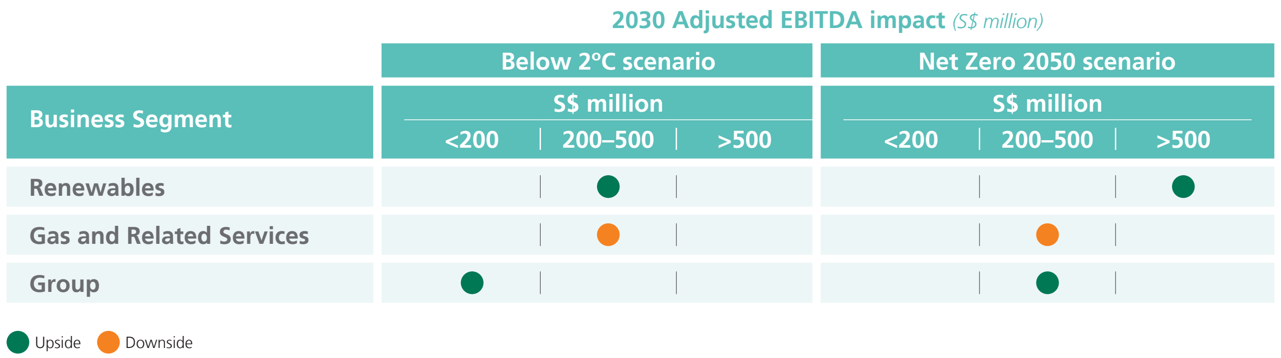
Transition risks stem from uncertainties brought about by the global shift towards a low-carbon economy. These risks can arise from changes in climate-related policy and regulations, as well as technological advancements, amongst others. We deploy a climate scenario analysis to stress test the resilience 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 EBITDA[1] 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



[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/tCO_2 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 periods[1] 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 Tropical cyclone	• 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
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 tCO_2e emissions avoided[1]. 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 billion[2] 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 emissions[3]. 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 emissions[1], 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.

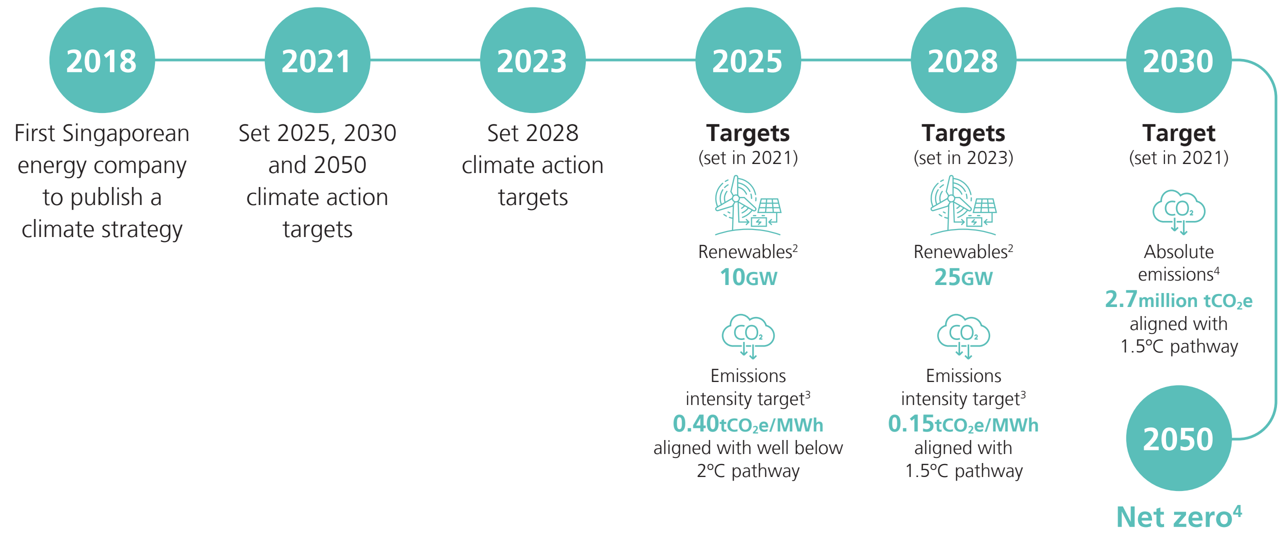
In November 2023, we announced our refreshed set of targets for 2028 at our Investor Day.

Our targets

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

- By 2028, grow gross installed renewables capacity[2] to 25GW
- By 2028, halve emissions intensity[3] to 0.15tCO_2e/MWh from 2023 levels
- By 2030, reduce absolute emissions to 2.7 million tCO_2e
- By 2050, deliver net-zero emissions

Our emission targets are in line with what is required to limit global warming to 1.5ºC 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.



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

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 5,000tCO_2e 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.

Climate-related Financial Disclosures

Strategy *(cont'd)*

Financial planning 2024-2028

Capital allocation

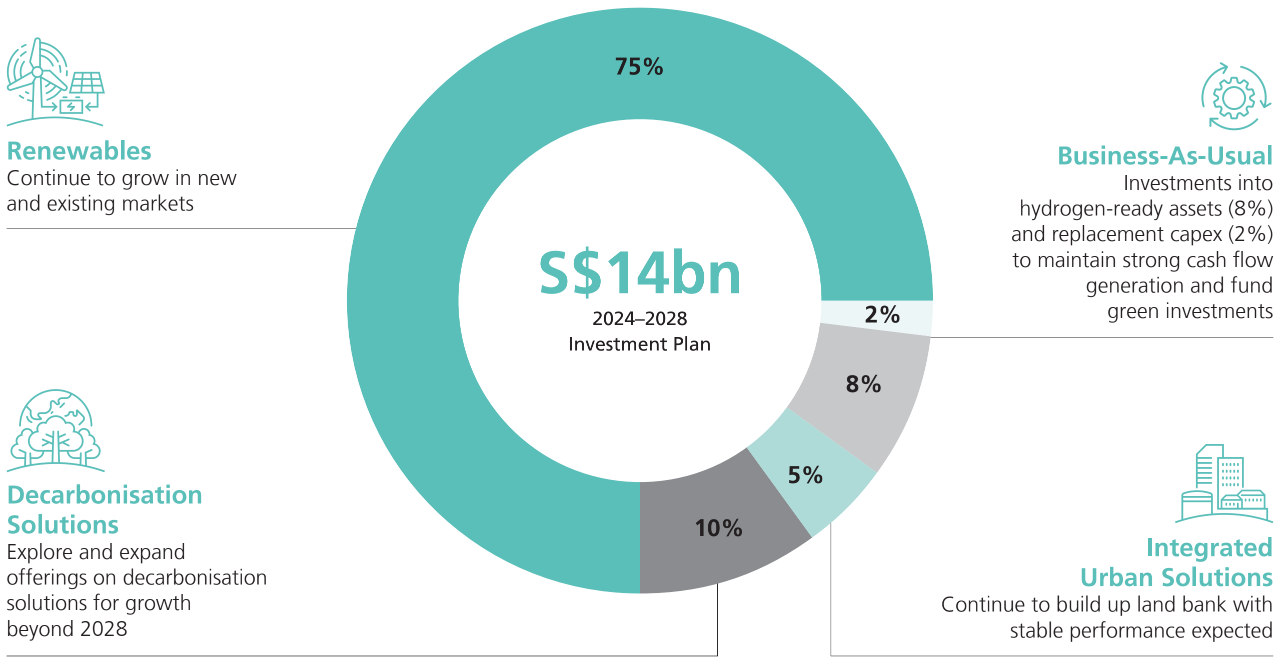
Our total five-year investment plan is projected to be S$14 billion. In order to realise the identified opportunities in renewables and decarbonisation solutions, 75% is expected to be invested in renewable energy to support the growth of our renewables capacity to achieve 25GW by 2028.

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.

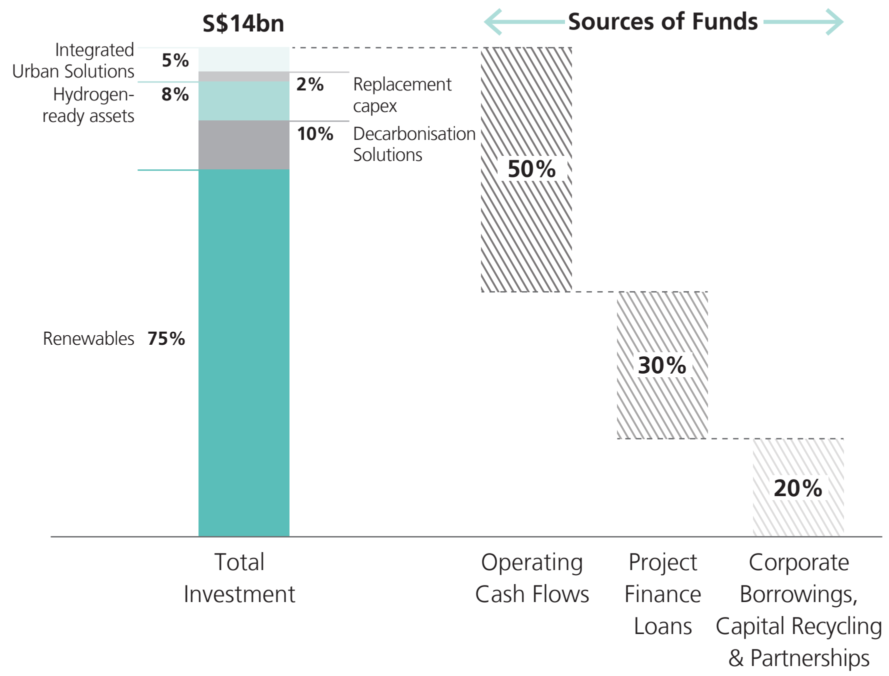
Access to capital

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 billion[1] 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.

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

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.

Supplemental Information

Performance Indicators

Climate Action

	Unit	2024	2023	2022	GRI
Decarbonisation					
GHG emissions[1]					
Scope 1 emissions[2]	*$ktCO_2e$*	**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]	*$ktCO_2e$*	**233.7**	288.1	163.1[r1]	305-2
Scope 3 emissions[5]	*$ktCO_2e$*	**15,734.8**	16,669.8	9,112.6	305-3
Category 3 – Fuel- and energy-related	*$ktCO_2e$*	**2,614.0**	2,559.9	4,087.1	
Category 11 – Use of sold products	*$ktCO_2e$*	**3,427.7**	3,571.8	5,025.5	
Category 15 – Investments	*$ktCO_2e$*	**9,693.1**	10,538.1	–	
GHG emissions intensity[6]	*tCO_2e/MWh*	**0.27**	0.29	0.50	305-4
Atmospheric emissions[7]					305-7
Nitrogen oxides (NOx)	*kt*	**1.8**	2.0[r2]	16.8	
Sulfur oxides (SOx)	*kt*	**0.7**	0.6[r2]	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	

'–': Data not available / disclosed

Measurement units:

$ktCO_2e$: kilotonnes of carbon dioxide equivalent
$ktCO_2$: kilotonnes of carbon dioxide
tCO_2e/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 1,000m^3
m^3/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 CO_2 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.

r1 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

r2 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 safety[20]					
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			Sustainability Report 2024	39–71	
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		
			Our Approach to Sustainability: Sustainability Contact	43	
			Contact Us		
	2-4	Restatements of information	Supplemental Information: Performance Indicators	64–67	
	2-5	External assurance	Our Approach to Sustainability: Assurance	42	
			Supplemental Information: Assurance Statement	72–75	
GRI G4 Electric utilities disclosures	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	42	✔
			Sustainability Framework		
	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	
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	
	403-9	Work-related injuries	Our ESG Priorities: Resilient Business	49	✓
			Supplemental Information: Performance Indicators	66	
	403-10	Work-related ill health	Our ESG Priorities: Resilient Business	49	✓
			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	✓
	205-2	Communication and training about anti-corruption policies and procedures	Our ESG Priorities: Resilient Business	50	✓
			Supplemental Information: Performance Indicators	67	
	205-3	Confirmed incidents of corruption and actions taken	Supplemental Information: Performance Indicators	67	✓

Independent Assurance Statement

DNV

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

DNV

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 Conduct[1] 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	Kakaraparthi Venkata Raman
Vishal Gangwar Lead Verifier Supply Chain and Product Assurance	**Venkata Raman Kakaraparthi** Assurance Reviewer Supply Chain and Product Assurance
Digitally signed by Gangwar, Vishal Date: 2025.03.18 17:15:00 +08'00'	Digitally signed by Kakaraparthi Venkata Raman Date: 2025.03.18 16:41:30 +05'30'

Fuad Hasan Bin Damanhuri
Verifier
Supply Chain and Product Assurance

Singapore
18 March 2025

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

Board member	Board	ExCo	AC	RC	ERCC	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

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.

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	✓	✓	✓	✓	✓		✓	✓	✓

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.

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

	Directors' fees	
Name of Director	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

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.

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)

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 **Financial / Operational Risks:** Economic Slowdown	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.

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.

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Managing Stakeholders Relationships

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

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

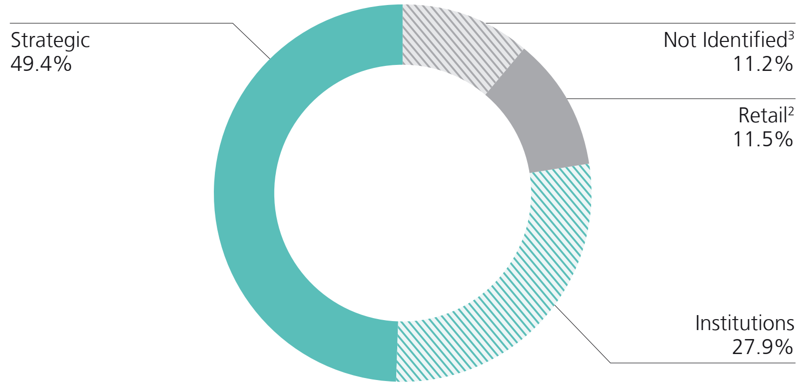
Total Shareholder Return

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.

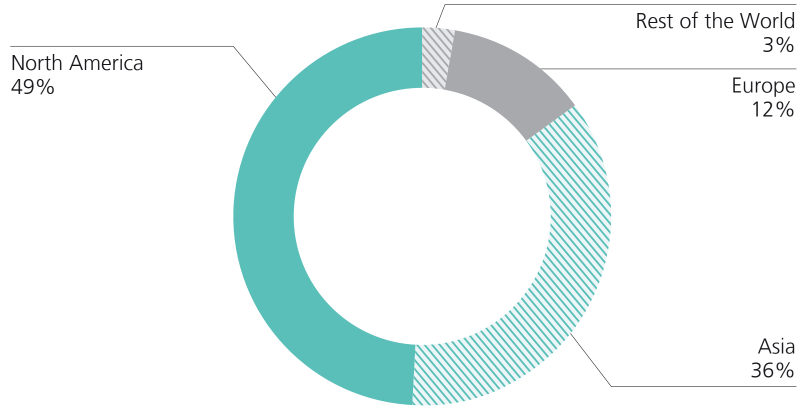
For the financial year 2024, an interim dividend of 6.0 cents per ordinary share was declared and paid to shareholders in August 2024. A final dividend of 17.0 cents per ordinary share has been proposed, subject to approval by shareholders at the upcoming Annual General Meeting in April 2025. Together 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 shareholdings[2] 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 shareholders[3] accounted for 11.2% of issued share capital.

Institutional shareholders held 55.2% of free float, while retail shareholders[2] 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

Consolidated Financial Statements

Sembcorp's solar assets in Guangxi, China

Directors' Statement

Year ended December 31, 2024

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended December 31, 2024.

In our opinion:

a. the financial statements set out on pages 110 to 233 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2024 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date are in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards; and

b. at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has on the date of this statement, authorised these financial statements for issue.

Directors

The directors in office at the date of this statement are as follows:

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 *(Appointed on July 1, 2024)*
Prof Uwe Krueger *(Appointed on October 1, 2024)*
Wong Kim Yin

Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967, particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

	Direct interest			Deemed interest		
Name of director and corporation in which interests held	At beginning of the year	At end of the year	At 21/01/2025	At beginning of the year	At end of the year	At 21/01/2025
Ordinary shares of the Company						
Tow Heng Tan[1]	22,400	55,600	55,600	22,715	22,715	22,715
Lim Ming Yan	34,400	48,900	48,900	–	–	–
Yap Chee Keong[2]	131,500	143,600	143,600	–	–	–
Dr Josephine Kwa Lay Keng	67,000	78,100	78,100	–	–	–
Nagi Hamiyeh	40,400	48,700	48,700	–	–	–
Kunnasagaran Chinniah	–	3,500	3,500	–	–	–
Marina Chin Li Yuen	–	1,600	1,600	–	–	–
Ong Chao Choon	–	1,600	1,600	–	–	–
Wong Kim Yin	4,163,597	6,387,697	6,387,697	–	–	–

[1] Deemed interest in the shares registered in the name of his wife
[2] All shares are registered in the name of DBS Nominees Pte Ltd

	Direct interest			Deemed interest		
Name of director and corporation in which interests held	At beginning of the year	At end of the year	At 21/01/2025	At beginning of the year	At end of the year	At 21/01/2025
S$300,000,000 3.735 per cent. sustainability-linked notes due 2029 comprising Series 003, issued under the S$3,000,000,000 Multicurrency Debt Issuance Programme						
Kunnasagaran Chinniah	S$250,000	S$250,000	S$250,000	–	–	–
S$350,000,000 4.6 per cent. notes due 2030 comprising Series 004 ("Series 004 Notes"), issued under the S$3,000,000,000 Multicurrency Debt Issuance Programme						
Yap Chee Keong[3]	S$250,000	S$250,000	S$250,000	–	–	–
S$350,000,000 3.65 per cent. fixed rate guaranteed notes due 2036 comprising Series 001 ("Series 001 Notes"), issued under the S$5,000,000,000 Euro Medium Term Note Programme						
Yap Chee Keong[3]	–	S$250,000	S$250,000	–	–	–

[3] The Series 004 Notes and Series 001 Notes are registered in the name of DBS Nominees Pte Ltd

	Direct interest		Deemed interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
Conditional share award				
Wong Kim Yin				
PSP 2021-2023 (Note 1a)	998,900	–	–	–
PSP 2022-2024 (Note 1b)	521,300	521,300	–	–
PSP 2023-2025 (Note 1c)	335,900	335,900	–	–
PSP 2024-2026 (Note 1d)	–	254,600	–	–
PSP-TI 2021-2025 (Note 1e)	1,399,900	852,700	–	–
PSP-TI 2022-2025 (Note 1f)	776,000	525,000	–	–
PSP-TI 2023-2025 (Note 1g)	1,185,360	740,850	–	–
RSP 2021 (Note 2a)	142,033	–	–	–
RSP 2022 (Note 2b)	714,800	357,400	–	–
RSP 2023 (Note 2c)	–	215,800	–	–

Directors' Statement

Year ended December 31, 2024

Directors' Interests *(cont'd)*

Note 1: In accordance with the rules of the Sembcorp Industries Performance Share Plan 2020 (the PSP), the actual number of SCI shares delivered will depend on, *inter alia*, the achievement of set targets over the performance period as indicated below. No performance shares will be delivered if achievement of targets is below threshold level. Based on the achievement of performance targets:

a. Period from 2021 to 2023 (PSP 2021-2023)
In FY2024, 1,997,800 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 1,398,500 SCI shares was made)

b. Period from 2022 to 2024 (PSP 2022-2024)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

c. Period from 2023 to 2025 (PSP 2023-2025)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

d. Period from 2024 to 2026 (PSP 2024-2026)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

e. Period from 2021 to 2025 (PSP-TI 2021-2025)
In FY2024, 602,000 SCI shares were vested on September 20, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

f. Period from 2022 to 2025 (PSP-TI 2022-2025)
In FY2024, 276,100 SCI shares were vested on July 5, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

g. Period from 2023 to 2025 (PSP-TI 2023-2025)
In FY2024, 489,000 SCI shares were vested on September 20, 2024. The remaining conditional performance shares awarded may vest between 2025 to 2026, subject to the achievement of performance targets and vesting conditions

Note 2: With effect from FY2019, restricted shares were granted based on the financial performance and corporate objectives achieved in the preceding year. The vesting of share awards under the Sembcorp Industries Restricted Share Plan 2020 (the RSP) is subject to fulfilment of service conditions at vesting and may be settled in accordance with the rules of the RSP.

a. RSP 2021
In FY2024, 142,033 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 99,433 SCI shares was made).

b. RSP 2022
In FY2024, 357,400 SCI shares were vested on April 2, 2024 (out of which payment in cash* in lieu of shares equivalent to the value of 250,200 SCI shares was made). The remaining shares will be vested in Year 2025.

c. RSP 2023
In FY2024, 107,900 SCI shares were vested on April 2, 2024. The remaining shares will be vested in Year 2025 and 2026.

* Vested share awards under the PSP and RSP can be settled by the Company in shares or cash or a combination of both, in accordance with the PSP and RSP plan rules and subject to the discretion and approval of the Executive Resource & Compensation Committee of the Company (ERCC).

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Except as disclosed under the "Share-based Incentive Plans" section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in Notes B4(a) and G4(d) to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he / she is a member, or with a company in which he / she has a substantial financial interest.

Share-based Incentive Plans

The Company's PSP and RSP (collectively, the 2020 Share Plans) were approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

The ERCC has been designated by the Board as the Committee responsible for the administration of the 2020 Share Plans. The ERCC comprises the following members, all of whom are directors:

Lim Ming Yan *(Chairman)*
Tow Heng Tan
Kunnasagaran Chinniah

The 2020 Share Plans aim to strengthen the Company's competitiveness in attracting, retaining and motivating talented key senior management and senior executives, to incentivise superior performance and sustainable growth, and to align the interests of participants and shareholders. Under the 2020 Share Plans, the Group CEO and top management are required to hold shares equivalent to a multiple of the individual participant's annual base salaries.

Details of 2020 Share Plans are disclosed in Note B6 to the financial statements.

a. Performance Share Plan (PSP)

The details of the performance shares of Sembcorp Industries Ltd awarded during the financial year since commencement of the PSP (aggregate) are as follows:

		Movements during the year				
Performance shares participants	At January 1	Conditional performance shares awarded	Conditional performance shares lapsed	Performance shares awarded due to achievement of targets	Conditional performance shares released	At December 31
2024						
Key executives of the Group[1]	16,407,846	782,200	(839,600)	4,290,354	(8,558,150)	12,082,650

[1] Includes PSP for Group CEO of Sembcorp Industries Ltd

The total number of performance shares granted conditionally but not released as at December 31, 2024, was 12,082,650 (2023: 16,407,846). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 24,165,300 (2023: 24,742,626) performance shares.

Directors' Statement

Year ended December 31, 2024

Share-based Incentive Plans *(cont'd)*

b. Restricted Share Plan (RSP)

The details of the restricted shares of Sembcorp Industries Ltd awarded during the year are as follows:

		Movements during the year			
Restricted shares participants	At January 1	Conditional restricted shares awarded	Conditional restricted shares released	Conditional restricted shares lapsed	At December 31
2024					
Non-executive directors of the Company:					
Tow Heng Tan	–	33,200	(33,200)	–	–
Lim Ming Yan	–	14,500	(14,500)	–	–
Yap Chee Keong	–	12,100	(12,100)	–	–
Dr Josephine Kwa Lay Keng	–	11,100	(11,100)	–	–
Nagi Hamiyeh	–	8,300	(8,300)	–	–
Kunnasagaran Chinniah	–	3,500	(3,500)	–	–
Marina Chin Li Yuen	–	1,600	(1,600)	–	–
Ong Chao Choon	–	1,600	(1,600)	–	–
Manu Bhaskaran	–	–	–	–	–
Prof Uwe Krueger	–	–	–	–	–
Employees of the Group[1]	3,063,689	1,418,743	(2,379,266)	(95,766)	2,007,400
	3,063,689	1,504,643	(2,465,166)	(95,766)	2,007,400

[1] Includes RSP for Group CEO of Sembcorp Industries Ltd

The total number of restricted shares outstanding, including award(s) achieved but not released, as at end 2024, was 2,007,400 (2023: 3,063,689). With the change in the remuneration structure, with effect from 2019 award, the RSP balances represent 100% of targets achieved, but not released subject to fulfilment of service conditions at vesting. The actual release of the awards is a maximum of 2,007,400 (2023: 3,063,689) restricted shares.

c. Maximum Number of Shares Issuable

The maximum number of performance shares and restricted shares which could be delivered, when aggregated with the number of new shares issued and issuable in respect of all options granted, is within the 15% limit of the share capital of the Company on the day preceding the relevant date of the grant.

Audit Committee

The members of the Audit Committee during the year and at the date of this report are:

Yap Chee Keong *(Chairman)*
Dr Josephine Kwa Lay Keng
Marina Chin Li Yuen
Ong Chao Choon

The Audit Committee held five meetings during the financial year. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, and the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee performed the functions specified in Section 201B of the Companies Act 1967, the Listing Manual of the SGX, and the Code of Corporate Governance.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the external and internal auditors;
- interim financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the Listing Manual of the SGX).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the board of directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors

Tow Heng Tan
Chairman

Wong Kim Yin
Director

Singapore
February 26, 2025

Independent Auditors' Report

Members of the Company
Sembcorp Industries Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sembcorp Industries Ltd (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at December 31, 2024, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 110 to 233.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), Singapore Financial Reporting Standards (International) (SFRS(I)s) and International Financial Reporting Standards (IFRSs) so as to give a true and fair view of the financial position of the Group and the Company as at December 31, 2024 and of the financial performance, changes in equity and cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of property, plant and equipment, intangible assets and interests in associates and joint ventures (collectively, the Group's non-financial assets)

Each Cash Generating Unit (CGU) was tested for presence of indicators of impairment. When impairment indicators exist, a formal assessment of recoverable amount was conducted. The recoverable amount is defined as higher of the CGU's fair value less cost of disposal, and value in use.

Management assesses the material CGUs with goodwill in Singapore, India and China for impairment on an annual basis as well as CGUs in United Kingdom that show indicators of impairment. In particular, certain CGUs in India, China and United Kingdom were identified for further assessment of recoverable amounts due to challenging business and regulatory environment.

Determining the recoverable amounts involves estimation uncertainties as changes in these key assumptions applied can have a significant impact on the recoverable amount:

- Gross margin forecasts depend on customer demand that corresponds with tariff rates that can be affected by political and regulatory developments;
- Price spikes are projected based on supply-demand imbalances resulting from system tightness; and
- Discount rates reflect the risks specific to each CGU and reflect current market assessments of the time value of money

Our response:

We reviewed the Group's process for identifying and reviewing the CGUs subject to impairment testing.

We reviewed the key significant assumptions used in the impairment model as follows:

- Compared gross margin forecasts with historical performance, contracted power price agreements (PPAs) and experts report;
- Benchmarked management's price spikes forecast to historical trends, experts report and available market data; and
- Compared the discount rates used to market observable data of peer companies and applicable risk premiums, where necessary.

We assessed the appropriateness of disclosures in the financial statements.

Our findings:

The Group has a process for identifying and reviewing the CGUs for impairment testing. Key assumptions used to derive the recoverable amounts to be reasonable and within a supportable range. The disclosures describing the estimation uncertainties and sensitivity of the assumptions applied are appropriate.

Valuation of trade and service concession receivables

Risk:

Management estimates loss allowance based on ageing of overdue balances, repayment histories of individual debtors, existing customer-specific, market conditions and forward-looking information. Such assessment of expected credit losses is inherently subjective and requires the exercise of significant management estimate.

In particular, determination of expected credit losses of certain overseas subsidiaries involves significant estimation uncertainties as (1) certain of these subsidiaries may be operating in a country facing political instability; or (2) the receivables are subject to regulatory review and approval.

Such assessment of expected credit losses is inherently subjective and requires the exercise of significant management judgement.

Our response:

We reviewed the Group's estimation process for determining the amount of loss allowance on these receivables.

We evaluated the collection history of trade and other receivables for credit-impaired balances as well as the expected credit loss (ECL) methodology applied for non-credit-impaired balances.

We obtained and reviewed latest credit ratings reports from rating agencies, which factored in the general economic environment, to determine appropriate probabilities of default rate to be applied. We also evaluated any adjustments on forward-looking information used based on reasonable and supportable information of current events and conditions, forecasts of future economic conditions that becomes available at reporting date, including latest policies and regulations set by the government authorities.

We also assessed the adequacy of disclosures related to management's evaluation of recoverability of these receivables.

Our findings:

The Group performs credit risk assessment to determine the appropriate loss allowance to be recognised on trade and service concession receivables.

Management incorporated both qualitative and quantitative factors in assessing the forward-looking information to determine the loss allowance to support the recoverability of receivables.

We found the disclosures surrounding credit risk assessment to be adequate.

Independent Auditors' Report

Report on the audit of the financial statements *(cont'd)*

Fair valuation of Deferred Payment Note (DPN) receivable

(Refer to Note H1 to the financial statements: DPN receivable of S$1,581,000,000)

Risk:

In 2023, the Group divested its investment in Sembcorp Energy India Limited and its subsidiaries, now known as SEIL Energy India Limited (SEIL EIL). The Group provided vendor financing to the Purchaser (Tanweer Infrastructure Pte. Ltd.) (Tanweer) via a deferred payment note (DPN) following the divestment of SEIL EIL in prior years. The DPN is accounted as a financial asset measured at fair value through profit or loss, as it does not satisfy the solely payment of principal and interest (SPPI) criteria set out under SFRS(I) 9 Financial Instruments for this financial asset to be carried at amortised cost.

In determining the fair value of DPN, it is assumed that Tanweer repays the DPN outstanding amount to the Group from distributions (including dividends) from SEIL EIL. The DPN is expected to be fully repaid within the expected repayment period with any outstanding balances unpaid to be waived off. The Group performed a discounted cashflow using the forecasted distributable reserves available from SEIL EIL, considering (i) secured cash flows from various power purchase agreements (PPA) and (ii) unsecured cash flows from contract renewals and / or new contracts.

Management applied a discount rate to present value the DPN to reflect the cash flow risks associated with the forecast distributable dividends from SEIL EIL, and credit-default risk of the purchaser.

Determining the fair value of DPN involves significant estimates.

Our response:

We performed a retrospective review of collections during the year and reviewed the cash flows used by management to evaluate the reasonableness of assumptions used in the valuation model.

We engaged our valuation specialist to obtain market observable data including credit ratings of bonds issued by Indian public energy sector to benchmark with discount rate and application of valuation model used by management.

We assessed adequacy of disclosure relating to the DPN.

Our findings:

Amounts received by the Group are in line with management's forecast and the assumptions used in the valuation model appears to be reasonable.

Management's application of discount rate appropriately reflects the risks associated with the cash flows and credit risk as appraised under prevailing market conditions and circumstances applicable to SEIL EIL and the Purchaser. Any changes in market conditions and circumstances could impact the subsequent measurement value of DPN, affecting future periods' profit or loss.

We found the disclosures relating to the DPN to be adequate.

Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the following items prior to the date of this auditors' report:

- Investor Relations
- Corporate Information
- Group FY2024 Highlights
- Chairman and CEO's Statement
- Business Review – Performance Scorecard
- Gas and Related Services Review
- Renewables Review
- Integrated Urban Solutions Review
- Decarbonisation Solutions Review
- Directors' Statement

The following items (the Reports) are expected to be made available to us after that date:

- Our Leadership
- Group Financial Review
- Environmental, Social and Governance Review
- Shareholding Statistics
- Additional Information on Directors Seeking Re-election

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

Report on the audit of the financial statements *(cont'd)*

Auditors' responsibilities for the audit of the financial statements *(cont'd)*

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Chiang Yong Torng.

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
February 26, 2025

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Consolidated Financial Statements

Notes to the Financial Statements

Balance Sheets

As at December 31, 2024

(S$ million)	Note	Group 2024	Group 2023	Company 2024	Company 2023
Property, plant and equipment	D1	8,304	6,465	389	350
Investment properties	D2	207	153	–	–
Investments in subsidiaries	G1	–	–	2,234	2,498
Associates and joint ventures	G3	2,740	2,396	–	–
Intangible assets	D3	977	952	33	29
DPN receivable	H1	1,581	1,816	–	–
Trade and other receivables	E1	802	811	*	*
Other investments and derivative assets	H1	136	132	*	1
Deferred tax assets	B3c	69	66	–	–
Non-current assets		**14,816**	**12,791**	**2,656**	**2,878**
Inventories	E2	135	135	6	7
Trade and other receivables	E1	1,812	1,674	133	117
Contract assets	B2c	37	15	–	–
Other investments and derivative assets	H1	114	114	*	*
Contract costs		1	1	–	–
Cash and cash equivalents	E4	871	767	201	288
Current assets		**2,970**	**2,706**	**340**	**412**
Assets held for sale	G6	392	–	268	–
Total assets		**18,178**	**15,497**	**3,264**	**3,290**
Trade and other payables	E3	1,585	1,630	172	289
Contract liabilities	B2c	197	171	2	1
Derivative liabilities	H1	36	63	1	*
Provisions	H2	65	77	39	35
Current tax payable		182	236	19	21
Lease liabilities	D1.1	27	18	5	11
Loans and borrowings	C5	671	1,281	–	–
Current liabilities		**2,763**	**3,476**	**238**	**357**
Liabilities held for sale	G6	148	–	–	–
Net current assets / (liabilities)		**451**	**(770)**	**370**	**55**

(S$ million)	Note	Group 2024	Group 2023	Company 2024	Company 2023
Other long-term payables	E3	99	121	1,416	1,392
Contract liabilities	B2c	79	80	35	37
Derivative liabilities	H1	30	20	–	–
Provisions	H2	69	65	16	17
Deferred tax liabilities	B3c	629	598	24	20
Lease liabilities	D1.1	702	292	103	104
Loans and borrowings	C5	8,000	5,973	–	–
Non-current liabilities		**9,608**	**7,149**	**1,594**	**1,570**
Total liabilities		**12,519**	**10,625**	**1,832**	**1,927**
Net assets		**5,659**	**4,872**	**1,432**	**1,363**
Equity attributable to owners of the Company:					
Share capital	C2	566	566	566	566
Reserve for own shares	C3	(24)	(40)	(24)	(40)
Other reserves	C3	(652)	(664)	(32)	(3)
Revenue reserve		5,471	4,726	922	840
Total		**5,361**	**4,588**	**1,432**	**1,363**
Non-controlling interests	G2	298	284	–	–
Total equity		**5,659**	**4,872**	**1,432**	**1,363**

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Profit or Loss

Year ended December 31, 2024

		Group	
(S$ million)	Note	2024	2023
Continuing operations			
Turnover	B1, B2	6,417	7,042
Cost of sales		(4,912)	(5,469)
Gross profit		1,505	1,573
General and administrative expenses		(476)	(432)
Other operating income, net		77	36
Non-operating income		186	148
Non-operating expenses		(13)	(7)
Finance income	C6	27	57
Finance costs	C6	(372)	(409)
Share of results of associates and joint ventures, net of tax		317	264
Profit before tax		1,251	1,230
Tax expense	B3	(206)	(182)
Profit from continuing operations	B4	1,045	1,048
Discontinued operation			
Loss from discontinued operation, net of tax	G6	(9)	(78)
Profit for the year		1,036	970
Profit attributable to:			
Owners of the Company		1,011	942
Non-controlling interests		25	28
Profit for the year		1,036	970
Earnings per share (cents):	B5		
Basic		56.72	52.83
Diluted		55.83	51.99
Earnings per share (cents) – Continuing operations:	B5		
Basic		57.23	57.21
Diluted		56.32	56.29

Consolidated Statement of Comprehensive Income

Year ended December 31, 2024

		Group	
(S$ million)	Note	2024	2023
Profit for the year		1,036	970
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		33	(154)
Exchange differences on monetary items forming part of net investment in foreign operation		1	2
Net change in fair value of cash flow hedges		8	(56)
Net change in fair value of cash flow hedges reclassified to profit or loss		(30)	(3)
Realisation of reserves upon disposal of investments and assets held for sale		(2)	137
Share of other comprehensive income of associates and joint ventures		18	1
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	F2	5	1
Income tax relating to these items	B3d	4	11
		37	(61)
Items that may not be reclassified subsequently to profit or loss:			
Defined benefit plan actuarial gains and losses		(9)	(11)
Change in fair value of financial assets at fair value through other comprehensive income		1	(6)
Income tax relating to these items	B3d	2	2
		(6)	(15)
Other comprehensive income for the year, net of tax		31	(76)
Total comprehensive income for the year		1,067	894
Total comprehensive income attributable to:			
Owners of the Company		1,039	874
Non-controlling interests		28	20
Total comprehensive income for the year		1,067	894
Total comprehensive income attributable to owners of the Company:			
Continuing operations		1,039	819
Discontinued operation		–	55
		1,039	874

Consolidated Statement of Changes in Equity

Year ended December 31, 2024

(S$ million)	Attributable to owners of the Company											
	Share capital	Reserve for own shares	Foreign currency translation reserve	Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
Group												
Balance at January 1, 2024	566	(40)	(672)	(93)	29	(9)	36	45	4,726	4,588	284	4,872
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	1,011	1,011	25	1,036
Other comprehensive income												
Foreign currency translation differences for foreign operations	–	–	30	–	–	–	–	–	–	30	3	33
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	1	–	–	–	–	–	–	1	–	1
Net change in fair value of cash flow hedges	–	–	–	–	–	–	–	7	–	7	*	7
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	–	–	–	–	(25)	–	(25)	–	(25)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–	–	1	–	–	1	–	1
Realisation of reserves upon disposal of investments	–	–	7	(1)	–	–	–	–	(8)	(2)	–	(2)
Transfer of reserves	–	–	–	(1)	–	–	–	–	1	–	–	–
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	–	–	–	–	5	–	5	–	5
Defined benefit plan actuarial gains and losses	–	–	–	–	–	–	–	–	(7)	(7)	–	(7)
Share of other comprehensive income of associates and joint ventures	–	–	–	*	–	–	*	18	–	18	–	18
Total other comprehensive income for the year	–	–	38	(2)	–	–	1	5	(14)	28	3	31
Total comprehensive income for the year	–	–	38	(2)	–	–	1	5	997	1,039	28	1,067
Transactions with owners of the Company, recognised directly in equity												
Share issuance	–	–	–	–	–	–	–	–	–	–	9	9
Share-based payments	–	–	–	–	–	24	–	–	–	24	–	24
Purchase of treasury shares	–	(19)	–	–	–	–	–	–	–	(19)	–	(19)
Treasury shares transferred to employees	–	35	–	–	–	(35)	–	–	–	–	–	–
Cash settlement of PSP and RSP (Note B6) at the discretion of the Company	–	–	–	–	–	(17)	–	–	–	(17)	–	(17)
Acquisition of non-controlling interests	–	–	–	(2)	–	–	–	–	(2)	(4)	(6)	(10)
Dividend paid / payable to owners (Note C4)	–	–	–	–	–	–	–	–	(250)	(250)	–	(250)
Dividend paid / payable to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(17)	(17)
Total transactions with owners	–	16	–	(2)	–	(28)	–	–	(252)	(266)	(14)	(280)
At December 31, 2024	566	(24)	(634)	(97)	29	(37)	37	50	5,471	5,361	298	5,659

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

Year ended December 31, 2024

	Attributable to owners of the Company											
(S$ million)	Share capital	Reserve for own shares	Foreign currency translation reserve	Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
Group												
Balance at January 1, 2023	566	(31)	(957)	176	29	11	40	93	4,050	3,977	239	4,216
Total comprehensive income for the year												
Profit for the year	–	–	–	–	–	–	–	–	942	942	28	970
Other comprehensive income												
Foreign currency translation differences for foreign operations	–	–	(146)	–	–	–	–	–	–	(146)	(8)	(154)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	2	–	–	–	–	–	–	2	–	2
Net change in fair value of cash flow hedges	–	–	–	–	–	–	–	(45)	–	(45)	*	(45)
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–	–	–	–	–	(3)	–	(3)	–	(3)
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–	–	–	–	(6)	–	–	(6)	–	(6)
Realisation of reserves upon disposal of assets held for sale	–	–	423	(288)	–	(4)	–	–	2	133	–	133
Realisation of reserves upon disposal of associates	–	–	4	*	–	–	–	–	–	4	–	4
Transfer of reserves	–	–	2	16	–	7	2	5	(32)	–	–	–
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–	–	–	–	–	1	–	1	–	1
Defined benefit plan actuarial gains and losses	–	–	–	–	–	–	–	–	(9)	(9)	*	(9)
Share of other comprehensive income of associates and joint ventures	–	–	–	3	–	–	–	(6)	4	1	–	1
Total other comprehensive income for the year	–	–	285	(269)	–	3	(4)	(48)	(35)	(68)	(8)	(76)
Total comprehensive income for the year	–	–	285	(269)	–	3	(4)	(48)	907	874	20	894
Transactions with owners of the Company, recognised directly in equity												
Share issuance	–	–	–	–	–	–	–	–	–	–	30	30
Share-based payments	–	–	–	–	–	29	–	–	–	29	–	29
Purchase of treasury shares	–	(61)	–	–	–	–	–	–	–	(61)	–	(61)
Treasury shares transferred to employees	–	52	–	–	–	(52)	–	–	–	–	–	–
Dividend paid / payable to owners (Note C4)	–	–	–	–	–	–	–	–	(231)	(231)	–	(231)
Dividend paid / payable to non-controlling interests	–	–	–	–	–	–	–	–	–	–	(5)	(5)
Total transactions with owners	–	(9)	–	–	–	(23)	–	–	(231)	(263)	25	(238)
At December 31, 2023	566	(40)	(672)	(93)	29	(9)	36	45	4,726	4,588	284	4,872

Consolidated Statement of Cash Flows

Year ended December 31, 2024

(S$ million)	Group 2024	Group 2023
Cash flows from operating activities		
Profit for the year:		
– Continuing operations	1,045	1,048
– Discontinued operation	(9)	(78)
Adjustments for:		
Dividend income	(1)	(2)
Finance income	(27)	(57)
Finance costs	372	409
Deferred payment note income	(169)	(133)
Depreciation and amortisation	450	454
Amortisation of deferred income and capital grants	–	14
Share of results of associates and joint ventures, net of tax	(317)	(264)
Loss / (Gain) on disposal of:		
– asset held for sale	–	78
– property, plant and equipment, intangible assets and other financial assets	(5)	(5)
– subsidiaries, associate and joint ventures	(3)	(5)
Changes in fair value of financial instruments	–	6
Equity settled share-based compensation expenses	24	29
Allowance for impairment loss in value of assets and assets written off, net	7	12
Negative goodwill	(8)	(1)
Impairment and write off of other investment	2	–
Impairment of investment in joint venture	4	–
Tax expense	206	182
Operating profit before working capital changes	1,571	1,687
Changes in:		
Inventories	(5)	2
Receivables	(97)	155
Payables	140	(230)
Contract costs	*	*
Contract assets	(22)	14
Contract liabilities	25	43
	1,612	1,671
Tax paid	(200)	(190)
Net cash from operating activities	**1,412**	**1,481**

(S$ million)	Note	Group 2024	Group 2023
Cash flows from investing activities			
Dividend received		173	166
Interest received		29	58
Proceeds from:			
– disposal of investments in joint ventures and associates		39	–
– disposal of interest in subsidiaries		(6)	–
– sale of property, plant and equipment		17	5
– sale of intangible assets		*	*
– disposal of other financial assets and business		660	698
Proceeds from deferred payment note		404	355
Acquisition of subsidiaries, net of cash acquired		(244)	(502)
Acquisition of investments in joint ventures and associates		(229)	(148)
Acquisition of other financial assets		(673)	(674)
Purchase of property, plant and equipment and investment properties		(1,592)	(826)
Purchase of intangible assets		(16)	(10)
Net cash (used in) investing activities		**(1,438)**	**(878)**
Cash flows from financing activities			
Proceeds from share issued to non-controlling interests of subsidiaries		9	30
Purchase of treasury shares		(19)	(61)
Repayment of lease liabilities		(25)	(21)
Proceeds from borrowings		5,259	4,034
Repayment of borrowings		(4,310)	(4,450)
Dividends paid to owners of the Company		(250)	(231)
Dividends paid to non-controlling interests of subsidiaries		(17)	(5)
Receipts / (Payment) in restricted cash held as collateral		14	(27)
Payment on deferred and contingent considerations		(152)	(12)
Acquisition of non-controlling interest		(10)	–
Interest paid		(345)	(356)
Net cash from / (used in) financing activities		**154**	**(1,099)**
Net increase / (decrease) in cash and cash equivalents		128	(496)
Cash and cash equivalents at beginning of the year		732	1,246
Effect of exchange rate changes on balances held in foreign currency		14	(18)
Cash and cash equivalents at end of the year, including held for sale (less pledge for security)		874	732
Cash balance transferred to held for sale		(24)	–
Cash and cash equivalents at end of the year	E4	850	732

Significant non-cash transactions

During the year, the Group entered new lease arrangements recognising right-of-use assets of S$496 million (Note D1.1), with a corresponding increase in lease liabilities.

During the year, purchase of property, plant and equipment excludes accrued capital expenditure of S$1.5 million (2023: S$0.8 million).

In 2023, proceeds from the capital reduction of a joint venture in China was settled against an amount due to joint venture of S$44 million (Note G3).

Notes to the Financial Statements

A. About These Financial Statements

Sembcorp Industries Ltd (the Company) is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of its registered office is at 30 Hill Street, #05-04, Singapore 179360.

The Company's immediate and ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore which holds a 49.61% ownership stake in the Company.

The financial statements of the Group as at and for the year ended December 31, 2024 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interests in associates and joint ventures.

The financial statements were authorised for issue by the Board of Directors on February 26, 2025.

A1. Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS). SFRS(I) comprises standards and interpretations that are equivalent to IFRS. All references to SFRS(I) and IFRS are subsequently referred to as SFRS(I) in these financial statements unless otherwise specified.

The financial statements have been prepared on a historical cost basis except as otherwise described in the accounting policies.

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions, which are based on historical experience and various other factors believed to be reasonable under the circumstances, form the basis of judgement about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about key management judgements and estimates that are considered material to the financial statements is incorporated in respective notes to the financial statements.

The financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest million unless otherwise stated. '*' denotes financial value that is less than S$1 million.

Information is only being included in the financial report to the extent it is considered material and relevant to the understanding of the financial statements. A disclosure is considered material and relevant if:

- dollar amount is significant in value
- dollar amount is significant by nature
- financial results cannot be understood without specific disclosure
- critical to allow user to understand significant changes in group businesses

A2. Material Accounting Policy Information

In addition to the accounting polices described below, other material accounting policies are included in the respective notes to the financial statements.

i. Foreign currencies

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group entities using exchange rates at the dates of the transactions. At each balance sheet date, foreign currency monetary assets and liabilities are translated to the functional currency using foreign exchange rates at that date.

Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using exchange rates at the date of the transaction while those measured at fair value are translated to the functional currency using exchange rates at the date the fair value was determined.

Foreign currency differences are recognised in profit or loss, except when arising from the translation of the following items, in which case the differences are recognised in other comprehensive income:

- Equity instruments designated as fair value through other comprehensive income (FVOCI). (However, upon impairment, the foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- A financial liability designated as a hedge of a net investment in a foreign operation to the extent that the hedge is effective; or
- Qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of entities with a functional currency other than Singapore dollar are expressed in Singapore dollar using exchange rates prevailing at the balance sheet date. Income and expense items and cash flows are translated at the average exchange rates for each month and exchange differences arising are recognised directly in other comprehensive income.

On disposal of a foreign entity, the cumulative amount previously recognised in the consolidated statement of comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated accordingly.

Net investment in a foreign operation

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's profit or loss. Such exchange differences are reclassified to the foreign currency translation reserve in the consolidated statement of comprehensive income and are released to the consolidated statement of profit or loss upon disposal of the investment as part of the gain or loss on disposal.

ii. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

The financial statements of subsidiaries acquired or disposed during the financial year are included or excluded from the consolidated financial statements from their respective dates of obtaining control or ceasing control. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group. All intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset.

Acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition includes fair values of any contingent or deferred consideration arrangement and any pre-existing equity interest in the subsidiary. Subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. From January 1, 2017, acquisition related costs are recognised in the profit or loss as incurred whereas prior to this date, acquisition related costs formed part of the cost of acquisition. The unwinding of any interest element of deferred consideration is recognised in profit or loss.

Any excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit or loss on the date of acquisition.

Business combinations that involve entities under common control are excluded from the scope of SFRS(I) 3. Such combinations are accounted at historical costs in a manner similar to the pooling-of-interest method, in the preparation of the consolidated financial statements. Under this method of accounting, the difference between the value of the share capital issued and the value of shares received is taken to the merger reserve.

Notes to the Financial Statements

A. About These Financial Statements *(cont'd)*

A2. Material Accounting Policy Information *(cont'd)*

ii. Basis of consolidation *(cont'd)*

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or financial assets at FVOCI depending on the level of influence retained.

From January 1, 2010, changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. The difference between the change in the carrying amounts of the non-controlling interests (NCI) and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Prior to January 1, 2010, any excess of the cost of acquisition of NCI over the carrying amount of the interest in the net assets acquired at the date of acquisition was recognised as goodwill.

On a transaction-by-transaction basis, the measurement of NCI is either at fair value or at the NCI's share of the fair value of the identifiable net assets of the acquiree.

Non-controlling interest

NCI comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statements of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the NCI based on their respective interest in a subsidiary, even if this results in the NCI having a deficit balance.

Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of net assets of the subsidiary.

Associates and joint ventures

Associates and joint ventures are accounted for using the equity method of accounting from the date that significant influence commences until the date that significant influence ceases and are recognised initially at cost. The cost of investments includes transaction costs. When the Group's share of losses exceeds its interest in the associate or joint venture, the carrying amount of the investment (including any other unsecured receivables, that in substance, form part of the Group's net investment) is reduced to zero, and the recognition of further losses is discontinued unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to profit or loss in the period of the acquisition. Where the audited financial statements are not yet available for the purpose of statutory filing, the share of results is arrived at from management financial statements.

Impairment for associates and joint ventures

An impairment loss in respect of an associate or joint venture shall be recognised if, and only if, the recoverable amount of the investment is less than the carrying amount. An impairment loss is recognised in the profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

New standards and amendments

The Group has applied the following amendments to SFRS(I)s which became effective on January 1, 2024:

- SFRS(I) 16: Lease Liability in a Sale and Leaseback
- SFRS(I) 1-7 Statement of Cash Flows and SFRS(I) 7 Financial Instrument Disclosures: Supplier Finance Arrangement

In the prior year, the Group has early adopted Amendments to SFRS(I) 1-1 Presentation of Financial Statements (Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants).

The adoption of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

B. Our Performance

B1. Segments Information

The Group has categorised its business segments based on the internal reports that are reviewed and used by the executive management team in determining the allocation of resources and in assessing performance of the operating segments. The Group's businesses are categorised into the five main segments, namely Gas and Related Services, Renewables, Integrated Urban Solutions, Decarbonisation Solutions, and Other Businesses and Corporate.

The Group will contribute to achieving a low-carbon future through a responsible energy transition. The Gas and Related Services segment continues to provide reliable energy, and its significantly contracted position provides earnings visibility to support the Group's renewables growth and the development of decarbonisation solutions.

The principal activities of key subsidiaries under the five main segments are as follows:

i. Gas and Related Services

The Gas and Related Services segment's principal activities include the sale of energy molecules (including natural gas, steam and electricity from a diversity of fossil fuels such as natural gas). This segment also includes sale of water products from its integrated assets.

ii. Renewables

The Renewables segment's principal activities are the provision of self-generated electricity from solar and wind resources, energy storage, as well as provision of system services that support integration of renewables into grid. This segment also includes the development and provision of installation, operation and maintenance of solar, wind and energy storage assets.

iii. Integrated Urban Solutions

The Integrated Urban Solutions segment supports sustainable development through its suite of urban, water as well as waste and waste-to-resource solutions. The segment's businesses comprise the development of large-scale integrated urban developments and integrated townships such as industrial parks, business, commercial and residential spaces, production and reclamation of water and industrial wastewater treatment as well as solid waste management and waste-to-resource solutions.

iv. Decarbonisation Solutions

The Decarbonisation Solutions segment includes the trading of Environmental Attributes, low-carbon feedstock (green hydrogen and ammonia), power imports and carbon capture, utilisation and storage (CCUS) business.

v. Other Businesses and Corporate

The Other Businesses and Corporate segment comprise businesses mainly relating to specialised construction, minting, the Group's captive insurance and financial services, as well as corporate costs.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments

Information regarding the continuing operations' results of each reportable segment is included below.

	Continuing operations						
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Businesses and Corporate	Elimination	Total
2024							
Turnover							
External sales	4,637	746	431	53	550	–	6,417
Inter-segment sales	57	18	44	8	12	(139)	–
Total	**4,694**	**764**	**475**	**61**	**562**	**(139)**	**6,417**
Results							
Earnings before interest, taxes, depreciation and amortisation[1] (EBITDA)	908	565	141	(19)	144	(5)	1,734
Share of results of associates and joint ventures, net of tax	132	58	127	*	*	–	317
Adjusted EBITDA	**1,040**	**623**	**268**	**(19)**	**144**	**(5)**	**2,051**
Depreciation and amortisation	(142)	(235)	(61)	*	(12)	–	(450)
Other non-cash (expenses) / income:							
– Negative goodwill	–	8	–	–	–	–	8
– Allowance for impairment in value of assets and assets written off, net	2	(5)	(2)	–	(4)	–	(9)
– Others	–	*	–	*	(4)	–	(4)
Finance income	39	9	17	1	53	(92)	27
Finance costs	(73)	(174)	(11)	*	(206)	92	(372)
Profit / (Loss) before tax	**866**	**226**	**211**	**(18)**	**(29)**	**(5)**	**1,251**
Tax (expense) / credit	(127)	(36)	(30)	2	(15)	–	(206)
Non-controlling interests	(12)	(4)	(9)	–	*	–	(25)
Profit / (Loss) attributable to owners of the Company	**727**	**186**	**172**	**(16)**	**(44)**	**(5)**	**1,020**
Loss from discontinued operation, net of tax							**(9)**
Profit attributable to owners of the Company							**1,011**
Assets							
Segment assets	4,531	8,237	1,370	48	3,908	(3,188)	14,906
Associates and joint ventures	648	1,160	932	*	–	–	2,740
Tax assets	33	67	19	*	21	–	140
	5,212	**9,464**	**2,321**	**48**	**3,929**	**(3,188)**	**17,786**
Assets held for sale	–	3	389	–	–	–	392
Total assets	**5,212**	**9,467**	**2,710**	**48**	**3,929**	**(3,188)**	**18,178**
Liabilities							
Segment liabilities	2,495	6,614	372	18	5,244	(3,183)	11,560
Tax liabilities	338	367	13	*	93	–	811
	2,833	**6,981**	**385**	**18**	**5,337**	**(3,183)**	**12,371**
Liabilities held for sale	–	–	148	–	–	–	148
Total liabilities	**2,833**	**6,981**	**533**	**18**	**5,337**	**(3,183)**	**12,519**
Capital expenditure[2]	**384**	**1,072**	**21**	**3**	**11**	**–**	**1,491**

[1] Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off.

[2] Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill and carbon allowances.

The EBITDA elimination amount relates to unrealised profits on the sale of Environmental Attributes across the segments with corresponding adjustment in segment assets.

Other Businesses and Corporate's segment assets include DPN receivable (Note H1).

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments *(cont'd)*

(S$ million)	Continuing operations						
	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbonisation Solutions	Other Businesses and Corporate	Elimination	Total
2023							
Turnover							
External sales	5,457	703	418	16	448	–	7,042
Inter-segment sales	50	1	17	5	11	(84)	–
Total	**5,507**	**704**	**435**	**21**	**459**	**(84)**	**7,042**
Results							
Earnings before interest, taxes, depreciation and amortisation[1] (EBITDA)	1,088	514	120	(11)	82	(4)	1,789
Share of results of associates and joint ventures, net of tax	94	88	82	*	*	–	264
Adjusted EBITDA	**1,182**	**602**	**202**	**(11)**	**82**	**(4)**	**2,053**
Depreciation and amortisation	(190)	(198)	(54)	*	(12)	–	(454)
Other non-cash (expenses) / income:							
– Allowance for impairment in value of assets and assets written off	(7)	(2)	(3)	–	*	–	(12)
– Others	–	1	–	–	(6)	–	(5)
Finance income	55	16	20	1	91	(126)	57
Finance costs	(95)	(174)	(12)	*	(254)	126	(409)
Profit / (Loss) before tax	**945**	**245**	**153**	**(10)**	**(99)**	**(4)**	**1,230**
Tax expense	(124)	(39)	(19)	*	*	–	(182)
Non-controlling interests	(12)	(8)	(8)	–	*	–	(28)
Profit / (Loss) from continuing operations	**809**	**198**	**126**	**(10)**	**(99)**	**(4)**	**1,020**
Loss from discontinued operation, net of tax							**(78)**
Profit attributable to owners of the Company							**942**
Assets							
Segment assets	4,844	6,272	1,440	51	3,589	(3,176)	13,020
Associates and joint ventures	514	1,040	837	*	5	–	2,396
Tax assets	22	23	17	–	19	–	81
Total assets	**5,380**	**7,335**	**2,294**	**51**	**3,613**	**(3,176)**	**15,497**
Liabilities							
Segment liabilities	2,916	4,897	422	13	4,715	(3,172)	9,791
Tax liabilities	328	337	67	–	102	–	834
Total liabilities	**3,244**	**5,234**	**489**	**13**	**4,817**	**(3,172)**	**10,625**
Capital expenditure[2]	**213**	**595**	**40**	*	**8**	**–**	**856**

1 Indicates EDITDA excluding major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-off.

2 Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill and carbon allowances.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

b. Geographical Segments

The Group's geographical segments are presented in six principal areas: Singapore, China, India, the Rest of Asia, United Kingdom (UK) and the Middle East. In presenting these segments, segment revenue is based on the geographical location of customers, while segment assets and total assets are based on the geographical location of the assets.

Continuing operations

(S$ million)	Turnover December 31, 2024	Turnover December 31, 2023	Capital Expenditure December 31, 2024	Capital Expenditure December 31, 2023
Singapore	4,754	5,297	533	326
UK	561	710	82	83
China[1]	383	364	18	32
India	366	364	586	249
Rest of Asia	287	261	6	2
Middle East	48	44	266	164
Other Countries[2]	18	2	–	–
Total	**6,417**	**7,042**	**1,491**	**856**

(S$ million)	Non-current Assets December 31, 2024	Non-current Assets December 31, 2023	Total Assets December 31, 2024	Total Assets December 31, 2023
Singapore	4,523	3,989	6,043	5,005
China[1]	3,705	3,681	4,605	4,406
India	3,143	2,493	3,397	2,834
Rest of Asia	1,788	1,291	2,276	1,715
UK	815	800	970	970
Middle East	823	517	865	547
Other Countries	19	20	22	20
Total	**14,816**	**12,791**	**18,178**	**15,497**

[1] The China businesses within the Renewables and Integrated Urban Solutions segments consist of associates and joint ventures accounted for under the equity method.

[2] The increase in turnover in other countries was mainly from GoNetZero™.

Majority of the Group's revenue from continuing operations is from Singapore and UK which contributed to 74% (2023: 75%) and 9% (2023: 10%) respectively.

The increase in non-current assets in FY2024 for Singapore, India and Middle East was mainly attributable to capital expenditure and additions to right-of-use (ROU) assets incurred during the year. This was mainly to support the solar project in Singapore, various wind-solar hybrid power projects secured in India in 2023 and 2024, and the Group's first greenfield renewables project in Oman, Middle East. In Singapore, the increase also included investments in the development of a new multi-utilities centre on Jurong Island. The acquisitions of subsidiaries, associates and joint ventures during the year also contributed to the increase in non-current assets in Singapore, Rest of Asia and China.

B2. Turnover

This note explains how the Group's revenue from contracts with customers are measured and recognised.

Accounting policies

Revenue is measured based on consideration specified in a contract with customer. The Group recognises revenue when it transfers control over a good or service to a customer.

For all revenue contracts with customers, the Group accounts for modifications to the scope or price (or both) of a contract, as separate contracts, if the modifications add distinct goods or services at their stand-alone selling prices. For contract modifications that add distinct goods or services but not at their stand-alone selling prices, the Group applies a new transaction price, combining the remaining consideration with the consideration promised on the modification, to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and recognises a cumulative adjustment to revenue at the date of the modification.

Revenue from Contracts with Customers

a. Sale of Electricity, Utilities and Gas and Related Services

The sale of electricity, utilities and gas and related services are determined to be a series of distinct goods satisfied over time. This is because the customers simultaneously receive and consume the benefits provided by the Group. Invoices are generated monthly based on the output delivered to the customers. No significant element of financing is deemed present as the sales are typically made with a credit term of 30 days, consistent with market practice.

Revenue from these sales is recognised based on price (including variable considerations) specified in the contracts. Variable considerations such as off specification delivery are reviewed and estimated monthly. A refund liability is recognised in provisions for off specification delivery and outage, if any.

When the period between the satisfaction of a performance obligation and payment by the customer exceeds one year, the Group adjusts the consideration for time value of money and recognises a financing component.

b. Service Concession Revenue

The Group has entered into service concession contracts with local governments or governing agencies (the grantor) to design, build and operate (including maintenance) water treatment plants or power generation plants over an agreed period ranging from 22 to 30 years. At the end of the concession period, these assets are to be transferred to the grantor and any extension will be based on mutual agreements. These contractual arrangements fall within the scope of SFRS(I) INT 12.

The Group recognises and measures revenue for building (construction services) and operating these assets as specified in the contracts in accordance with SFRS(I) 15 for the services performed. Revenue relating to construction services under a service concession arrangement is recognised over time when the performance obligations are satisfied.

Operation or service revenue is recognised in the period in which the services are provided by the Group, consistent with the Group's accounting policy on recognising revenue on sale of electricity, utilities and gas and related services (see Note B2(a) above). When the Group provides more than one service in a service concession arrangement, the consideration received is allocated with reference to the relative stand-alone selling prices of the services delivered.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Accounting policies *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. Construction of Infrastructure and Related Engineering Services

The Group builds specialised assets for customers for which the Group does not have an alternative use. Revenue is recognised when control over the specialised asset has been transferred to customers.

Contracts with Enforceable Right to Payment

For contracts where the Group has contractual enforceable rights to payment, revenue is recognised over time with reference to the Group's progress towards completing the construction of the specialised asset. The stage of completion is typically assessed either by surveys of work performed (output method), or the cost incurred to date relative to total estimated cost (input method), depending on which method commensurate with the pattern of transfer of control to customers. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

The Group recognises a financing component using discount rates at contract inception if the delivery of goods and payment by customers exceed one year. If the period between the delivery and payment is one year or less, the Group applies the practical expedient not to adjust for significant financing component.

For contracts with standard warranty terms on the performance of the asset, a warranty provision is estimated based on historical data, from known and expected warranty work as well as contractual obligations to be performed after completion. The warranty expense incurred could be higher or lower than the provision made.

d. Sales of Development Properties

The Group develops and sells residential projects to customers through fixed price contracts. For such contracts, the Group does not have enforceable rights to payment in accordance with the contractual terms. Revenue is recognised at a point in time when the control over the residential project has been transferred to customers and customers' acceptance has been obtained, which is also when the rights to payment become enforceable.

e. Sales of Other Goods

Revenue is recognised at a point in time when the goods are transferred to customers and the criteria for acceptance have been satisfied.

Rental Income

Rental income receivable under operating lease is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease.

Contingent rentals are recognised as income in the accounting period in which they are earned.

Key estimates and judgements

The Group has applied judgement and estimates in recognising revenue from long-term contracts. Any increases or decreases in estimated revenue or costs due to change in circumstances are reflected in the profit or loss in the period in which the changes become known to management. The key estimates and judgements applied are:

Performance Obligation

Significant judgement is required in determining whether the performance obligations are distinct. The Group's assessment includes considerations of whether customers can benefit from the good or service either on its own or together with other resources that are readily available to the customers and whether the Group's promise to transfer the good or service to the customers is separately identifiable from other promises in the contracts. The Group has assessed that long-term contracts with customers have a single performance obligation in view that the services in the contracts are not distinct.

Variable Considerations

For contracts with variable considerations (i.e. liquidated damages, or where customers can contractually rescind the delivery of utilities and gas which do not meet the specifications), the Group has applied judgement in determining the transaction price, based on evaluation of any potential risks and factors which may affect the completion or delivery of the contracts, in accordance with the contractual obligations.

Percentage of Completion

For revenue recognised over time, the percentage of completion for certain contracts is assessed by reference to the contract costs incurred to date in proportion to the total estimated contract costs for each contract. In making these estimates, the Group has relied on the expertise of surveying engineers and management's past experiences from completed projects. The estimated total costs are reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Onerous Contracts

The Group conducts critical review of all its long-term construction contracts regularly. Allowance is made to account for onerous contracts. The Group monitors and reviews the progress of all long-term land development and construction contracts, taking into consideration inputs from internal project managers and external customers in estimating the total contract costs to complete as well as evaluating any potential risks and factors which may affect contract prices, costs and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

Cost Allocation Method on Long-term Land Development Contracts

Land development costs incurred are capitalised as work-in-progress and allocated to the respective parcels of land based on the relative sales method.

Fulfilment Costs

Significant judgement is required to determine if the contract costs recognised are expected to be recovered. Such judgement includes assessment of any potential risks and factors which may affect customers' ability to take delivery of the construction. The assessment also encompasses the analysis of the industry outlook and customers' financial health.

Information regarding the turnover for continuing operations is included below:

(S$ million)	Note	2024	2023
Revenue from contracts with customers	a	6,408	7,035
Rental income		9	7
		6,417	7,042

There was no revenue from performance obligations satisfied or partially satisfied in previous periods due to change in estimate of the transaction price in 2024 and 2023.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers

a. Disaggregation of Revenue from Contracts with Customers

The table below disaggregates revenue from contracts with customers by primary geographical markets, major product / service lines, and timing of revenue recognition. It also provides a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments					
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2024						
Primary geographical markets						
Singapore	3,842	148	225	6	533	4,754
UK	518	15	–	28	*	561
China	–	183	196	–	*	379
India	–	359	–	*	7	366
Rest of Asia	232	38	1	3	8	282
Middle East	45	3	–	–	–	48
Other countries	–	–	–	16	2	18
Total	4,637	746	422	53	550	6,408
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	4,150	706	–	–	*	4,856
Provision of water products, reclamation of water and industrial wastewater treatment	136	–	182	–	–	318
Solid waste management	5	–	211	–	–	216
Service concession revenue	232	–	10	–	–	242
Construction and engineering related activities	–	–	–	–	511	511
Others	114	40	19	53	39	265
Total	4,637	746	422	53	550	6,408
Timing of revenue recognition						
Over time	4,634	741	409	–	518	6,302
At a point in time	3	5	13	53	32	106
Total	4,637	746	422	53	550	6,408

	Reportable segments					
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2023						
Primary geographical markets						
Singapore	4,485	156	210	16	430	5,297
UK	687	23	–	–	*	710
China	*	160	201	–	–	361
India	–	358	–	–	6	364
Rest of Asia	241	6	*	–	10	257
Middle East	44	–	–	–	–	44
Other countries	–	–	–	–	2	2
Total	5,457	703	411	16	448	7,035
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	4,980	665	–	–	*	5,645
Provision of water products, reclamation of water and industrial wastewater treatment	135	–	187	–	–	322
Solid waste management	*	–	196	–	–	196
Service concession revenue	240	–	14	–	–	254
Construction and engineering related activities	–	–	–	–	409	409
Others	102	38	14	16	39	209
Total	5,457	703	411	16	448	7,035
Timing of revenue recognition						
Over time	5,457	673	399	–	416	6,945
At a point in time	–	30	12	16	32	90
Total	5,457	703	411	16	448	7,035

i. Service concession revenue included interest revenue of S$56 million (2023: S$58 million).

ii. The lower turnover in FY2024 was mainly attributed to lower contributions from the Gas and Related Services segment due to planned major maintenance, lower gas offtake, lower gas price and pool price in Singapore, as well as lack of scarcity event and lower power prices in UK. This is mitigated by the increase in the turnover for the Renewables segment, attributable to the acquisitions in India and Vietnam and increased operational capacity, as well as Other Businesses and Corporate segment due to higher activities in the specialised construction business.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

b. Transaction Price Allocated to Remaining Performance Obligations

Accounting policies

The Group has elected to apply the practical expedient, in paragraph 121 of SFRS(I) 15, and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at balance sheet date. This is estimated based on the expected progress of the projects or expected energy output. Estimated amounts of considerations which are variable in nature are not included in the table below.

(S$ million)	Note	Within the next 1 year	Between 1 to 5 years	More than 5 years	Total
2024					
Segment					
Gas and Related Services		915	1,802	768	3,485
Renewables	i	–	–	–	–
Integrated Urban Solutions		88	167	92	347
Other Businesses and Corporate		653	1,153	182	1,988
Total		1,656	3,122	1,044	5,822
2023					
Segment					
Gas and Related Services		654	2,049	697	3,400
Renewables	i	–	–	–	–
Integrated Urban Solutions		85	169	140	394
Other Businesses and Corporate		426	865	38	1,329
Total		1,165	3,083	875	5,123

i. The Group does not disclose information about its remaining performance obligations as the Renewables' energy output is variable in nature and the Group has a right to invoice the customers amounts that corresponds directly with its actual energy output.

c. Assets and Liabilities Related to Contracts with Customers

Contract Assets and Contract Liabilities

The Group and the Company have recognised the following assets and liabilities related to contracts with customers:

	Group		Company	
(S$ million)	2024	2023	2024	2023
Contract assets	37	15	–	–
Contract liabilities				
Current	197	171	2	1
Non-current	79	80	35	37
Total	276	251	37	38

Contract Assets

Accounting policies

Contract asset is recognised when the value of goods transferred, or services rendered for the contract exceeds payments received from customers. The contract assets are transferred to trade receivables when the rights become unconditional.

The contract assets relate to the Group's conditional rights to consideration in the sale of the renewable obligation certificates.

Changes in the contract assets balances during the period are as follows:

	Group		Company	
(S$ million)	2024	2023	2024	2023
Transfer of contract assets recognised at the beginning of the year to trade receivables	(9)	(25)	–	–
Recognition of revenue, net of transfer to trade receivables during the year	31	10	–	–
Currency translation charges	*	*	–	–
Cumulative catch-up adjustments arising from:				
– Changes in measurement of progress	*	*	–	–
– Contract modifications	*	1	–	–

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. Assets and Liabilities Related to Contracts with Customers *(cont'd)*

Contract Assets and Contract Liabilities *(cont'd)*

Contract Liabilities

Accounting policies

Contract liability is recognised when payments received or receivable from customers exceed the revenue recognised. Contract liabilities are recognised as revenues, either over time or at a point in time, when services are provided to customers. For revenue recognised over time, the balance at year end will be recognised over the remaining period stipulated in the contracts.

Contract liabilities for the Group include advance received for connection and capacity charges used for delivery of utilities. The changes in the contract liabilities balances during the year are:

	Group		Company	
(S$ million)	2024	2023	2024	2023
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(142)	(132)	(3)	(3)
Increases due to cash received, excluding amounts recognised as revenue during the year	171	184	–	13
Currency translation changes	*	*	–	–
Cumulative catch-up adjustments arising from:				
– Changes in measurement of progress	(2)	1	–	–
– Contract modifications	(2)	(10)	–	–

B3. Taxation

This note explains how the Group's tax charge arises. The deferred tax section of the note also provides information on expected future tax charges and sets out the tax assets held across the Group whether they are expected to be recoverable in future.

a. Tax Expenses

Accounting policies

Tax expense comprises current and deferred tax, using tax rates enacted or substantively enacted at the balance sheet date. Tax expense is recognised in profit or loss except if it relates to (i) business combinations and is recognised in equity or (ii) other items recognised directly in equity or in other comprehensive income.

Current tax is the expected taxable income (payable) or tax loss (recoverable) for the year and includes adjustments to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and for taxation purposes.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences:

i. the initial recognition of goodwill.

ii. the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (a) affects neither accounting nor taxable profit or loss; and (b) does not give rise to equal taxable and deductible temporary differences; and

iii. differences relating to investments in subsidiaries, joint ventures and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities and assets on a net basis.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.

The Group recognises separately deferred tax asset and deferred tax liability, for the deductible and taxable temporary differences on its lease liabilities and right-of-use assets respectively, see Note B3(c).

The Group is subject to the global minimum top-up tax under the Pillar Two tax legislation and has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when it is incurred.

Key estimates and judgements

The Group is subjected to taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for taxes. In determining the amount of current and deferred taxes, the Group considers current understanding and interpretations of existing tax laws and applies judgement as to whether the tax balances will be utilised and / or reversed in foreseeable future. The eventual taxes paid or received may vary, for which the differences will be charged to profit or loss in the period when determination is made.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

a. Tax Expenses *(cont'd)*

(S$ million)	Note	Group 2024	Group 2023
Current tax expense			
Current year		170	192
Over provided in prior years	i	(28)	(36)
Foreign withholding tax		3	12
		145	168
Deferred tax expense			
Movements in temporary differences		34	19
Under / (Over) provided in prior years	i	21	(6)
Effect of changes in tax rates	ii	–	1
		55	14
Land appreciation tax expense			
Current year		6	–
Tax expense on continuing operations		206	182
Reconciliation of effective tax rate			
Profit from continuing operations		1,045	1,048
Tax expense		206	182
Share of results of associates and joint ventures, net of tax		(317)	(264)
Profit before tax and share of results of associates and joint ventures from continuing operations		934	966
Tax using Singapore tax rate of 17% (2023: 17%)		159	164
Effect of changes in tax rates		*	1
Effect of different tax rates in foreign jurisdictions		16	10
Tax incentives and income not subject to tax		(63)	(26)
Expenses not deductible for tax purposes		85	42
Utilisation of deferred tax benefits not previously recognised		(4)	(4)
Over provided in prior years		(7)	(42)
Deferred tax benefits not recognised		5	10
Foreign withholding tax		3	12
Deferred tax on unremitted dividend income		–	2
Others		12	13
Tax expense on continuing operations		206	182

i. The overprovision of the current tax was mainly related to tax optimisation through Group Tax Relief and writeback of tax provisions including those that were time-barred.

ii. Related to the enactment of UK corporation tax rate from 19% to 25%, which took effect from 2023.

b. International Tax Reform – Pillar Two

The Group is within scope of the OECD Pillar Two ("Pillar Two") tax legislation.

Out of all the tax jurisdictions the Group operates in, seven have enacted or substantively enacted new legislation to implement the global minimum top-up tax. The relevant tax jurisdictions and the effective dates of the legislation in these jurisdictions are as follows:

Tax jurisdictions	Effective Date
Netherlands, UK, and Vietnam	January 1, 2024
Malaysia, Singapore, Indonesia and UAE	January 1, 2025

The Group has recognised an estimated current tax expense related to Pillar Two from a joint venture amounting to S$3 million. As provided under SFRS(I) 1-12 Income Taxes, the Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group continues to monitor legislative developments and refine its calculations as more definitive guidance becomes available.

c. Deferred Tax Assets and Liabilities

As at December 31, 2024, after applying the legal right to offset, deferred tax assets were S$69 million (2023: S$66 million) and deferred tax liabilities were S$629 million (2023: S$598 million).

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the year are as follows:

(S$ million)	Group At January 1	Recognised in profit or loss – continuing operations (Note a)	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Transfer to held for sale (Note G6)	Translation adjustments	At December 31
2024							
Deferred tax liabilities							
Property, plant and equipment	584	131	–	20	(34)	2	703
Right-of-use assets	40	75	–	–	(10)	*	105
Other financial assets	40	(3)	(3)	–	–	*	34
Trade and other receivables	23	2	–	–	–	–	25
Intangible assets	170	(44)	–	8	–	1	135
Retirement benefit obligations	6	*	*	*	*	*	6
Other items	8	(5)	(2)	*	(1)	*	*
Total	871	156	(5)	28	(45)	3	1,008
Deferred tax assets							
Property, plant and equipment	(79)	(12)	–	–	–	*	(91)
Right-of-use assets	(2)	2	–	–	–	*	–
Inventories	*	*	–	–	–	*	*
Trade receivables	(7)	1	–	(1)	*	*	(7)
Trade and other payables	(16)	*	–	–	–	*	(16)
Tax losses	(110)	(5)	–	(16)	–	*	(131)
Provisions	(49)	(2)	–	(1)	1	(1)	(52)
Lease liabilities	(37)	(85)	–	*	11	*	(111)
Other financial liabilities	(24)	1	(1)	–	–	*	(24)
Other items	(15)	(1)	–	–	–	*	(16)
Total	(339)	(101)	(1)	(18)	12	(1)	(448)

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

c. Deferred Tax Assets and Liabilities *(cont'd)*

	Group					
(S$ million)	At January 1 Restated	Recognised in profit or loss – continuing operations (Note a)	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Translation adjustments	At December 31
2023						
Deferred tax liabilities						
Property, plant and equipment	475	57	–	55	(3)	584
Right-of-use assets	32	4	–	4	*	40
Other financial assets	46	(2)	(11)	7	*	40
Trade and other receivables	33	(10)	–	–	–	23
Intangible assets	112	(6)	–	67	(3)	170
Retirement benefit obligations	6	*	*	–	*	6
Other items	11	(1)	(3)	–	1	8
Total	715	42	(14)	133	(5)	871
Deferred tax assets						
Property, plant and equipment	(79)	*	–	–	*	(79)
Right-of-use assets	–	*	–	(2)	*	(2)
Inventories	(2)	2	–	–	*	*
Trade receivables	(4)	1	–	(4)	*	(7)
Trade and other payables	(11)	(5)	–	–	*	(16)
Tax losses	(64)	(11)	–	(37)	2	(110)
Provisions	(42)	(10)	–	–	3	(49)
Lease liabilities	(33)	(4)	–	–	*	(37)
Other financial liabilities	(24)	(1)	1	–	*	(24)
Other items	(16)	*	–	–	1	(15)
Total	(275)	(28)	1	(43)	6	(339)

	Company						
(S$ million)	At January 1, 2023	Recognised in profit or loss	Recognised in equity	At December 31, 2023	Recognised in profit or loss	Recognised in equity	At December 31, 2024
Deferred tax liabilities							
Property, plant and equipment	34	(2)	–	32	4	–	36
Right-of-use assets	15	(1)	–	14	*	–	14
Other financial assets	–	–	*	*	–	*	*
Other Items	–	*	–	*	*	–	–
Total	49	(3)	*	46	4	*	50
Deferred tax assets							
Lease liabilities	(19)	1	–	(18)	*	–	(18)
Provisions	(5)	(3)	–	(8)	*	–	(8)
Total	(24)	(2)	–	(26)	*	–	(26)

The deferred tax liabilities and assets amounts determined after appropriate offsetting included in the balance sheet are as follows:

	Group		Company	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Deferred tax liabilities	629	598	24	20
Deferred tax assets	(69)	(66)	–	–
	560	532	24	20

Unrecognised deferred tax liabilities

As at December 31, 2024, a deferred tax liability of S$2 million (2023: S$3 million) for potential taxable temporary differences arising from undistributed retained earnings related to investment in subsidiaries and joint ventures was not recognised.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised where:

i. they qualify for offset against the tax liabilities of member companies within the Group under the Loss Transfer System of Group Relief, but the terms of the transfer have not been ascertained as at year end; or

ii. it is uncertain that future taxable profit will be available against which the Group entities can utilise the benefits.

The deferred tax assets that have not been recognised, which are available to be set off against future taxable income subject to the tax provisions and agreement by the relevant tax authorities of the various jurisdictions, are disclosed below:

	Group	
(S$ million)	December 31, 2024	December 31, 2023
Deductible temporary differences	38	55
Tax losses	66	74
Capital allowances	29	39
	133	168

Tax losses of the Group amounting to S$58 million (2023: S$45 million) will predominantly expire between 2025 and 2033 (2023: 2025 and 2028). The remaining tax losses, capital allowances and deductible temporary differences do not expire under current tax legislation.

The unrecognised tax losses are reported to the extent that the taxable temporary differences arising from deferred tax liabilities have been set off against the unused tax losses. There were no unrecognised tax losses for 2024 and 2023.

d. Other Comprehensive Income

There are no income tax relating to each component of other comprehensive income, except as tabled below:

	Group					
	2024			2023		
(S$ million)	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Cash flow hedges: net movement in hedging reserves	(17)	4	(13)	(58)	11	(47)
Defined benefit plan actuarial gains and losses	(9)	2	(7)	(11)	2	(9)
	(26)	6	(20)	(69)	13	(56)

Notes to the Financial Statements

B. Our Performance *(cont'd)*
B4. Profit for the Year

Accounting policies

Dividend Income

Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established, when it is probable that the economic benefits associated with the dividend will flow to the Group, and when the amount of the dividend can be reliably measured.

Grant Income

Government grants relating to asset are credited to a deferred asset grant account at fair value when there is reasonable assurance that the grants will be received and the Group will comply with the conditions attached. These grants are then recognised in profit or loss as other operating income on a straight-line basis over the estimated useful lives of the relevant assets.

Non-monetary government grants and assets received are valued at fair value or nominal amounts.

Grants that compensate the Group for expenses already incurred are recognised in profit or loss as other operating income on a systematic basis in the same periods in which the expenses are recognised.

The following items have been included in arriving at profit for the year:

		Group	
(S$ million)	Note	2024	2023
a. Expenses			
Materials	i	3,309	3,900
Staff costs:			
– salaries, bonuses and other personnel related costs		507	455
– contributions to defined contribution plan		36	38
– equity-settled share-based payments	B6	24	29
– contributions to defined benefit plan		*	1
Depreciation:			
– property, plant and equipment	D1	398	408
– investment properties	D2	5	4
Sub-contract cost		465	408
Repair and maintenance		84	133
Carbon tax allowance	ii	85	52
Write-back of provision for remediation of legacy sites	H2	(7)	(2)
Amortisation of intangible assets	D3	47	42
Allowance for impairment losses (net):			
– receivables and contract assets	F4	7	20
– property, plant and equipment	D1	1	4
Property, plant and equipment written off		6	8
Write-back of inventory obsolescence, net	E2	(2)	(7)
Audit fees paid / payable to:			
– auditors of the Company		2	2
– other member firms of KPMG International		2	2
– other auditors		1	1
Non-audit fees paid / payable to:			
– auditors of the Company		*	*
– other member firms of KPMG International		*	*
– other auditors		1	1
Intangible assets written off	D3	*	*
Bad debts written off		*	*

		Group	
(S$ million)	Note	2024	2023
b. Other operating income			
Net change in fair value of financial assets at FVTPL (mandatorily measured)	iii	19	1
Grants received (income related)		3	6
Other income	iv	71	36
Gain on disposal of property, plant and equipment		–	*
Foreign exchange loss, net		(16)	(7)
c. Non-operating income / (expenses)			
DPN income	v	169	133
Gain on disposal of:			
– other financial assets		5	5
– subsidiaries		2	–
– associate		1	5
– joint venture		*	–
Net change in fair value of financial assets at FVTPL (designated on initial recognition)		(3)	(5)
Gross dividend income from financial assets at FVOCI		1	2
Change in fair value of contingent consideration	vi	(4)	–
Gain on bargain purchase	G5	8	–
Impairment and write-off of:			
– joint venture	G3biii	(4)	–
– other investments		(2)	–

i. The decrease in materials costs was mainly due to lower gas and power costs from the Gas and Related Services segment in Singapore and the United Kingdom (UK), as well as a decrease in generation in the UK.

ii. The amount relates to the cost of compliance under Singapore's carbon tax, UK Emissions Trading Scheme (UK ETS) and UK Carbon Price Support (CPS) mechanism.

iii. Changes in the fair value of financial instruments were mainly from forward foreign exchange contracts and non-deliverable forward used for managing the Group's foreign exposure. The corresponding net effects from the revaluation of assets and liabilities in foreign currencies were recorded under foreign exchange losses.

iv. Other income in 2024 included a one-off settlement with vendors and insurers for generation losses (including performance delays) and higher operating costs, totaling S$36 million, as well as the settlement of options for hedging of receivables amounting to S$8 million. Other income also included a corporate guarantee fee, dispute settlements, late payment fee income and rental income, totaling S$27 million.

In 2023, other income mainly included corporate guarantee fee income, late payment fees, other insurance compensation.

v. DPN income represents the change in fair value of the DPN which included income of S$159 million (2023: S$179 million), and a foreign exchange gain of S$10 million (2023: loss of S$46 million). There are no other fair value adjustments in 2024 and 2023.

vi. Change in fair value of contingent consideration for past acquisition in India upon collection of certain receivables.

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B5. Earnings Per Share

(S$ million)	Group 2024	Group 2023
a. Profit attributable to owners of the Company:		
Continuing operations:		
Profit attributable to equity holders of the Company	1,020	1,020
Discontinued operation:		
Loss from discontinued operation, net of tax attributable to owners of the Company	(9)	(78)
Profit for the year attributable to owners of the Company	**1,011**	**942**
b. Weighted average number of ordinary shares (in millions)		
Issued ordinary shares at January 1	1,779	1,777
Effect of performance shares and restricted shares released	4	13
Effect of own shares held	(1)	(7)
Weighted average number of ordinary shares	1,782	1,783
Adjustment for dilutive potential ordinary shares		
– performance shares	27	26
– restricted shares	2	3
Weighted average number of ordinary shares adjusted for all dilutive potential shares	**1,811**	**1,812**
c. Earnings per ordinary share (cents)		
– basic[1]	56.72	52.83
– diluted[2]	55.83	51.99
Earnings per ordinary share (cents) – Continuing operations		
– basic[1]	57.23	57.21
– diluted[2]	56.32	56.29

[1] Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

[2] Diluted earnings per ordinary share is calculated by dividing the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: performance shares and restricted shares.

B6. Share-based Incentive Plans

This section sets out details of the Group's share-based remuneration arrangements, including details of the Company's PSP and RSP, collectively known as Share Plans. The Company's 2020 Share Plans was approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

Accounting policies

Equity settled share-based incentive plan

The fair value of the compensation cost is charged to the profit or loss with a corresponding increase directly in equity. The fair value is measured at grant date and amortised over the service period to which the performance criteria relates and during which the employees become unconditionally entitled to the shares.

For awards granted with market-based performance conditions, market-based performance conditions are considered in estimating the fair value. For awards granted with non-market-based performance conditions, the compensation cost is estimated on a basis that the amount fairly reflects the way the benefits will accrue to the employee over the service period to which the performance period relates.

At the balance sheet date, the Group revises its estimates of the number of performance-based shares that the employees are expected to receive based on the achievement of non-market performance conditions and the number of shares ultimately given. It recognises the impact of the revision of the original estimates in employee expense, with a corresponding adjustment to equity over the remaining vesting period.

The share-based payments reserve relating to the performance shares released is transferred to share capital when new shares are issued. When treasury shares are issued, the cost of treasury shares is transferred to share-based payments reserve.

In the Company's separate financial statements, the fair value of performance shares and restricted shares granted to employees of its subsidiaries is recognised as an increase in the cost of the Company's investment in subsidiaries, with a corresponding increase in equity over the vesting period.

The settlement of these shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

Cash settled share-based incentive plan

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the share price of the Company. The Group recognises a provision when contractually obliged to pay or where there is a past practice that has created a constructive obligation to pay. The liability considers the performance achieved for the year and the probability of achieving the performance conditions in the future.

Until the liability is settled, the Group will re-measure the fair value of the liability at each balance sheet date and at the date of settlement with any changes in fair value recognised in profit or loss for the period.

Key estimates and judgements

The fair value of equity-related compensation is measured using the Monte Carlo simulation method as at the date of the grant. The method involves projecting future outcomes using statistical distributions of key random variables including the share prices and volatility of returns. This model considers the probability of achieving the performance conditions in the future.

The table below shows share-based expense that was recognised during the year.

(S$ million)	2024	2023
Equity-settled share-based	24	29
Cash-settled share-based	–	–

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive

Performance Share Plan (PSP)

One of the primary objectives of the SCI PSP 2020 is to further motivate key senior management, who has the responsibility and can drive the growth of the Company, to strive for superior performance and to deliver long-term shareholder value.

Awards granted under the SCI PSP 2020 are performance-based. Performance targets set under the SCI PSP 2020 are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The ERCC grants an initial number of shares (initial award) which are conditional on targets set for a performance period. A specified number of shares will only be released by the ERCC to the participants at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released will depend on the achievement of pre-determined targets over the performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

For grants made in 2024, the performance conditions and number of shares to be released subject to the achievement of performance targets are as follows:

3-Year PSP Performance Conditions	Final Number of Shares to be Released
1. Absolute Total Shareholders' Return (ATSR)	0% to 200% of initial grant
2. Relative Total Shareholders' Return (RTSR)	
3. Installed Renewable Energy Capacity	

Restricted Share Plan (RSP)

The number of the restricted share awards granted was based on the achievement of stretched financial and non-financial targets for the preceding financial year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards.

For the grant awarded in 2024, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

To align the interests of the non-executive directors with the interests of shareholders, up to 30% of the aggregate directors' fees approved by shareholders for a particular financial year may be paid out in the form of restricted share awards under the SCI RSP 2020. Non-executive directors were not awarded any shares except as part of their directors' fees (except for Wong Kim Yin, who is the Group CEO, and who does not receive any directors' fees). The awards granted comprised fully paid shares outright with no performance and vesting conditions attached, but with a selling moratorium. Non-executive directors are required to hold shares (including shares obtained by other means) worth the value of their annual base retainer; any excess may be sold as desired, subject to SGX-ST listing rules. A non-executive director may only dispose of all his shares one year after leaving the board.

The actual number of shares awarded to each non-executive director will be determined by reference to the volume-weighted average price of a share on the Singapore Exchange (SGX) over the 14 trading days from (and including) the day on which the shares are first quoted ex-dividend after the Annual General Meeting (AGM) (or, if the resolution to approve the final dividend is not approved, 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 and any residual balance will be settled in cash. A non-executive director who steps down before the payment of the share component will receive all his director's fees for the year (calculated on a pro-rated basis, where applicable) in cash.

Movement in the number of shares under the Company's PSP and RSP are as follows:

	2024		2023	
	PSP	RSP	PSP	RSP
At January 1	16,407,846	3,063,689	22,711,791	4,072,047
Shares awarded	782,200	1,504,643	2,501,600	3,449,525
Performance shares adjusted due to outperformance of targets	4,290,354	–	4,552,470	–
Shares released	(8,558,150)	(2,465,166)	(11,508,600)	(4,449,145)
Shares lapsed	(839,600)	(95,766)	(1,849,415)	(8,738)
At December 31	12,082,650	2,007,400	16,407,846	3,063,689

SCI PSP

PSP awards granted have both market-based and non-market-based performance conditions. The Committee reviews achievement of the performance targets annually. In 2024, 4,290,354 (2023: 4,552,470) performance shares were awarded due to outperformance of targets for the performance period 2021 to 2024 (2023: 2020 to 2022).

Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

The total number of performance shares in awards granted conditionally but not released as at December 31, 2024, was 12,082,650 (2023: 16,407,846). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 24,165,300 (2023: 24,742,626) performance shares.

SCI RSP

Settlement of shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

The total number of restricted shares outstanding, including award(s) achieved but not released, as at December 31, 2024, was 2,007,400 (2023: 3,063,689). The RSP balances represent 100% of targets achieved, but not released subject to individual performance and fulfilment of service conditions at vesting. The actual release of the awards is a maximum of 2,007,400 (2023: 3,063,689) restricted shares.

Awards for the performance and corporate objectives achieved in 2024 will be granted in 2025 (2023: achieved in 2023 will be granted in 2024).

Notes to the Financial Statements

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive *(cont'd)*

The fair values of the performance and restricted shares are estimated using a Monte Carlo simulation methodology at the grant dates.

	PSP Date of Grant May 24, 2024	PSP Date of Grant June 7, 2023
Fair value at measurement date	S$5.27	S$6.69
Assumptions under the Monte Carlo model		
Share price	S$5.07	S$5.31
Expected volatility	27.0%	35.1%
Risk-free interest rate	3.3%	2.9%
Expected dividend	2.6%	2.9%

	RSP Date of Grant April 2, 2024	RSP Date of Grant April 3, 2023
Fair value at measurement date	S$5.26	S$4.27
Assumptions under the Monte Carlo model		
Share price	S$5.40	S$4.37
Expected volatility	27.2%	25.6%
Risk-free interest rate	3.3%	3.1%
Expected dividend	2.6%	2.4%

C. Our Funding

In 2024, the Group has issued a S$350 million green bond under the Euro Medium Term Note (EMTN) Programme. This is the Group's third green bond, a continued effort to diversify and optimise funding base. In 2024, the Group has also secured a dual currency denominated revolving credit facility of CNH400 million or an equivalent amount in Hong Kong Dollars. This facility provides our China platform with an alternative offshore funding source.

As at December 31, 2024, the Group's total credit facilities, including its Multicurrency Debt Issuance Programmes and EMTN Programme, amounted to S$18.6 billion (2023: S$17.0 billion). This comprised borrowing facilities of S$16.8 billion (2023: S$15.5 billion) and trade-related facilities of S$1.8 billion (2023: S$1.5 billion), including but not limited to bank guarantees, letters of credit, bid bonds and performance bonds. Please refer to Note C5 for further details.

C1. Capital Structure

Capital management

The Group maintains a disciplined approach to capital management. The Group seeks to optimise the overall portfolio, maintain investor, creditor and market confidence, fund future developments and growth, while at the same time maintain an appropriate dividend policy.

The Group's policy is to borrow centrally using a mixture of long-term and short-term capital market issues and borrowing facilities to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain Group entities.

Capital is defined as equity attributable to the equity holders.

The Group's net debt-to-capitalisation ratio as at the balance sheet date was as follows:

(S$ million)	Note	Group 2024	Group 2023
Net debt		7,800	6,487
Cash and cash equivalents	E4	871	767
Gross debt	C5, i	8,671	7,254
Total equity		5,659	4,872
Total gross debt and equity		14,330	12,126
Net debt-to-capitalisation ratio		0.54	0.53

i. There were no changes in the Group's approach to capital management during the year.

Some of the Group entities are required to maintain a certain ratio of net borrowings to net assets and level of leverage under their respective loan arrangements with banks. These externally imposed capital requirements have been complied with as at the respective balance sheet dates.

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C2. Share Capital and Treasury Shares

Accounting policies

Share capital
Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new ordinary shares and share options are deducted against the share capital account, net of any tax effects.

Repurchase, disposal and re-issue of share capital (treasury shares)
When the ordinary shares are reacquired by the Company, the consideration paid is recognised as deduction from equity, presented as reserve for own shares (Note C3). Reacquired shares are classified as treasury shares.

When the treasury shares are subsequently sold or re-issued, the cost of the treasury shares is reversed from reserve for own shares account and the realised gain or loss on the transaction is presented as a change in equity of the Company. No gain or loss is recognised in profit or loss.

	Number of shares	
	Issued Share Capital	Treasury Shares
At January 1, 2023	1,787,547,732	10,763,948
Treasury shares purchased	–	13,318,500
Treasury shares transferred pursuant to performance share plan	–	(11,508,600)
Treasury shares transferred pursuant to restricted share plan	–	(4,283,865)
At December 31, 2023	1,787,547,732	8,289,983
Treasury shares purchased	–	3,820,000
Treasury shares transferred pursuant to performance share plan	–	(5,919,550)
Treasury shares transferred pursuant to restricted share plan	–	(1,387,009)
At December 31, 2024	1,787,547,732	4,803,424

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally regarding the Company's residual assets.

Issued and paid-up capital
As at December 31, 2024, the Company's issued and paid-up capital excluding treasury shares comprised 1,782,744,308 (2023: 1,779,257,749) ordinary shares.

Treasury shares
During the year, the Company acquired 3,820,000 (2023: 13,318,500) ordinary shares in the Company by way of on-market purchases. A total of 7,306,559 (2023: 15,792,465) treasury shares were re-issued pursuant to the Performance Share Plan (PSP) and Restricted Share Plan (RSP).

As at December 31, 2024, the Company held 4,803,424 (2023: 8,289,983) of its own uncancelled shares as treasury shares that may be re-issued upon the vesting of performance shares and restricted shares under the PSP and RSP respectively.

C3. Other Reserves

		Group		Company	
(S$ million)	Note	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Distributable					
Reserve for own shares		(24)	(40)	(24)	(40)
Non-distributable					
Foreign currency translation reserve (FCTR)	a	(634)	(672)	–	–
Capital reserve	b	(97)	(93)	–	–
Merger reserve	c	29	29	–	–
Share-based payments reserve	d	(37)	(9)	(32)	(4)
Fair value reserve	e	37	36	–	–
Hedging reserve	f	50	45	*	1
		(652)	(664)	(32)	(3)
Total		(676)	(704)	(56)	(43)

During the year ended December 31, 2023, S$423 million loss in FCTR and S$290 million gain in capital reserve and other reserves were realised through profit or loss upon disposal of SEIL (Note G6).

Type of other reserve	Nature
a. Foreign currency translation reserve (FCTR)	Comprises: i. foreign exchange differences arising from translation of the financial statements of foreign entities, ii. effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign entities, and iii. translation of foreign currency loan used to hedge or form part of the Group's net investments in foreign entities.
b. Capital reserve	Comprises: i. acquisitions and disposals with non-controlling interests that do not result in a change of control, capitalisation of accumulated profits for the issue of bonus shares, capital reserve (net of goodwill) on consolidation and equity accounting, ii. asset revaluation reserve, capital redemption reserve, convertible loan stock reserve, iii. transfer from revenue reserve in accordance with the regulations of the foreign jurisdiction in which the Group's subsidiaries, associates and joint ventures operate, and treasury shares of a subsidiary, and iv. recognition of call options issued to non-controlling interests of subsidiaries.
c. Merger reserve	The difference between the values of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interest method.
d. Share-based payments reserve	Represents the cumulative value of services received from employees recorded on grant of equity-settled share options, performance shares and performance-based restricted shares.
e. Fair value reserve	Includes the cumulative net change in the fair value of equity investments designated at FVOCI until the investments are derecognised. This does not include impairment losses recognised in profit or loss prior to January 1, 2018.
f. Hedging reserve	The effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C4. Dividends

Accounting policies

Dividends

Dividends on ordinary shares are recognised when they are approved for payments. Dividends on ordinary shares and redeemable preference shares classified as equity are accounted for as movements in revenue reserve.

A liability to distribute non-cash assets as dividend to its owners is measured at the fair value of the assets to be distributed. The differences between the carrying amount of the assets distributed and the carrying amount of the dividend payable is recognised in profit or loss.

Dividend Paid / Payable

(S$ million)	Group and Company 2024	Group and Company 2023
Interim one-tier tax-exempt dividend of 6 cents per share in respect of year 2024 (2023: 5 cents per share in respect of year 2023)	107	89
Final one-tier tax-exempt dividend of 8 cents per share in respect of year 2023 (2023: 4 cents per share in respect of year 2022)	143	71
Special dividend of 4 cents per share in respect of year 2022	–	71
	250	231

Subject to the approval by the shareholders at the next Annual General Meeting, the directors have proposed a final ordinary one-tier tax-exempt dividend of 17 cents per share (2023: 8 cents per share). There is no special dividend declared during both 2024 and 2023. This amounts to an estimated net dividend of S$303 million (2023: S$142 million) in respect of the year ended December 31, 2024, based on the number of issued shares as at December 31, 2024.

The total proposed dividend of 17 cents per share (2023: 8 cents per share) has not been included as a liability in the financial statements.

C5. Loans and Borrowings

The total loans and borrowings increased from S$7,254 million to S$8,671 million. The increase in borrowing was mainly for financing of the acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries.

(S$ million)	Note	Group December 31, 2024	Group December 31, 2023
Current liabilities			
Non-convertible debentures		–	171
Secured term loans	a	214	122
Unsecured term loans	b	457	988
Total		671	1,281
Non-current liabilities			
Secured term loans	a	2,038	1,618
Unsecured term loans	b	5,962	4,355
Total		8,000	5,973
Total loans and borrowings (measured at amortised cost)		8,671	7,254

Included in loans and borrowings were S$616 million (2023: S$480 million) of loans taken with a related corporation.

Effective Interest Rates and Maturity of Liabilities

	Group Effective interest rate % 2024	Group Effective interest rate % 2023
Floating rate loans	1.60–10.65	1.05–10.58
Fixed rate loans	1.92–10.10	0.77–10.48
Bonds and notes	2.45–4.60	2.45–4.60
Debentures	–	6.49

(S$ million)	Group 2024	Group 2023
In one year or less, or on demand	671	1,281
Between one to five years	4,073	3,180
After five years	3,927	2,793
Total loans and borrowings (measured at amortised cost)	8,671	7,254

a. Secured Term Loans

The secured term loans are collateralised by the following assets:

(S$ million)	Note	Group Net Book Value December 31, 2024	Group Net Book Value December 31, 2023
Property, plant and equipment (PPE)	D1i	952	1,325
Investment properties	D2	46	49
Intangible assets	D3	1	*
Trade and other receivables	E1	441	409
Inventories	E2	30	26
Cash and cash equivalents	E4	99	84
Mutual funds	H1ii	14	19
Equity shares of a subsidiary		9	32
Underlying PPE in a service concession arrangement		325	335

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

b. Unsecured Term Loans

Included in the unsecured term loans of the Group are medium-term notes which the Company has jointly established with Sembcorp Financial Services Pte Ltd (SFS), a wholly-owned subsidiary of the Company, issued under the S$2.5 billion and S$3.0 billion Multicurrency Debt Issuance Programmes (the Programme). Under the Programme, the Company, together with SFS and certain other Group entities (the Issuing Subsidiaries), may from time-to-time issue Notes and Securities under the Programme subject to availability of funds from the market. The obligations of the Issuing Subsidiaries under the Programme are fully guaranteed by the Company.

As at December 31, 2024 and December 31, 2023, the Group has the following outstanding medium-term notes issued under the Programme:

(S$ million)	Nominal interest rate	Year of issue	Year of maturity	Principal amount December 31, 2024	Principal amount December 31, 2023
S$ medium-term notes	4.25%	2010	2025	100	100
S$ medium-term notes	3.64%	2013	2024	–	200
S$ medium-term notes	3.59%	2014	2026	150	150
Green bonds					
S$ medium-term notes	2.45%	2021	2031	400	400
S$ medium-term notes	4.60%	2023	2030	350	350
S$ medium-term notes	3.65%	2024	2036	350	–
Sustainability-linked notes					
S$ medium-term notes	2.66%	2021	2032	675	675
S$ medium-term notes	3.74%	2022	2029	300	300
				2,325	2,175

In October 2024, the Group issued a S$350 million green bond under the Euro Medium Term Note Programme. As at December 31, 2024, S$1,100 million, representing 100% of the total S$1,100 million green bonds issued, has been deployed to eligible green projects under the Sembcorp Green Financing Frameworks (2021) and Sembcorp Green Financing Framework (2024).

The Group expects its interest cost for the sustainability-linked notes to maintain as disclosed. The Group's renewable assets' gross installed capacity as at December 31, 2024 was 13.1GW, compared to the 2025 target† of 10GW. The Group GHG emissions intensity was of 0.27 tonnes of carbon dioxide emission per megawatt-hour (tCO_2e/MWh), compared to the 2025 target† of 0.40 tCO_2e/MWh.

As at December 31, 2024, an amount of S$474 million (2023: S$554 million) medium-term notes were held by a related corporation.

In 2024, the Group through its wholly-owned subsidiary, Sembcorp Energy (Shanghai) Holding Co. Ltd (SESH), secured a dual currency denominated revolving credit facility (RCF) of CNH400 million or an equivalent amount in Hong Kong Dollars (approximately S$74 million) and as at December 31, 2024, CNH305 million has been drawn down. This facility will provide SESH with access to offshore funding for an initial tenure of three years with a two-year extension option. This RCF is guaranteed by its parent, Sembcorp Utilities Pte Ltd.

(S$ million)	Nominal interest rate	Year of issue	Year of maturity	Principal amount December 31, 2024	Principal amount December 31, 2023
Dual Currency denominated Revolving Credit Facility (RCF)					
RCF	2.39%	2024	2027	74	–

† 2025 targets were set in May 2021

c. Financial Guarantees

Accounting policies

Financial guarantees are financial instruments issued by the Group that require the issuer to make specified payments to reimburse the holder for the loss it incurs in accordance with the original or modified terms of a debt instrument. These financial guarantee contracts are accounted for as insurance contracts. With the transition of SFRS(I) 4 on Insurance Contract to SFRS(I) 17, the Group has elected to apply SFRS(I) 9, on a contract-by-contract basis, to account for its financial guarantees issued.

At inception, the Group recognises the financial guarantee at its fair value. Subsequently, it is measured at the higher of (i) amount initially recognised less the cumulative amount of income recognised in accordance with SFRS(I) 15; and (ii) the amount of expected loss allowance in accordance with SFRS(I) 9. Where there are any premium receivables at inception, the Group adopts a net approach, recognising a single net amount, to account for its financial guarantee contracts and premium receivables.

Liabilities arising from financial guarantees contracts are included within "loans and borrowings".

Key estimates and judgements

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Significant judgements are used in estimating the loss allowance of the Group's and Company's obligations under the financial guaranteed contracts which may be affected by future events that cannot be predicted with certainty. These assumptions made may vary from actual experience and consequently the actual liability may also vary considerably from the best estimates.

Group

The Group has provided guarantees to banks to secure banking facilities provided to joint ventures. There are no terms and conditions attached to the guaranteed contracts that would have a material effect on the amount, timing and uncertainty of the Group's and Company's future cash flows.

The Group, prior to the disposal of its subsidiary, Sembcorp Energy India Limited (SEIL) in FY2023, now known as SEIL Energy India Limited (SEIL EIL), had extended corporate guarantees in favour of some of its lenders. To facilitate SEIL EIL in obtaining its lenders' consent for the change in its shareholders, these corporate guarantees, amounting to S$2,175 million per letters to shareholders for the approval of the disposal of SEIL, are extended at a fee pegged to market, post divestment. The fair value of the financial guarantee contract is determined using the interest rate differential approach. As such, the guarantee fees receivable approximate the financial guarantee liability. The guarantee fees are payable quarterly in arrears. Applying the net approach, the fair value of the financial guarantee contract is negligible.

For other financial guarantees given, the Group determines the fair value of those financial guarantees using the discounted cash flow approach. The Group believes the joint venture has sufficient resources to fulfil its obligations and the Group does not consider it probable that a claim will be made against the Group under the guarantee. As such, the fair values of these financial guarantee contracts are negligible.

The details of the financial guarantees given at balance sheet date were:

(S$ million)	Group December 31, 2024	Group December 31, 2023
Guarantees given to banks to secure banking facilities provided to:		
– Joint ventures	47	49
– SEIL EIL	1,187	1,305
– Others	–	1
	1,234	1,355

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

c. Financial Guarantees *(cont'd)*

Group *(cont'd)*

The periods in which the financial guarantees expire are as follows:

(S$ million)	Group December 31, 2024	Group December 31, 2023
Less than 1 year	348	318
Between 1 to 5 years	492	503
More than 5 years	394	534
	1,234	1,355

Company

The Company has provided guarantees to banks to secure banking facilities provided to a wholly-owned subsidiary, Sembcorp Financial Services Pte Ltd. The intra-group financial guarantees granted by the Company amount to S$11,830 million (2023: S$11,686 million), with S$4,326 million (2023: S$3,732 million) drawn down as at balance sheet date. The Company uses the interest rate differential approach to determine the fair value of these financial guarantees and has deemed them to be not material. The periods in which the financial guarantees expire are as follows:

(S$ million)	Company December 31, 2024	Company December 31, 2023
Less than 1 year	156	376
Between 1 to 5 years	1,296	1,430
More than 5 years	2,874	1,926
	4,326	3,732

Reconciliation of movements of liabilities to cash flows arising from financing activities:

		2024				2023			
(S$ million)	Note	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total
Balance at January 1		32	7,254	310	7,596	29	7,070	287	7,386
Cash flows									
Cash payments		–	(4,310)	(25)	(4,335)	–	(4,450)	(21)	(4,471)
Cash proceeds		–	5,259	–	5,259	–	4,034	–	4,034
Interest paid		(341)	–	(15)	(356)	(345)	–	(11)	(356)
Non-cash items									
Acquisition of subsidiaries		2	435	–	437	–	616	11	627
Transfer to liabilities held for sale		–	–	(62)	(62)	–	–	–	–
Interest expenses, including amortisation of capitalised transaction costs		339	12	13	364	347	45	11	403
Interest capitalised		–	–	14	14	–	–	–	–
New leases	D1.1a	–	–	494	494	–	–	30	30
Write-off of lease liabilities		–	–	(6)	(6)	–	–	–	–
Remeasurement of lease liabilities / Adjustment to upfront fees		–	–	2	2	–	–	2	2
Foreign exchange movement		–	21	4	25	1	(61)	1	(59)
		341	468	459	1,268	348	600	55	1,003
Balance at December 31		32	8,671	729	9,432	32	7,254	310	7,596

Notes to the Financial Statements

C. Our Funding *(cont'd)*

C6. Net Interest Expense

Accounting policies

Finance income is recognised in profit or loss as it accrues, using the effective interest method. It includes interest income from non-current receivables.

Finance costs include interest expense on borrowings and lease liabilities, unwinding of discounts on provision, amortisation of capitalised transaction costs, transaction costs written off and termination of interest rate swaps. Finance costs are expensed in profit or loss using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of a qualifying asset.

In calculating the interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the impaired financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to gross basis.

		Group	
(S$ million)	Note	2024	2023
Finance income			
Finance income from financial assets measured at amortised cost			
– associates and joint ventures		6	5
– banks and others		21	52
Significant financing component from contracts with customers		*	*
		27	57
Finance costs			
Interest paid and payable to, measured at amortised cost			
– banks and others		348	384
Amortisation of capitalised transaction costs		9	12
Unwind of accretion on restoration costs	H2	3	2
Significant financing component from contracts with customers		4	4
Interest rate swaps			
– changes in fair value through profit or loss		*	*
– ineffective portion of changes in fair value		(5)	(4)
Interest expense on amortisation of lease liabilities	D1.1	13	11
		372	409

The lower interest expenses in 2024 were driven by lower interest rates, despite a higher average principal due to funding growth.

The Group used interest rate swaps and cross-currency swaps for managing the Group's interest costs.

C7. Contingent Liabilities

Key estimates and judgements

A contingent liability is:

i. a potential obligation arising from past events, which will only be confirmed by the occurrence (or non-occurrence) of one or more uncertain future events that are not completely within the Group's control, or

ii. a present obligation arising from past events that is not recognised in the financial statements because an outflow of resources representing economic benefits is unlikely to be necessary to extinguish the obligation, or because the amount of the obligation cannot be measured reliably.

Group

In 2024, the Group's subsidiaries are involved in certain tax disputes, where the amount of potential exposure is estimated to be S$3 million (2023: S$3 million).

C8. Commitments

A commitment is a contractual obligation to make a payment in the future. These amounts are not recorded in the consolidated balance sheet since the Group has not yet received the goods or services from the supplier. The amounts below are the minimum amounts that the Group is committed to pay.

Commitments not provided for in the financial statements are as follows:

		Group	
(S$ million)	Note	2024	2023
Commitments in respect of contracts placed for property, plant and equipment	a	948	1,120
Commitments in respect of a civil settlement in China	b	–	45
Uncalled commitments to subscribe for additional shares in joint ventures and other investments		3	3
Commitments in respect of purchase of investment properties		48	*
		999	1,168

a. The amounts in 2024 and 2023 are mainly for the fulfilment of solar projects in Singapore, various wind-solar hybrid power projects secured in India, as well as for the construction of a new multi-utilities centre on Jurong Island.

b. As part of the settlement relating to the discharge of off-specification wastewater by its 98.42%-owned wastewater treatment company, Sembcorp Nanjing Suiwu Company Limited, the Group is committed to invest S$45 million by December 2023 to develop projects and initiatives to support environmental protection in China.

The Group has invested more than S$45 million by the end of December 2023, of which confirmation of the full discharge of our commitment has been obtained from the Nanjing Procuratorate and court in November 2024.

Notes to the Financial Statements

D. Our Assets

In line with the Group's strategic plan on energy transition and sustainable development, the Group has continued to invest in renewable power equipment to enhance its energy sustainability portfolio.

D1. Property, Plant and Equipment

Accounting policies

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and impairment losses. The cost initially recognised includes acquisition costs, costs directly attributable to bringing the assets to the location and working condition for their intended use and capitalised borrowing costs. Costs also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of PPE and estimated costs to be incurred for restoring the asset upon expiry of the lease agreement.

i. Subsequent Expenditure

Subsequent expenditure is recognised in the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of PPE are expensed to profit or loss when incurred. For items subject to regular overhauls, the overhaul costs incurred are capitalised and the carrying amounts of replaced components are written off to profit or loss.

ii. Depreciation

Depreciation is based on the cost of an asset less its residual value (i.e. the estimated net amount to be obtained from disposal). Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each major component of an item of PPE as follows:

Leasehold land	Lease period of 5 to 60 years
Buildings	3 to 50 years
Quays and dry docks	9 to 28 years
Infrastructure	25 to 30 years
Plant and machinery	3 to 56 years
Tools and workshop equipment	3 to 10 years
Furniture, fittings, and office equipment	1 to 10 years
Motor vehicles	2 to 10 years

No depreciation is provided on freehold land and capital work-in-progress.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

iii. Impairment

At the end of each reporting period, assessment is performed to identify whether there is any indication that an asset may be impaired. Impairment occurs when the carrying value of assets or its smallest identifiable, independent asset group that generates cash flows (cash-generating unit (CGU)) is greater than their recoverable amount. The recoverable amount is the higher of the assets' fair value less cost to sell and their value-in-use (VIU) (i.e. present value of the net cash flows they are expected to generate). The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

iv. Reversals of impairment

Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of impairment loss for an asset is recognised in profit or loss.

v. Disposals

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Key estimates and judgements

Judgments are used in estimating the recoverable amount of an asset, i.e. in determining an asset's fair value and in assessing its VIU (the future cash flows expected to be generated by the asset and the pre-tax discount rate in bringing them to present value). In making these estimates, the Group considers the market value of the asset, changes to the technological, market, economic or legal environment in which the Group operates, market interest rates, evidence of obsolescence or physical damage to the PPE and changes to the expected usage of the asset.

The Group also applies judgement in determining an asset's depreciation methods, estimated useful lives and residual values. These are reviewed annually, taking into consideration factors such as changes in the expected level of usage and technological developments, and adjusted prospectively where appropriate.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Note	Leasehold and freehold land and buildings	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Group									
Cost / Valuation									
Balance at January 1, 2024		463	12	7,838	64	80	911	451	9,819
Translation adjustments		1	–	28	1	*	10	2	42
Additions		12	*	34	4	3	1,422	514	1,989
Reclassification		5	–	601	2	–	(608)	–	–
Acquisition of subsidiaries	iii	22	–	393	*	6	160	12	593
Transfer to intangible assets	D3	–	–	–	(3)	–	(2)	–	(5)
Transfer to assets held for sale		(37)	–	(330)	(7)	(53)	(4)	(92)	(523)
Remeasurement adjustments for right-of-use assets		–	–	–	–	–	–	1	1
Termination of contract		–	–	–	–	–	–	(11)	(11)
Liquidation of subsidiary		*	–	(11)	*	*	–	–	(11)
Disposals / Write-offs		(5)	*	(46)	(1)	(21)	(11)	(2)	(86)
Balance at December 31, 2024		461	12	8,507	60	15	1,878	875	11,808
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2024		149	10	2,968	49	43	5	130	3,354
Translation adjustments		*	–	13	*	*	*	1	14
Depreciation for the year	B4a	12	*	343	8	7	–	47	417
Reclassification		2	–	–	(2)	–	–	–	–
Transfer to intangible assets	D3	–	–	–	(3)	–	–	–	(3)
Transfer to assets held for sale		(26)	–	(118)	(6)	(25)	–	(21)	(196)
Termination of contract		–	–	–	–	–	–	(5)	(5)
Liquidation of subsidiary		–	–	(11)	*	–	–	–	(11)
Disposals / Write-offs		(1)	*	(40)	(1)	(19)	*	(2)	(63)
Impairment losses	B4a	(4)	–	1	*	–	–	–	(3)
Balance at December 31, 2024		132	10	3,156	45	6	5	150	3,504
Carrying Amounts									
At January 1, 2024		314	2	4,870	15	37	906	321	6,465
At December 31, 2024		329	2	5,351	15	9	1,873	725	8,304

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Note	Leasehold and freehold land and buildings	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Group									
Cost / Valuation									
Balance at January 1, 2023		418	12	7,187	61	82	230	405	8,395
Translation adjustments		(9)	–	(60)	(1)	*	(5)	–	(75)
Additions		13	–	58	5	4	767	30	877
Reclassification		9	–	383	2	*	(394)	–	–
Acquisition of subsidiaries	iii	32	–	421	*	–	315	21	789
Transfer to intangible assets	D3	–	–	–	–	–	(1)	–	(1)
Remeasurement adjustments for right-of-use assets		–	–	–	–	–	–	3	3
Disposals / Write-offs		*	*	(151)	(3)	(6)	(1)	(8)	(169)
Balance at December 31, 2023		463	12	7,838	64	80	911	451	9,819
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2023		134	10	2,742	45	42	5	112	3,090
Translation adjustments		(1)	–	10	–	–	–	–	9
Depreciation for the year									
– Continuing operations	B4a	12	*	356	7	8	–	25	408
Reclassification		*	–	–	*	–	–	–	–
Disposals / Write-offs		*	*	(140)	(3)	(7)	–	(7)	(157)
Impairment losses	B4a	4	–	*	*	*	–	–	4
Balance at December 31, 2023		149	10	2,968	49	43	5	130	3,354
Carrying Amounts									
At January 1, 2023		284	2	4,445	16	40	225	293	5,305
At December 31, 2023		314	2	4,870	15	37	906	321	6,465

Group

i. PPE with the following net book values have been pledged to secure loan facilities granted to subsidiaries. The PPE of the disposal group and the corresponding amount pledged are presented under assets held for sale (Note G6).

(S$ million)	Note	Group December 31, 2024	Group December 31, 2023
Freehold land and buildings		4	60
Leasehold land and buildings including right-of-use assets		21	41
Plant and machinery		925	1,222
Other assets		2	2
	C5a	952	1,325

ii. During the year, interest and direct staff costs amounting to S$28 million (2023: less than S$1 million) and S$5 million (2023: S$1 million), respectively were capitalised as capital work-in-progress. The capitalised interest costs are calculated using a rate from 2.60% to 10.10% (2023: 3.45% to 4.20%).

iii. PPE arising from the acquisition of subsidiaries were stated at fair value at the acquisition date (Note G5).

iv. In 2024, the provision for restoration costs capitalised in PPE amounted to S$15 million (2023: S$19 million) (Note H2).

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

Change in estimates

During 2024, the Group conducted a review of operational efficiency, technical performance and future economic benefits for its thermal power plants in the UK. Based on this review and the opinion of the external consultant on the plant's conditions, changes were made to the expected useful life of its biomass plant. The estimated useful life of this asset, which was initially pegged to the Renewable Obligation Certificate (ROC) scheme with a period of 20 years, is now expected to remain in operation for a further 15 years from the expiry of the ROCs scheme.

The effect of these changes on depreciation expense in current and future periods on assets currently held is as follows:

(S$ million)	2024	2025	2026	2027	2028	Later
(Decrease) / Increase in depreciation expense and (increase) / decrease in profit before tax	(6)	(6)	(6)	(4)	1	21

(S$ million)	Leasehold land	Building and improvements to premises	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Company									
Cost									
Balance at January 1, 2024	*	26	8	731	22	2	37	168	994
Additions	*	–	*	11	*	*	68	4	83
Remeasurement adjustments for right-of-use assets	–	–	–	–	–	–	–	*	*
Reclassification	*	*	–	35	*	–	(35)	–	–
Reclassification to other category of assets	–	–	–	–	(3)	–	*	–	(3)
Disposals / Write-offs	–	*	*	(23)	*	*	–	(11)	(34)
Termination of contract	–	–	–	–	–	–	–	(7)	(7)
Balance at December 31, 2024	*	26	8	754	19	2	70	154	1,033
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2024	*	22	6	522	20	1	–	73	644
Depreciation for the year	*	1	*	29	1	*	–	7	38
Reclassification to other category of assets	–	–	–	–	(3)	–	–	–	(3)
Reclassification	*	*	–	–	*	–	–	–	–
Disposals / Write-offs	–	*	*	(21)	*	*	–	(11)	(32)
Impairment losses	–	*	–	*	*	–	–	–	*
Termination of contract	–	–	–	–	–	–	–	(3)	(3)
Balance at December 31, 2024	*	23	6	530	18	1	–	66	644
Carrying Amounts									
At January 1, 2024	*	4	2	209	2	1	37	95	350
At December 31, 2024	*	3	2	224	1	1	70	88	389

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Leasehold land	Building and improvements to premises	Quays and dry docks	Plant and machinery	Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
Company									
Cost									
Balance at January 1, 2023	*	26	8	732	22	2	3	160	953
Additions	*	*	–	15	1	–	37	7	60
Remeasurement adjustments for right-of-use assets	–	–	–	–	–	–	–	1	1
Reclassification	–	*	–	3	*	–	(3)	–	–
Transfer from inventory	–	–	–	1	–	–	–	–	1
Disposals / Write-offs	*	*	*	(20)	(1)	*	*	–	(21)
Balance at December 31, 2023	*	26	8	731	22	2	37	168	994
Accumulated Depreciation and Impairment Losses									
Balance at January 1, 2023	*	21	6	495	19	1	–	63	605
Depreciation for the year	–	1	*	46	2	*	–	10	59
Disposals / Write-offs	*	*	*	(19)	(1)	*	–	–	(20)
Impairment losses	–	–	–	*	–	*	–	–	*
Balance at December 31, 2023	*	22	6	522	20	1	–	73	644
Carrying Amounts									
At January 1, 2023	*	5	2	237	3	1	3	97	348
At December 31, 2023	*	4	2	209	2	1	37	95	350

D1.1 Right-of-use Assets and Leases

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, please refer to Note D2 Investment Properties and Note B2 under Rental Income.

Accounting policies

The Group determines whether an arrangement is or contains a lease at inception. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at the date which the leased asset is available for use by the Group.

Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets. These right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The policy on impairment and reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D1.1 Right-of-use Assets and Leases *(cont'd)*

Accounting policies *(cont'd)*

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially used at the commencement date
- the extension option if the Group is reasonably certain to exercise that option
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- amounts expected to be payable by the Group under residual value guarantees, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

These lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the lessee's incremental borrowing rate. The resulting finance cost is charged to profit or loss over the lease period.

Lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments, with a corresponding adjustment to the right-of-use asset or in profit or loss if the carrying amount of the asset has been reduced to zero.

Payment associated with short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Key estimates and judgements

The Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. If the Group should exercise the extension option, the potential future lease payments would result in an increase in lease liability.

a. Amounts recognised in the balance sheets

	Group	
(S$ million)	December 31, 2024	December 31, 2023
Right-of-use assets		
Leasehold land and buildings	719	303
Plant and machinery	6	4
Motor vehicles	*	14
Furniture, fittings and office equipment	*	*
Total	725	321
Lease liabilities		
Current	27	18
Non-current	702	292
Total	729	310
Maturity analysis		
Within 1 year	27	18
After 1 year but within 5 years	119	82
After 5 years	583	210
Total	729	310

In 2024, the addition to the right-of-use assets was S$514 million (2023: S$30 million), primarily due to the leasing of land and rooftops on Jurong Island, with a lease term of 20 years for solar deployment in Singapore and land lease for India's renewable projects. This amount also included land lease paid for India's hydrogen business.

	Company	
(S$ million)	December 31, 2024	December 31, 2023
Right-of-use assets		
Leasehold land and buildings	67	72
Plant and machinery	21	23
Total	88	95
Lease liabilities		
Current	5	11
Non-current	103	104
Total	108	115
Maturity analysis		
Within 1 year	5	11
After 1 year but within 5 years	20	19
After 5 years	83	85
Total	108	115

b. Amounts recognised in profit or loss

		Group	
(S$ million)	Note	2024	2023
Depreciation charge of right-of-use assets:			
– Leasehold land and buildings		41	19
– Plant and machinery		1	1
– Motor vehicles		5	5
– Furniture, fittings and office equipment		*	*
		47	25
Interest expense on lease liabilities (included in finance cost)	C6	13	11
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)		*	1
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in cost of goods sold and administrative expenses)		10	8
Expense relating to variable lease payments not included in lease liabilities (included in cost of goods sold and administrative expenses)		*	*

i. The total cash outflow for leases in 2024 was S$40 million (2023: S$32 million).

ii. During the year, depreciation amount of S$19 million (2023: less than S$1 million) was capitalised as capital work-in-progress.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D2. Investment Properties

The Group holds certain properties for rental yields and for capital appreciation.

Accounting policies

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives ranging from 20 to 60 years or the lease period of 15 to 16 years. The assets' depreciation methods, useful lives and residual values are reviewed annually and adjusted if appropriate. No depreciation is provided on freehold land.

Cost includes expenditure that is directly attributable to the acquisition of the investment properties.

Investment properties are subject to renovations or improvements at regular intervals. The cost of major renovations and improvements is capitalised as additions when it increases the future economic benefits, embodied in the specific asset to which it relates, and its costs can be measured reliably. The carrying amounts of the replaced components are written off to profit or loss. The cost of maintenance, repairs and minor improvements is recognised as an expense when incurred.

The policy on impairment and reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

		Group		
(S$ million)	Note	Investment properties	Investment properties work-in-progress	Total
Cost				
Balance at January 1, 2024		181	*	181
Translation adjustments		(1)	1	–
Additions		*	60	60
Reclassification		*	*	–
Transfer to assets held for sale		(15)	–	(15)
Balance at December 31, 2024		165	61	226
Accumulated Depreciation				
Balance at January 1, 2024		28	–	28
Translation adjustments		*	–	*
Depreciation for the year	B4a	5	–	5
Transfer to assets held for sale		(14)	–	(14)
Balance at December 31, 2024		19	–	19
Carrying Amounts				
At January 1, 2024		153	*	153
At December 31, 2024		146	61	207

		Group		
(S$ million)	Note	Investment properties	Investment properties work-in-progress	Total
Cost				
Balance at January 1, 2023		148	10	158
Translation adjustments		(5)	*	(5)
Additions		*	29	29
Reclassification		39	(39)	–
Disposals / Write-offs		(1)	–	(1)
Balance at December 31, 2023		181	*	181
Accumulated Depreciation				
Balance at January 1, 2023		25	–	25
Translation adjustments		(1)	–	(1)
Depreciation for the year	B4a	4	–	4
Disposals / Write-offs		*	–	*
Balance at December 31, 2023		28	–	28
Carrying Amounts				
At January 1, 2023		123	10	133
At December 31, 2023		153	*	153

At December 31, 2024, investment properties of the Group with carrying amount of S$46 million (2023: S$49 million) is pledged as security to secure a bank loan.

Amounts recognised in profit or loss for investment properties

	Group	
(S$ million)	2024	2023
Rental income	22	10
Operating expenses arising from rental of investment properties	11	9

The fair value of the investment properties as at the balance sheet date is S$264 million (2023: S$204 million). The fair values are mostly determined by independent professional valuers using a combination of investment income method and direct or market comparison techniques, including adjustments to reflect the specific use of the investment properties. Such valuation is derived from observable market data from an active and transparent market. In the absence of current prices in an active market, the fair values are determined by considering the aggregate of the estimated cash flow expected to be received from renting out the properties or Directors' valuation. A yield that reflects the specific risks inherent in the cash flows is then applied to the net annual cash flows to obtain the fair values.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D2. Investment Properties *(cont'd)*

The Group leases out its investment properties. The lease agreement provides for additional lease payments annually based on changes to a price index. Non-cancellable operating lease rentals receivable are as follows:

(S$ million)	Group 2024	Group 2023
Lease receivable:		
Within 1 year	10	8
1 to 2 years	7	5
2 to 3 years	4	3
3 to 4 years	2	1
4 to 5 years	1	1
More than 5 years	2	2
	26	20

D3. Intangible Assets

The balance sheet contains significant intangible assets, mainly in relation to goodwill, intellectual property rights and long-term contracts.

Accounting policies

a. Goodwill

Goodwill is measured at cost less accumulated impairment losses. The goodwill cost represents the excess of:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net amount recognised (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the excess is negative, a negative goodwill is recognised immediately in profit or loss.

Goodwill is not amortised but is tested for impairment on an annual basis. An impairment loss on goodwill is recognised as an expense in profit or loss and is not reversed in a subsequent period.

Goodwill that has previously been taken to reserves is not taken to profit or loss when (i) the business is disposed of or discontinued or (ii) the goodwill is impaired. Similarly, negative goodwill that has previously been taken to reserves is not taken to profit or loss when the business is disposed of or discontinued.

b. Service Concession Arrangements

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. This intangible asset is measured at fair value upon initial recognition by reference to the fair value of the services provided. After initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period when the Group has a right to charge the public for the usage of the infrastructure to the end of the concession period.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of 25 to 30 years.

c. Long-term Contracts

Long-term revenue and supplier contracts are fair valued using cash flow projections over the contractual period of 1 to 30 years. Amortisation is recognised in profit or loss on a straight-line basis over the contractual period.

d. Power Generation Permits

Power generation permits are fair valued using cash flow projections over the tenure of the permits, ranging from 20 to 25 years. Amortisation is recognised in profit or loss on a straight-line basis over the tenure of the permits.

e. Carbon Allowances

Carbon allowances received are accounted for using the 'net liability' method. Any quantities of allowances above those forecast to be required for the Group's own use are accounted for as an intangible asset together with a related deferred income balance in the balance sheet at their estimated recoverable value. A liability would only crystalise when emissions are greater than the allowances granted.

f. Other Intangible Assets

Other intangible assets comprise software, development rights and golf club membership.

Other intangible assets with a finite life are measured at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally generated goodwill is recognised in profit or loss as an expense as incurred. Other intangible assets are amortised on a straight-line basis from the date the asset is available for use and over its estimated useful lives ranging from 3 to 30 years.

Subsequent Expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and its costs can be measured reliably. All other expenditures are expensed as incurred.

Impairment (except for Goodwill, separately disclosed in (a))

Intangible assets that have indefinite useful lives or that are not yet available for use are tested for impairment annually. For intangible assets with finite useful lives, the policy on impairment is consistent with property, plant and equipment as disclosed in Note D1.

Reversal of Impairment (except for Goodwill, separately disclosed in (a))

The policy on reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Key estimates and judgements

The determination of the recoverable amounts of goodwill and other intangible assets involves judgement and is subject to significant estimation uncertainties, principally, the discount rates, gross margin forecasts and plant load factors. The gross margin forecasts and plant load factors consider expected customer demand, forecasted tariff rates and future carbon taxes for the non-renewable investments. These are inherently subject to estimation uncertainties as well as political and regulatory developments.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

(S$ million)	Note	Group Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Cost								
Balance at January 1, 2024		329	49	348	466	41	72	1,305
Translation adjustments		2	*	3	*	1	*	6
Additions	i	–	*	–	*	15	16	31
Acquisition of subsidiaries	G5, iv	10	–	1	60	–	*	71
Disposal of subsidiaries		*	–	–	–	–	*	*
Disposals	i	–	*	–	*	(35)	*	(35)
Transfer from property, plant and equipment	D1	–	–	–	–	–	5	5
Transfer to assets held for sale		–	–	(10)	*	–	(2)	(12)
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2024		341	49	342	526	22	91	1,371
Accumulated Amortisation								
Balance at January 1, 2024		113	26	136	25	–	53	353
Translation adjustments		2	*	1	*	–	*	3
Amortisation charge for the year	B4a	–	3	15	21	–	8	47
Acquisition of subsidiaries		–	–	–	–	–	*	*
Disposal of subsidiaries		–	–	–	–	–	*	*
Disposals		–	*	–	*	–	*	*
Transfer from property, plant and equipment	D1	–	–	–	–	–	3	3
Transfer to assets held for sale		–	–	(10)	*	–	(2)	(12)
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2024		115	29	142	46	–	62	394
Carrying Amounts								
At January 1, 2024		216	23	212	441	41	19	952
At December 31, 2024		226	20	200	480	22	29	977

(S$ million)	Note	Group Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Cost								
Balance at January 1, 2023		235	51	182	393	78	65	1,004
Translation adjustments		(1)	(2)	2	(17)	3	(3)	(18)
Additions	i	–	*	–	–	32	9	41
Acquisition of subsidiaries	G5	95	–	164	90	–	–	349
Disposals	i	–	*	–	–	(72)	*	(72)
Transfer from property, plant and equipment	D1	–	*	–	–	–	1	1
Write-off	B4a	*	*	–	–	–	*	*
Balance at December 31, 2023		329	49	348	466	41	72	1,305
Accumulated Amortisation								
Balance at January 1, 2023		109	27	117	9	–	45	307
Translation adjustments		4	(4)	5	(1)	–	*	4
Amortisation charge for the year								
– Continuing operations	B4a	–	3	14	17	–	8	42
Disposals		–	*	–	–	–	*	*
Write-off	B4a	–	*	–	–	–	*	*
Balance at December 31, 2023		113	26	136	25	–	53	353
Carrying Amounts								
At January 1, 2023		126	24	65	384	78	20	697
At December 31, 2023		216	23	212	441	41	19	952

i. The additions during the year mainly related to the increase in carbon allowances and the disposal was for the settling of the Group's carbon obligation.

ii. Intangible assets of less than S$1 million (2023: less than S$1 million) have been pledged to secure loan facilities.

iii. The amortisation of intangible assets is analysed as follows:

(S$ million)	Group 2024	2023
Cost of sales	41	36
Administrative expenses	6	6
Total	47	42

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

a. Goodwill

Impairment Testing

Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

		Group	
(S$ million)	Note	December 31, 2024	December 31, 2023
Cash-generating Unit (CGU)			
SUT Division		19	19
Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	i	43	43
Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	ii	127	127
Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries (HYNE)		26	26
GELEX Group Joint Stock Company and its subsidiaries (Gelex)	iii	10	–
Multiple units with insignificant goodwill		1	1
		226	216

i. Sembcorp Gas Pte Ltd and Sembcorp Fuels (Singapore) Pte Ltd are considered a single CGU as both have the same customer bases for natural gas, pricing is set by the same management team and cash inflows are not generated largely independently.

ii. Green Infra Wind Energy Limited (GIWEL) was renamed to Sembcorp Green Infra Private Limited (SGIPL) in 2024.

iii. In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex, which consists of a portfolio of solar and winds assets. The increase in goodwill predominantly arose from this acquisition. The identified assets acquired, and liabilities assumed for the CGU are measured at their fair values and there has been no change to the goodwill determined on provisional basis as at December 31, 2024 (see Note G5).

The recoverable amounts for SUT Division, Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd, Sembcorp Green Infra Private Limited and its subsidiaries, as well as Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries were determined using value-in-use calculations. Cash flow projections used in the value-in-use calculations were prepared based on management's experience in operating the business and forward market outlook over the long-term nature of the utilities and power business. Pre-tax discount rates between 5.71% and 9.76% (2023: 6.0% and 10.3%) had been used.

At the balance sheet date, based on the key assumptions below, the recoverable amounts of the respective CGUs exceeded their carrying amounts.

Key assumptions on recoverable amounts of respective CGUs

	SUT Division	Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd and its subsidiaries (HYNE)
Cash flow projections period	Remaining useful life of plants assumed 17 years (2023: 18 years)	Remaining contractual period of existing contracts	Remaining useful life of plants assumed 30 years from Commercial Operations Date (COD)	Remaining useful life of plants assumed 19 to 22 years
Revenue and margins	Based on contracts secured along with likely renewals and forecasted demand for industrial utilities and services; as well as forecasted margins	Based on estimated sales and purchases of gas quantities derived from the contractual period of existing contracts	Based on long-term contracts secured at contracted tariffs. New contracts and contract renewals are assumed based on estimated demand and supply as well as margin	Based on feed-in tariffs as per power purchase agreements secured along with likely renewals
Carbon tax / Costs	Carbon taxes will be borne by customers	Carbon taxes will be borne by customers	NA	NA
Expected capital expenditure	In accordance with plant maintenance programme	In accordance with plant maintenance programme and pipeline servicing	In accordance with plant maintenance programme	In accordance with plant maintenance programme
Terminal value	Nil (2023: Nil)	Nil (2023: Nil)	Nil (2023: Nil)	5% of original cost
Inflation rate assumptions used to project overheads and other general expenses	2.0%–2.5% (2023: 2.0%–5.5%)	2.0%–2.5% (2023: 2.0%–5.5%)	3.0%–5.0% (2023: 3.0%–5.0%)	0% (2023: 0%)
Others	NA	Forward USD / SGD exchange rate and High Sulphur Fuel Oil (HSFO) prices with reference to forward quotes were assumed in the forecast performance	NA	NA

The assumptions for SGIPL and its subsidiaries include those from its portfolio of assets acquired in 2023 (Note G5).

No sensitivity analysis was disclosed for the CGUs as the Group believes that any reasonable possible change in the key assumptions is unlikely to result in any material impairment to the CGUs.

Notes to the Financial Statements

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

b. Service Concession Arrangements

The subsidiaries in Fuzhou and Yanjiao in People's Republic of China have service concession agreements with the local municipalities to supply drinking water to the local communities.

Under these arrangements, the charges for use of these assets are adjusted regularly according to agreed cost reference and escalation formula in the concession agreement as approved by respective local authorities.

c. Long-term Contracts

India

The subsidiaries in the renewables sector in India have long-term contracts with India's State Electricity Boards in Rajasthan, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Punjab, and Telangana with tenures ranging from 20 to 30 years. These subsidiaries also sell electricity to commercial customers with tenures ranging from 10 to 25 years.

United Kingdom (UK)

The subsidiaries in the UK acquired in 2018, have contracted with the National Grid of the UK to generate electricity through a portfolio of diesel and gas generators in multiple sites across the UK and supplier contracts with tenures ranging from 1 to 15 years. The majority of these contracts provide fixed rate cash flows relating to plant availability (Capacity Market contracts).

d. Power Generation Permits

The subsidiaries in China own power generation permits to operate solar and wind power plants in various locations of China, with tenures ranging from 20 to 25 years.

e. Carbon Allowances

These are allowances, received from the UK government and purchased from the carbon market, to settle the emission obligation from its gas-fired power plants in UK.

f. Other Intangible Assets

Other intangible assets comprise water rights, software, development rights and golf club membership.

	Company		
(S$ million)	Goodwill	Others	Total
Cost			
Balance at January 1, 2024	19	36	55
Additions	–	8	8
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	19	47	66
Accumulated Amortisation			
Balance at January 1, 2024	–	26	26
Amortisation charge for the year	–	4	4
Transfer from property, plant and equipment	–	3	3
Balance at December 31, 2024	–	33	33
Carrying Amounts			
At January 1, 2024	19	10	29
At December 31, 2024	19	14	33
Cost			
Balance at January 1, 2023	19	31	50
Additions	–	5	5
Balance at December 31, 2023	19	36	55
Accumulated Amortisation			
Balance at January 1, 2023	–	23	23
Amortisation charge for the year	–	3	3
Balance at December 31, 2023	–	26	26
Carrying Amounts			
At January 1, 2023	19	8	27
At December 31, 2023	19	10	29

The Company's goodwill relates to goodwill on the acquisition of the SUT Division in 2008.

Notes to the Financial Statements

E. Our Working Capital

E1. Trade and Other Receivables

Trade and other receivables mainly consist of amounts owed to the Group by customers and amounts paid to the Group's suppliers in advance.

Accounting policies

Trade and other receivables are initially recognised at the amount of consideration receivable that is unconditional, unless they contain significant financing components, whereby they will be recognised at fair value.

Subsequently, trade and other receivables are measured at amortised cost only if (i) the asset is held within a business model whose objective is to collect the contractual cash flows and (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest. The carrying value of trade and other receivables is reduced by appropriate allowances for estimated irrecoverable amounts. The estimated irrecoverable amounts and calculation of loss allowances are based on policies set out in Note F4. Interest income, foreign exchange gains or losses, impairment losses and gains or losses on derecognition relating to these receivables are recognised in profit or loss.

In the service concession arrangements, the Group recognises a financial asset arising from its construction services when it has an unconditional contractual right to receive fixed and determinable amounts of payments irrespective of the output produced. The consideration receivable is initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

		December 31, 2024			December 31, 2023		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Group							
Trade receivables	i	*	901	901	6	835	841
Service concession receivables	ii	778	49	827	796	47	843
Amounts due from related parties	G4	5	232	237	5	109	114
Deposits	iii	4	32	36	21	30	51
Sundry receivables	iv	5	159	164	39	166	205
Contingent receivable	v	12	–	12	–	–	–
Unbilled receivables	vi	–	324	324	–	364	364
Recoverables		2	26	28	3	24	27
Interest receivables		–	4	4	–	5	5
Grant receivables		–	4	4	–	4	4
Finance lease receivables		4	–	4	–	–	–
		810	1,731	2,541	870	1,584	2,454
Loss allowance	F4	(136)	(71)	(207)	(132)	(64)	(196)
Financial assets at amortised cost	F4, vii	674	1,660	2,334	738	1,520	2,258
Prepayments	viii	65	33	98	53	44	97
Employee defined benefit asset		4	*	4	10	*	10
Advances to suppliers		–	108	108	–	105	105
Tax recoverable		59	11	70	10	5	15
		802	1,812	2,614	811	1,674	2,485

i. Trade receivables include subsidies on energy production received by renewables companies in China. As of the date of the report, certain receipts of these receivables are waiting for the final verification results from the regulators. In 2024, a loss allowance of S$22 million was made (see Note F4(iv)).

ii. The Group has service concession agreements with the local governments and governing agencies through its subsidiaries. The agreements in Singapore are for supply of treated water and agreements in Myanmar and Bangladesh are for supply of electricity.

The guaranteed sum receivables from the grantors for the construction of the underlying assets are discounted at interest rates ranging from 3.6% to 8.5% (2023: 3.6% to 8.5%).

iii. Deposits include cash collateral placed on deposits in margin accounts.

iv. Sundry receivables represent mainly GST receivables, loan receivables and miscellaneous receivables.

v. Contingent receivable of S$12 million recognised on acquisition of Gelex in 2024 (see Note G5(ii)).

vi. Unbilled receivables represent revenue accrued for sale of utilities commodities and services.

vii. Trade and other receivables of S$441 million (2023: S$409 million) have been pledged to secure loan facilities.

viii. Prepayments are charged to profit or loss on a straight-line basis over the service period. They relate primarily to:

- Connection fees prepaid under the Generation Connection and Use of System Agreement for the use of the transmission lines to a related corporation amounted to S$30 million (2023: S$34 million).
- Service fees prepaid under the Gasoil Supply and Storage Agreement for the usage of tank; and
- Capacity charges prepaid for the use of gas delivery pipelines, prepaid insurance premium, transport tariff recoverable and maintenance of plant.

		December 31, 2024			December 31, 2023		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Company							
Trade receivables		–	22	22	–	21	21
Amounts due from related parties	G4	–	47	47	–	30	30
Deposits		–	*	*	–	2	2
Unbilled receivables	i	–	48	48	–	51	51
Recoverables		–	–	–	–	3	3
Sundry receivables		–	10	10	–	1	1
Grant receivables		–	4	4	–	4	4
		–	131	131	–	112	112
Loss allowance	F4	–	(1)	(1)	–	(1)	(1)
Financial assets at amortised cost	F4	–	130	130	–	111	111
Prepayments	ii	*	1	1	*	4	4
Advance to suppliers		–	2	2	–	2	2
		*	133	133	*	117	117

i. Included in the Company's unbilled receivables are amounts of S$24 million (2023: S$34 million) due from related companies.

ii. Connection and capacity charges prepaid for the use of pipelines and pipe racks.

Notes to the Financial Statements

E. Our Working Capital *(cont'd)*

E2. Inventories

Accounting policies

a. Inventories

Finished goods, consumable materials, spares, and environmental attributes are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Environmental attributes (EA) include renewable energy certificates and renewable obligation certificates. They are held for sale in the ordinary course of business and / or are self-generated. The recognition of the self-generated EA as inventory will be only at the completion of the certification process when these certificates become a resource controlled by the generating entity.

b. Development Properties

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes land and construction costs, related expenditure and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

Key estimates and judgements

The Group applies critical accounting judgements in classifying development properties. In assessing the classification of development properties, management considers its intention with regards to the use of the properties (i.e. held with the intention of development and sale in the ordinary course of business or for rental and capital appreciation). Where there is a change in intended use, a change in classification may be required.

	Group		Company	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Raw materials and consumables	125	120	2	3
Finished goods	28	30	5	5
Environmental attributes	*	2	–	–
	153	152	7	8
Allowance for inventory obsolescence	(19)	(19)	(1)	(1)
	134	133	6	7
Properties under development	1	2	–	–
	135	135	6	7

S$30 million (2023: S$26 million) of the Group's inventories were pledged to secure loan facilities.

Amounts recognised in profit or loss

		Group	
(S$ million)	Note	2024	2023
Inventories recognised as an expense in cost of sales		298	263
Write-back of allowance for inventory obsolescence	B4a	(2)	(7)

E3. Trade and Other Payables

Trade and other payables mainly consist of amounts the Group owes to its suppliers. They also include taxes and social security amounts payable relating to the Group's workforce.

Accounting policies

Trade and other payables (excluding advance payments from customers, deferred grants, deferred income and retirement benefit obligations) are classified as financial liabilities measured at amortised cost using the effective interest method. Trade payables are not interest-bearing and are stated at their nominal value.

		Group		Company	
(S$ million)	Note	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Current liabilities					
Trade payables		303	300	3	4
Advance payments from customers		28	28	*	*
Amounts due to related parties	G4	20	19	6	151
Accrued capital and operating expenditure	i	742	715	156	132
Deposits		20	31	*	*
Accrued interest payable		32	32	–	–
Other creditors	ii	297	268	7	2
Deferred grants		1	1	–	–
Deferred consideration		45	103	–	–
Contingent consideration		97	133	–	–
		1,585	1,630	172	289
Non-current liabilities					
Deferred grants	iii	2	19	–	–
Amounts due to related parties	G4	–	–	1,393	1,370
Other long-term payables	iv	41	58	21	20
Deferred income		49	36	2	2
Contingent consideration		–	1	–	–
Retirement benefit obligation		7	7	–	–
		99	121	1,416	1,392

i. Included in the Group's and Company's accrued operating expenses are amounts of S$9 million and S$60 million (2023: S$46 million and S$26 million) due to related companies respectively.

ii. Included in the Group's other creditors is an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

iii. Non-current deferred grants related to government grants for capital assets.

iv. Other long-term payables included retention monies of subsidiaries, long-term employee benefits and accrued operating and maintenance services which will be billed only after the initial payment-free period, which is more than one year.

Notes to the Financial Statements

E. Our Working Capital *(cont'd)*

E4. Cash and Cash Equivalents

Accounting policies

Cash and cash equivalents which comprise cash balances and bank deposits are classified as financial assets measured at amortised cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand. Bank overdrafts are shown within loans and borrowings in current liabilities on the balance sheet.

The majority of the Group's cash is held in bank deposits or money market funds which have a maturity of three months or less to enable short-term liquidity requirements to be met.

	Group		Company	
(S$ million)	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
Fixed deposits with banks	298	242	–	–
Cash and bank balances	573	525	201	288
Cash and cash equivalents in the balance sheets	871	767	201	288
Restricted bank balances	(21)	(35)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	850	732	201	288
Cash and cash equivalents placed with				
– A subsidiary	–	–	199	286
– A related corporation	32	25	2	2

Fixed deposits with banks of the Group earn interest at rates ranging from 1.30% to 7.10% (2023: 0.20% to 7.25%) per annum.

Included in the Group's cash and cash equivalents is an amount of S$99 million (2023: S$84 million) over which banks have a first charge in the event that the respective subsidiaries do not meet the debt servicing requirements.

F. Our Financial Instruments and Risks Management

In undertaking the transformation from brown to green, the Group has carefully optimised its assets portfolio, monitored its risk exposures, and ensured that the Group is not over-leveraged.

F1. Market Risk

This note details the Group's exposure to treasury and financial risks including credit, liquidity, interest and foreign exchange risks, and the objectives and policies in place to monitor and manage these risks.

The Group has implemented the Integrated Assurance Framework (IAF) which is based on a multi-level lines of defense (LOD) model. Through the IAF structure, the respective LODs work together to ensure that key financial, operational, compliance and IT risks are reviewed and tested using a robust assurance process. Under the IAF, a pragmatic and collaborative approach to risk and controls assessment has been established, with common and consistent criteria applied to assess the risks and adequacy and effectiveness of internal controls.

Under the IAF, the Group's key markets, being the first LOD, are required to work with the second LOD comprising business lines, subject matter experts and corporate functions, to perform a thorough review and assessment of their risks and internal controls.

Clear escalation procedures and key risk indicators have been established and aligned with the Group's risk appetite.

The proactive management of key risks and controls strengthens not only the Group's reporting and monitoring capabilities, but also cultivates a risk culture of accountability and ownership.

Key themes of the IAF include cyber security, plant availability and reliability, health and safety, regulatory and compliance, people and talent management, fraud risk management and governance.

Financial Risk Management Objectives and Policies

The Group's day-to-day operations, new investment opportunities and funding activities introduce financial risks, which are actively managed by management with Board oversight. These risks are grouped into the following categories:

- Market: The risk that fluctuations in commodity prices, foreign exchange and interest rates adversely impact the Group's results.
- Liquidity: The risk that the Group will not be able to meet the financial obligations as they fall due.
- Credit: The risk that a counterparty will not fulfil its financial obligations under a contract or other arrangement.

The Board has adopted the Group Treasury policies and financial authority limits to manage these risks. The Group Treasury policies set out the parameters for financing structure, liquidity, counterparty risk management, foreign exchange risk management and use of derivative transactions. Derivative transactions are permitted only if it involves underlying assets or liabilities.

a. Market Risk

Market risk is the possibility that changes in interest rates, foreign exchange rates, equity securities and commodities will adversely affect the value of the Group's assets, liabilities or expected future cash flows. The objective of market risk management is to manage and reduce the above exposures within acceptable parameters.

i. Interest Rate Risk

The Group's interest rate exposure is primarily in relation to its fixed rate borrowings (fair value risk), variable-rate borrowings and cash and cash equivalents (cash flow risk).

The Group's policy is to target at least 50% of its debt portfolio with fixed interest rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at variable rates while using interest rate swaps and cross currency swaps to hedge the variability in cash flows attributable to floating interest rates.

Based on the variable rate net debt position (both issued and hedged) at balance sheet date, assuming other factors (principally foreign exchange rates and commodity prices) remained constant and that no further interest rate management action was taken, an increase in interest rate of 1% would have decreased the Group's profit before tax (PBT) by S$13 million (2023: decreased by S$16 million) and have increased equity by S$3 million (2023: no impact). At Company level, PBT would have decreased by S$12 million (2023: decreased by S$11 million) without any impact to equity (2023: no impact). A 1% decrease in interest rates would have the opposite effect for both Group and Company.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

a. Market Risk *(cont'd)*

ii. Foreign Currency Risk

The Group is exposed to currency risk on foreign currency denominated borrowings, investments and commercial transactions.

The Group limits its exposure to changes in foreign exchange rates through forward foreign exchange contracts and cross currency interest rate swaps. In certain circumstances, borrowings are left in a foreign currency, or swapped from one foreign currency to another, to hedge expected future business cash flows in that currency. Significant foreign currency denominated transactions undertaken in the normal course of operations are managed on a case-by-case basis.

The Group's exposure to foreign currency risk (excluding the Group's net investment hedges in its subsidiaries in China based on its risk management policy is summarised as follows:

	Group							
(S$ million)	SGD	USD	EURO	GBP	RMB	INR	BDT	Others
2024								
Financial assets								
Cash and cash equivalents	29	124	2	1	1	–	25	4
Loan to an associate	–	–	–	53	–	–	–	–
Trade and other receivables	10	205	1	54	20	1	117	15
DPN receivable	–	–	–	–	–	1,581	–	–
Other financial assets	*	25	–	–	–	–	–	*
	39	354	3	108	21	1,582	142	19
Financial liabilities								
Trade and other payables	17	76	3	*	1	*	99	2
Loans and borrowings	–	1,230	99	–	–	–	–	–
Lease liabilities	4	–	–	–	–	–	*	–
	21	1,306	102	*	1	*	99	2
Net financial assets / (liabilities)	18	(952)	(99)	108	20	1,582	43	17
Add: Firm commitments and highly probable forecast transactions in foreign currencies	(28)	(340)	(6)	–	–	–	–	(194)
Less: Cross currency swap / Foreign exchange forward contracts	28	1,127	105	211	–	–	–	194
Net currency exposure	18	(165)	–	319	20	1,582	43	17

	Group							
(S$ million)	SGD	USD	EURO	GBP	RMB	INR	BDT	Others^
2023								
Financial assets								
Cash and cash equivalents	39	132	1	*	4	68	56	1
Loan to an associate	–	–	–	55	–	–	–	–
Trade and other receivables	13	438	5	12	986	–	107	1
DPN receivable	–	–	–	–	–	1,816	–	–
Other financial assets	–	46	–	–	–	–	–	–
	52	616	6	67	990	1,884	163	2
Financial liabilities								
Trade and other payables	47	405	7	389	2	–	86	1
Loans and borrowings	–	105	102	*	–	–	–	76
Lease liabilities	4	–	–	–	–	–	1	–
	51	510	109	389	2	–	87	77
Net financial assets / (liabilities)	1	106	(103)	(322)	988	1,884	76	(75)
Add: Firm commitments and highly probable forecast transactions in foreign currencies	–	(244)	–	–	(3)	–	–	(166)
Less: Cross currency swap / Foreign exchange forward contracts	22	252	106	377	2	–	–	242
Net currency exposure	23	114	3	55	987	1,884	76	1

^ Predominantly Japanese Yen.

The Company's gross exposure to foreign currencies is as follows:

	Company
(S$ million)	USD
2024	
Financial assets	
Cash and cash equivalents	6
Trade and other receivables	15
	21
Financial liabilities	
Trade and other payables	22
Net financial liabilities	(1)
Net currency exposure	(1)
2023	
Financial assets	
Cash and cash equivalents	3
Trade and other receivables	5
	8
Financial liabilities	
Trade and other payables	10
Net financial assets	(2)
Net currency exposure	(2)

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

a. Market Risk *(cont'd)*

ii. Foreign Currency Risk (cont'd)

Sensitivity Analysis

A 10% strengthening of the following currencies against the functional currencies of the Group and Company at balance sheet date would have increased / (decreased) equity and PBT by the amounts shown below. The analysis assumed that all other variables, in particular interest rates, remain constant, ignoring any impact of firm commitments in foreign currencies and with no further foreign exchange risk management action taken.

	Group				Company	
	Equity		Profit before tax		Profit before tax	
(S$ million)	2024	2023	2024	2023	2024	2023
SGD	2	2	2	*	–	–
USD	28	23	(16)	8	*	*
EURO	1	–	*	*	*	*
GBP	4	5	26	*	*	*
RMB	–	–	2	2	*	*
INR	–	–	158	188	–	–
BDT	–	–	4	8	–	–
Others	16	14	2	*	–	–

A 10% weakening of the above currencies against the functional currencies of the Group and Company at the balance sheet date would have had an equal but opposite effect to the amounts shown above.

iii. Price Risk

Mutual Funds and Equity Securities Price Risk

The Group is exposed to price risk from mutual funds and equity securities designated as FVTPL or FVOCI respectively.

If prices for mutual funds and equity securities increased by 10% with all other variables held constant, equity and PBT would have increased by S$5 million and S$11 million, respectively (2023: increased by S$5 million and S$9 million, respectively). Conversely, if prices decreased by 10%, equity and PBT would have had an equal but opposite effect.

Commodity Risk

The Group hedges against fluctuations in commodity prices that affect revenue and cost. Exposures are managed via swaps and contracts for differences (CFDs).

CFDs are entered into with counterparties at a strike price, with or without fixing the quantity upfront, to hedge against adverse price movements from sale of electricity. Exposure to price fluctuations from purchases of fuel is managed via fuel oil swaps where fuel price is indexed to a benchmark index, for example Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent.

The Group designates fuel oil swaps and electricity futures in their entirety in cash flow hedges to hedge its commodity risk and applies a hedge ratio of 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference index of Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent, tenors, repricing dates and maturities. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item by looking at the critical terms.

The Group did not identify any significant sources of ineffectiveness in these hedges.

Sensitivity Analysis

If prices for commodities increased by 10% with all other variables held constant, the increase in equity as a result of fair value changes on cash flow hedges would be:

	Group	
(S$ million)	2024	2023
Equity	17	7

A 10% decrease in the prices for commodities would have had an equal but opposite effect to the equity. The analysis assumed that all other variables remain constant.

F2. Hedges

The Group uses derivative instruments (derivatives) (as disclosed in Note H1) to hedge financial risks as described above. Derivatives are contracts whose value is derived from an underlying price index (or other variable) that require little or no initial net investment and are settled at a future date.

The Group designates certain derivatives as either:

i. Hedges of fair value of recognised assets, liabilities or firm commitments (fair value hedge)

ii. Hedges of a particular cash flow risk associated with a recognised asset, liability or highly probable forecast transaction (cash flow hedge)

iii. Hedges of a net investment in a foreign operation (net investment hedge)

Accounting policies

Derivatives are carried on balance sheet at fair value. Movements in price of the underlying variables, which causes the value of contract to fluctuate, are reflected in the fair value of derivative. The method of recognising changes in fair value depends on whether the derivative is designated in an accounting hedge relationship. Derivatives not designated as accounting hedges are referred to as economic hedges subject to fair value through profit or loss.

Fair value gains and losses attributable to economic hedges are recognised in statement of profit or loss while recognition of fair value gains and losses of those attributable to accounting hedges depends on the nature of item being hedged.

The effective portion of changes in fair value of derivatives designated as fair value hedge are recognised in profit or loss at the same time when all changes in fair value of the underlying item relating to the hedged risks are recognised in profit or loss. The effective portion of changes in fair value of derivatives designated as cash flow hedges are recognised in hedging reserve (in equity).

Certain determinants of fair value included in derivatives or mismatches between the timing of the instrument and the underlying item in any hedge relationship can cause hedge ineffectiveness. Any ineffectiveness is recognised immediately in profit or loss as change in fair value of derivatives.

When the underlying hedged item is sold or repaid, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised immediately in profit or loss.

When the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised in profit or loss when the hedged item is recognised in profit or loss, which may occur over time.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Key estimates and judgements

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities. The Group considers the critical terms in assessing if each designated derivative is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are due to:

- effects of the counterparties' and the Group's own credit risk on fair value of the swaps, which is not reflected in the change in fair value of the hedged cash flows attributable to change in interest rates; and
- changes in timing of hedged transactions.

The Group designates only the change in fair value of the spot element of forward exchange contract for funding purposes as the hedging instrument in a cash flow hedging relationship. The change in fair value of the forward element of the forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in hedging reserve within equity.

Interest Rate Benchmark Reform

The financial markets have undergone a fundamental reform of major interest rate benchmarks where interbank offered rates (IBORs) have ceased publication and the IBORs have been replaced with alternative nearly risk-free rates, herein known as the IBOR reform.

As of December 31, 2023, the Group has completed the transition of its loan facilities and hedges affected by the IBOR reform where exposures in GBP LIBOR were transitioned to SONIA, SGD SOR to SORA and USD LIBOR to SOFR.

Cash Flow Hedges

Key estimates and judgements

For cash flow hedge relationships directly impacted by interest rate benchmark reform (i.e. hedges of LIBOR and SOR), the Group assumes that the cash flows of hedged item and hedging instrument will not be altered.

As of December 31, 2023, the Group has completed the transition of its hedged items and hedging instruments affected by the IBOR reform where exposures in GBP LIBOR were transitioned to SONIA, SGD SOR to SORA and USD LIBOR to SOFR with cash flows that are matched. As such, the Group shall continue to apply hedge accounting on these transactions.

The Group designates certain forward foreign exchange contracts, interest rate swaps, cross currency interest rate swaps and fuel oil swaps in various cash flow hedges.

At December 31, 2024, the Group held the following instruments to hedge exposures to fluctuations in foreign currencies, interest rates and commodity prices:

			Maturity		
(S$ million)	Rate ($)	Interest rate (%)	Within 1 year	Between 1 and 5 years	More than 5 years
2024					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– USD / SGD	1.26–1.42	–	316	92	–
– EUR / SGD	1.42	–	6	–	–
– USD / INR	84.44–86.94	–	117	–	–
– JPY / SGD	91.28–99.04	–	64	38	–
– MYR / SGD	0.30	–	100	10	–
– USD / VND	24,118–26,527	–	3	13	16
Forex swap contracts (Buy / Sell)					
– CNH / SGD	0.19	–	18	168	–
– USD / SGD	1.34–1.36	–	1	–	–
– USD / VND	25,350–26,175	–	32	19	17
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	1.05–5.54	560	1,935	307
Foreign currency and interest rate risk					
Cross currency swaps					
– USD / SGD	–	3.55–3.78	–	703	–
– EUR / SGD	–	3.49	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	385.25–492.75	–	514	107	–
– Fuel oil swap ($ per BBL)	69.19–82.85	–	623	49	22
– Fuel oil swap ($ per MMBTU)	13.30–13.35	–	22	–	–

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

(S$ million)	Rate ($)	Interest rate (%)	Maturity: Within 1 year	Maturity: Between 1 and 5 years	Maturity: More than 5 years
2023					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– USD / SGD	1.30–1.42	–	182	103	–
– CNH / SGD	0.20	–	176	–	–
– JPY / SGD	91.28–99.04	–	76	102	–
Forex swap contracts (Buy / Sell)					
– CNH / SGD	0.19	–	–	19	–
– USD / SGD	1.35	–	19	–	–
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	1.05–3.33	698	579	159
Foreign currency and interest rate risk					
Cross currency swaps					
– EUR / SGD	–	3.99	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	375.00–619.50	–	544	158	–
– Fuel oil swap ($ per BBL)	72.30–87.23	–	462	143	–

The amounts at the balance sheet date relating to items designated as hedged items are as follows:

(S$ million)	Cash flow hedge reserve for continuing hedges 2024	2023
Foreign currency risk		
Highly probable purchases	(8)	(14)
Highly probable equity injection	(1)	*
Payments	2	*
Interest rate risk		
Variable rate borrowings	18	28
Other financial (assets) / liabilities	(23)	5
Foreign currency and interest rate risk		
Fixed rate borrowings	–	*
Commodity risk		
Highly probable purchases	5	*
Fuel oil price	*	*

The amounts related to items designated as hedging instruments and hedge ineffectiveness are as follows:

	Foreign currency risk: Forward foreign exchange contracts / Forex swap contracts	Interest rate risk: Interest rate swaps	Foreign currency risk and interest rate risk: Cross currency swaps	Commodity risk: Fuel oil swaps	Commodity risk: Electricity futures market contracts	Total
2024						
Nominal amount – S$ million	1,030	2,802	802	1,337	–	5,971
Quantity	–	–	–	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU	–	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU
Carrying amount – S$ million						
Other financial assets	2	27	–	28	–	57
Other financial liabilities	–	8	13	27	–	48
Fair value increase / (decrease) – S$ million						
Hedging instruments	7	(19)	(14)	34	–	8
Hedged items	(7)	19	14	(34)	–	(8)
Hedge ineffectiveness	*	–	–	–	–	*
Reconciliation of hedging reserve – S$ million						
Changes in fair value	7	(19)	(14)	34	–	8
Amounts reclassified to profit or loss:						
– Cost of goods sold	(1)	*	–	(29)	–	(30)
Amount reclassified to cost of investment in a subsidiary	5	–	–	–	–	5
	11	(19)	(14)	5		(17)
Tax on above items						4
Change in hedging reserve						(13)
Share of other comprehensive income of associates and joint ventures						18
Movement during the year						5

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

	Foreign currency risk	Interest rate risk	Foreign currency risk and interest rate risk	Commodity risk		
	Forward foreign exchange contracts / Forex swap contracts	Interest rate swaps	Cross currency swaps	Fuel oil swaps	Electricity futures market contracts	Total
2023						
Nominal amount – S$ million	677	1,436	99	1,307	–	3,519
Quantity	–	–	–	1,234,794 MT and 5,781,287 BBL	–	1,234,794 MT and 5,781,287 BBL
Carrying amount – S$ million						
Other financial assets	*	38	4	40	–	82
Other financial liabilities	17	–	1	40	–	58
Fair value increase / (decrease) – S$ million						
Hedging instruments	(15)	(34)	(2)	(5)	–	(56)
Hedged items	15	34	2	5	–	56
Hedge ineffectiveness	*	–	–	–	–	*
Reconciliation of hedging reserve – S$ million						
Changes in fair value	(15)	(34)	(2)	(5)	–	(56)
Amounts reclassified to profit or loss:						
– Turnover	–	–	–	(2)	1	(1)
– Cost of goods sold	2	–	–	(4)	–	(2)
Amount reclassified to cost of investment in a subsidiary	1	–	–	–	–	1
						(58)
Transfer of reserve						5
Tax on above items						11
Change in hedging reserve						(42)
Share of other comprehensive income of associates and joint ventures						(6)
Movement during the year						**(48)**

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

	Cash flow hedge reserve	
(S$ million)	2024	2023
Balance at January 1	45	93
Movement during the year		
Changes in fair value:		
– Foreign currency risk	7	(15)
– Interest rate risk	(19)	(34)
– Foreign currency and interest rate risk	(14)	(2)
– Commodity risk	34	(5)
Amount reclassified to profit or loss:		
– Foreign currency risk	(1)	2
– Commodity risk	(29)	(5)
Amount reclassified to cost of investment in a subsidiary	5	1
Tax on movements on reserves during the year	4	11
Transfer of reserve	–	5
Share of other comprehensive income of associates and joint ventures	18	(6)
	5	(48)
Share of non-controlling interests	–	*
Balance at December 31	50	45

Net Investment Hedges

The Group's investments in its China (2023: China) subsidiaries are hedged by CNH / SGD (2023: CNH / SGD) forward foreign exchange contracts (hedging instrument) respectively, which mitigate the currency risks arising from the subsidiaries' net assets. The carrying amounts of the hedging instruments of S$1 million (2023: S$9 million) are included in other financial assets.

The notional amount of the contracts is S$186 million (2023: S$195 million). During the financial year, net hedging gain of S$4 million (2023: hedging loss of S$35 million) was recognised in other comprehensive income. As at December 31, 2024, the balance of foreign currency translation reserve for continuing hedges is a loss of S$97 million (2023: loss of S$101 million).

F3. Liquidity Risk

The Group manages its liquidity risk with a view to maintaining healthy level of cash and cash equivalents that corresponds with its operating environment and expected cash flows. Liquidity requirements are maintained within the credit facilities established and are adequate to meet the Group's obligations.

Maturity Profile of the Group's and Company's Financial Liabilities

The cash flows associated with the cash flow hedges of the Group are expected to occur within 1 year and between 1 and 5 years. Correspondingly, the cash flows related to the hedging instruments (foreign exchange contracts, fuel oil swaps, interest rate swaps, cross currency swaps and electricity futures) that are designated as cash flow hedges are expected to impact profit or loss within 1 year to 5 years and upon disposal, should it arise, of its investment in subsidiaries.

Approximately S$700 million (2023: S$1,300 million) of loans and borrowings are due within 12 months. The Group has at least S$2,307 million (2023: S$1,900 million) in committed credit facilities with final maturity dates beyond 2025 that can be drawn down.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F3. Liquidity Risk *(cont'd)*

Maturity Profile of the Group's and Company's Financial Liabilities *(cont'd)*

The table below analyses the maturity profile of the Group's and the Company's financial assets and liabilities (including derivative financial assets and liabilities) based on contractual undiscounted cash inflows / (outflows), including estimated interest payments and excluding the impact of netting agreements:

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Group					
2024					
Derivatives					
Derivative financial liabilities	66				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(72)				
– inflow		798	710	84	4
– outflow		(730)	(654)	(76)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,551	(1,586)	(1,545)	(41)	–
Lease liabilities	729	(1,067)	(53)	(215)	(799)
Loans and borrowings	8,671	(9,754)	(947)	(4,603)	(4,204)
	10,945	(12,404)	(2,525)	(4,880)	(4,999)
2023					
Derivatives					
Derivative financial liabilities	83				
– inflow		736	539	197	–
– outflow		(821)	(604)	(217)	–
Derivative financial assets	(96)				
– inflow		797	643	154	–
– outflow		(701)	(574)	(127)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,593	(1,595)	(1,565)	(30)	–
Lease liabilities	310	(491)	(31)	(121)	(339)
Loans and borrowings	7,254	(8,693)	(1,565)	(3,988)	(3,140)
	9,144	(10,768)	(3,157)	(4,132)	(3,479)

[1] Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Company					
2024					
Non-derivative financial liabilities					
Trade and other payables[1]	1,588	(1,734)	(282)	(1,452)	–
Lease liabilities	108	(173)	(8)	(33)	(132)
	1,696	(1,907)	(290)	(1,485)	(132)
2023					
Non-derivative financial liabilities					
Trade and other payables[1]	1,678	(1,911)	(363)	(1,548)	–
Lease liabilities	115	(174)	(15)	(32)	(127)
	1,793	(2,085)	(378)	(1,580)	(127)

[1] Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss and fair value of the related hedging instruments:

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Group					
2024					
Derivative financial liabilities	48				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(57)				
– inflow		794	710	82	2
– outflow		(730)	(654)	(76)	–
	(9)	(1)	20	(23)	2
2023					
Derivative financial liabilities	58				
– inflow		462	265	197	–
– outflow		(520)	(303)	(217)	–
Derivative financial assets	(83)				
– inflow		199	65	134	–
– outflow		(116)	(7)	(109)	–
	(25)	25	20	5	–

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk

The Group only deals with pre-approved customers and financial institutions with good credit rating. To minimise the Group's counterparty risk, the Group enters derivative transactions only with creditworthy institutions. Cash and fixed deposits are placed in banks and financial institutions with good credit rating. For some customers, the Group may also obtain security in the form of deposits, guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty defaults.

For the Company's amounts due from subsidiaries, the Company considers the financial assets to have a low credit risk by taking into consideration the Group's financial ability to settle the amounts, after estimating risk of default.

Accounting policies

The Group applies the simplified approach to provide ECL on trade and unbilled receivables as well as contract assets without significant financing component. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs. To measure expected lifetime ECLs, these balances have been grouped based on common credit risk characteristics and ageing profiles.

The loss allowance for service concession receivables is measured at 12-month ECL. When credit risk has increased significantly since initial recognition, loss allowance is measured at lifetime ECL.

A receivable balance is written-off to the extent that there is no realistic prospect of recovery.

For customers with credit ratings (or equivalent), the ECL rate is calculated based on probabilities of default and loss given default obtained from Standards and Poor's and Moody's. The Group monitors changes in credit risk by tracking published external credit ratings.

Customers with no credit ratings (or equivalent) are group based on shared credit risk characteristics and days past due, with ECL rates calculated using historical loss rates for each category of customers, adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of customers to settle the receivables.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of financial asset have occurred. These events include probability of insolvency, significant financial difficulties of the customer and default or significant delay in payments.

When the Group determines whether the credit risk has increased significantly, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment, taking into account forward-looking information. Customer collectability is assessed on an ongoing basis and any resulting impairment losses are recognised in profit or loss.

The maximum exposure to credit risk is the carrying amount of each financial asset (including derivatives) in the balance sheet, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets, except for balances with customers where guarantees or security deposits are obtained.

The Group and Company have issued financial guarantees to certain banks in respect of credit facilities on behalf of the obligors (see Note C5(c)). These guarantees are subject to the impairment assessment under SFRS(I) 9.

The Group has assessed that the obligors have strong financial capacities to meet the contractual cash flow obligation in the near future and hence, does not expect significant credit losses from their guarantees. The Group's assessment is based on qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, if available, and applying experienced credit judgment).

The Company has not recognised any additional ECL provision as the Company believes the subsidiaries have sufficient resources to fulfil its obligations and the Company does not consider it probable that a claim will be made against the Company under the guarantee.

ECL assessment for customers with credit ratings (or equivalent)

The Group allocates exposure to credit risk by segmenting customers based on geographic region and industry classification.

(S$ million)	Equivalent to external credit rating	Credit impaired	Gross carrying amount	Loss allowance	Net carrying amount
Group					
2024					
Receivables measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – BBB-	No	514	(3)	511
– Government	AAA – B2	No	246	(2)	244
– Retail	BBB+ – B2	No	54	(1)	53
– Others	AAA – B+	No	16	(2)	14
Service concession and related trade receivables (Note ii)	CC	No	338	(135)	203
			1,168	(143)	1,025
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B2	No	488	(7)	481
Total			**1,656**	**(150)**	**1,506**
2023					
Receivables measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – B-	No	585	(6)	579
– Government	AAA – BB	No	331	(1)	330
– Retail	BBB+ – B-	No	18	(2)	16
– Others	BBB – B+	No	4	(1)	3
Service concession and related trade receivables (Note ii)	CC	No	347	(131)	216
			1,285	(141)	1,144
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B+	No	667	(5)	662
Total			**1,952**	**(146)**	**1,806**
Company					
2024					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	AAA – BBB-	No	48	(1)	47
– Government	AAA	No	2	*	2
			50	**(1)**	**49**
2023					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	BB+ – BBB-	No	40	(1)	39
– Government	AAA	No	4	–	4
– Others	AAA	No	*	–	*
			44	**(1)**	**43**

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk *(cont'd)*

ECL assessment for customers with credit ratings (or equivalent) *(cont'd)*

i. As at December 31, 2024, 85% (2023: 84%) of service concession receivables relate to two major customers of the Group.

ii. In 2023, the economic situation in Myanmar has not improved and there has been escalating civil unrest and conflict in the country. The Group has assessed the potential risks that may cause severe and extended impact on the plant operations with the increased civil unrest and attacks observed in Myingyan and nearby towns. The Group has concluded that the credit risk has further increased and an additional S$23 million ECL has been provided.

iii. Other than (ii) above, there were no trade and other receivables and contract assets with significant increase in credit risk since initial recognition. There were also no credit impaired receivables at balance sheet date.

ECL assessment for customers without credit ratings (or equivalent)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for customers with no credit rating or no representative credit rating or equivalent:

(S$ million)	Credit impaired	Weighted average loss rate	Gross carrying amount	Loss allowance	Net carrying amount
Group					
2024					
Not past due	No	2.7%	111	(3)	108
Past due 0 to 3 months	No	0.5%	75	*	75
Past due 3 to 6 months	No	0.7%	47	*	47
Past due 6 to 12 months	No	2.0%	50	(1)	49
More than 1 year	No	17.1%	298	(51)	247
Total			581	(55)	526
2023					
Not past due	No	3.4%	87	(3)	84
Past due 0 to 3 months	No	2.9%	34	(1)	33
Past due 3 to 6 months	No	4.8%	21	(1)	20
Past due 6 to 12 months	No	37.5%	8	(3)	5
More than 1 year	Yes	77.8%	36	(28)	8
Total			186	(36)	150
Company					
2024					
Not past due	No	0.5%	91	(1)	90
Past due 0 to 3 months	No	–	15	–	15
Past due 3 to 6 months	No	–	2	–	2
Past due 6 to 12 months	No	–	13	–	13
More than 1 year	No	–	10	*	10
Total			131	(1)	130
2023					
Not past due	No	1.1%	95	(1)	94
Past due 0 to 3 months	No	–	12	–	12
Past due 3 to 6 months	No	–	1	–	1
Past due 6 to 12 months	No	–	2	–	2
More than 1 year	No	–	2	–	2
Total			112	(1)	111

iv. In 2024, the Group made a S$22 million ECL allowance for the subsidy receivables of renewables assets in China. As the receipt of the subsidy receivables is awaiting final verification results from the regulators, the provision takes into consideration the present-value of the outstanding subsidy receivables, based on management's best estimate of timing of receipts.

For the remaining financial assets at amortised cost amounting to S$304 million (2023: S$315 million) which include deposits in margin accounts, long-term fixed deposits with financial institutions, convertible loan, dividends receivables and GST receivables, the Group considered the risk that a credit loss may occur, and recognised a loss allowance of S$2 million (2023: S$14 million).

ECL assessment for customers
Movements in loss allowances

		2024			2023		
(S$ million)	Note	12-month ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Total
Group							
Balance at January 1		5	191	196	4	159	163
Currency translation difference		*	4	4	*	(3)	(3)
Impairment loss recognised		2	30	32	1	23	24
Allowance written back		–	(23)	(23)	–	(4)	(4)
Acquisition of subsidiaries		–	2	2	–	18	18
Transfer to assets held for sale		–	(2)	(2)	–	–	–
Disposal of subsidiary		–	(1)	(1)	–	–	–
Loss allowance utilised		–	(1)	(1)	–	(2)	(2)
Balance at December 31	E1	7	200	207	5	191	196
Company							
Balance at January 1		–	1	1	–	2	2
Impairment loss recognised		–	*	*	–	*	*
Loss allowance utilised		–	–	–	–	(1)	(1)
Balance at December 31	E1	–	1	1	–	1	1

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments

Accounting policies

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1 – Using quoted prices (unadjusted) from active markets for identical financial instruments.
- Level 2 – Using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices).
- Level 3 – Using inputs not based on observable market data (unobservable input).

Securities

The fair value of financial assets is based on quoted market prices (bid price) in an active market at the balance sheet date without any deduction for transaction costs. If the market for a quoted financial asset is not active, and for unquoted financial assets, the Group establishes fair value by using other valuation techniques.

Derivatives

Derivatives are used by the Group for hedging. These derivatives are mainly foreign exchange contracts, foreign exchange swaps, interest rate swaps, cross currency swaps, fuel oil swaps and electricity futures.

1. The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current forward market price.
2. The fair values of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.
3. The fair value of fuel oil swaps and electricity futures is accounted for based on difference between the contractual strike price with the counterparty and the current forward market price.
4. CFDs are accounted for based on the difference between the contracted price entered into with the counterparty and the reference price. The fair value of the CFDs would need to be adjusted to reflect the illiquidity. However, there have been minimal trades made in the electricity future market. There is also no fixed quantity stated in the agreement. As such, the fair value of the CFDs cannot be measured reliably. Upon settlement, the gains and losses for CFDs are taken to profit or loss.

Non-derivative non-current financial assets and liabilities

Carrying amount of non-derivative non-current financial assets and liabilities on floating interest rate terms are assumed to approximate their fair value because of the short period to repricing. Fair values for the remaining non-derivative non-current financial assets and liabilities are calculated using discounted expected future principal and interest cash flows at the market rate of interest at the balance sheet date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, which is the fair value of the consideration given or received. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

For financial instruments not actively traded in the market, fair value is determined by independent third party or by various valuation techniques, with assumptions based on existing market conditions at each balance sheet date.

a. Fair Value Hierarchy

Financial assets and financial liabilities carried at fair value

(S$ million)	Fair value measurement Level 1	Level 2	Level 3	Total
Group				
At December 31, 2024				
Financial assets at FVOCI	–	–	47	47
DPN receivable	–	–	1,581	1,581
Other financial assets at FVTPL	77	–	46	123
Derivative financial assets	–	72	–	72
	77	72	1,674	1,823
Financial liabilities at FVTPL	–	–	(97)	(97)
Derivative financial liabilities	–	(66)	–	(66)
	–	(66)	(97)	(163)
	77	6	1,577	1,660
At December 31, 2023				
Financial assets at FVOCI	–	–	46	46
DPN receivable	–	–	1,816	1,816
Other financial assets at FVTPL	63	–	31	94
Derivative financial assets	–	96	–	96
	63	96	1,893	2,052
Financial liabilities at FVTPL	–	(1)	(133)	(134)
Derivative financial liabilities	–	(83)	–	(83)
	–	(84)	(133)	(217)
	63	12	1,760	1,835

There have been no transfers between the different levels of the fair value hierarchy at December 31, 2024 and December 31, 2023.

Notes to the Financial Statements

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments *(cont'd)*

a. Fair Value Hierarchy *(cont'd)*

Financial assets and financial liabilities carried at fair value *(cont'd)*

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances of Level 3 financial instruments measured at FVOCI and FVTPL:

	Group			
(S$ million)	Financial assets at FVOCI	DPN receivable	Other financial assets at FVTPL	Financial liabilities at FVTPL
Balance at January 1, 2024	46	1,816	31	(133)
Addition	–	–	5	(4)
Acquisition of subsidiaries	–	–	12	(3)
Translation adjustment	–	–	–	*
Net change in fair value	1	169	(2)	–
(Receipt) / Payment	–	(404)	–	43
Balance at December 31, 2024	47	1,581	46	(97)
Balance at January 1, 2023	53	–	32	(151)
Addition	–	2,038	5	–
Translation adjustment	–	–	–	6
Net change in fair value	(7)	133	(6)	–
(Receipt) / Payment	–	(355)	–	12
Balance at December 31, 2023	46	1,816	31	(133)

Level 3 financial assets at FVOCI includes unquoted equity shares. The fair value of the unquoted equity shares is determined by reference to the investment's adjusted net asset values as stated in the unaudited financial statements. The estimated fair value would increase / decrease if the net asset values for unquoted equity shares were higher / lower.

The DPN receivable was recognised in January 2023 at the completion of the sale of SEIL. DPN is measured at fair value based on the contractual terms of the sale (Note H1).

Level 3 other financial assets at FVTPL includes unquoted funds. The fair value of the unquoted funds is based on the latest available unaudited net asset values of the underlying funds provided by the administrator of those funds on the basis that their net asset values approximate their fair value at balance sheet date. The key unobservable inputs include net asset value for fund investments and / or recent transaction price among investors. The estimated fair value would increase / decrease if the net asset values for fund investments were higher / lower, or if the recent transaction prices were higher / lower.

Financial liabilities at FVTPL in Level 3 relate to the contingent consideration for 2022 acquisition in China (HYNE), 2023 acquisition in India and 2024 acquisition in Vietnam.

Financial assets at FVTPL under Level 3 included contingent receivable of S$12 million related to the 2024 acquisition in Vietnam.

Assets and liabilities not carried at fair value

The following table shows assets and liabilities not carried at fair value but for which fair values are disclosed, except financial assets and financial liabilities whose carrying amounts measured at amortised cost approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

	Fair value measurement			
(S$ million)	Level 1	Level 2	Level 3	Total
Group				
At December 31, 2024				
Investment properties	–	–	264	264
Associate	135	–	–	135
Service concession receivables	–	973	–	973
Non-current loans and borrowings	–	(7,990)	–	(7,990)
At December 31, 2023				
Investment properties	–	–	204	204
Associate	113	–	–	113
Service concession receivables	–	1,756	–	1,756
Non-current loans and borrowings	–	(5,887)	–	(5,887)
Company				
At December 31, 2024				
Amounts due to related parties	–	(1,393)	–	(1,393)
At December 31, 2023				
Amounts due to related parties	–	(1,370)	–	(1,370)

b. Fair Value versus Carrying Amount

The fair value of financial assets and financial liabilities measured at amortised cost approximate their carrying amounts, except for the following:

(S$ million)	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Fair value
Group				
At December 31, 2024				
Service concession receivables	827	–	827	1,573
Non-current loans and borrowings	–	(8,000)	(8,000)	(7,990)
At December 31, 2023				
Service concession receivables	843	–	843	1,756
Non-current loans and borrowings	–	(5,973)	(5,973)	(5,887)
Company				
At December 31, 2024				
Amounts due to related parties	–	(1,393)	(1,393)	(1,393)
At December 31, 2023				
Amounts due to related parties	–	(1,370)	(1,370)	(1,370)

Notes to the Financial Statements

G. Our Group Structure

This section provides key information on the Group's interests in joint arrangements, controlled entities and transactions with non-controlling interests. It also provides information on business acquisitions and disposals made during the year as well as information relating to Group's related parties, including related party transactions.

During the year, the Group made three significant acquisitions, requiring the purchase price to be allocated to the fair value of the identifiable assets (including intangible assets) acquired and liabilities assumed.

Judgement is required in determining the classification of the acquisitions as asset acquisitions or business combinations. There is judgement and inherent uncertainty involved in the valuation of the assets and liabilities as well as settlement of any existing litigations between the parties.

The Group has used provisional amounts of purchase price allocation for the accounting of these acquisitions and has a one-year measurement period from the acquisition date to complete the accounting for the acquisitions. Fair value adjustments may arise on the completion of respective final purchase price allocations due to the estimation uncertainty involved.

G1. Subsidiaries

Accounting policies

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

Investment in Subsidiaries

	Company	
(S$ million)	December 31, 2024	December 31, 2023
At cost and carrying value:		
Unquoted equity shares	1,949	2,215
Preference shares	288	288
Share-based payments reserve	(3)	(5)
	2,234	2,498

During the year, the Company has entered into a share purchase agreement to sell the entire issued and paid-up share capital of Sembcorp Environment Pte Ltd. The investment in the entity has been classified as held for sale.

Subsidiaries

Details of key subsidiaries of the Group are as follows:

		Effective equity held by the Group	
Name of key subsidiary	Country of incorporation	2024 %	2023 %
Sembcorp Utilities Pte Ltd (SCU)[1]	Singapore	100.00	100.00
Sembcorp Cogen Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Gas Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Environment Pte. Ltd.[1,2]	Singapore	100.00	100.00
Sembcorp Development Ltd[1]	Singapore	100.00	100.00
Sembcorp Energy UK Limited[3]	United Kingdom	100.00	100.00
UK Capacity Reserve Limited[3]	United Kingdom	100.00	100.00
Sembcorp North-West Power Company Ltd.[4]	Bangladesh	71.00	71.00
Sembcorp Green Infra Private Limited[5,6]	India	100.00	100.00
Sembcorp Energy (Shanghai) Holding Co., Ltd[4] (SESH)	China	100.00	100.00
Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd[4]	China	100.00	98.00
Sembcorp (China) Holding Co., Ltd[4]	China	100.00	100.00

1 Audited by KPMG LLP, Singapore
2 Held for sale as at 31 December 2024
3 Audited by UNW LLP, UK in FY2024
4 Audited by member firms of KPMG International
5 Audited by PricewaterhouseCoopers, India
6 In FY2023, Sembcorp Green Infra Limited (SGIL) amalgamated into GIWEL and was known as GIWEL. In FY2024, GIWEL was renamed as Sembcorp Green Infra Private Limited.

G2. Non-controlling Interests

There are no subsidiaries with material NCI for financial year ended December 31, 2024 and December 31, 2023.

G3. Associates and Joint Ventures

Accounting policies

Associates are those entities in which the Group has significant influence, but no control or joint control, over the financial and operating policies of these entities.

The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has significant influence over another entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has joint control over the entity.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

(S$ million)	Note	Group December 31, 2024	Group December 31, 2023
Associates and joint ventures	i	2,772	2,630
Loan to associate	ii	53	55
		2,825	2,685
Less: Allowance for impairment		(85)	(289)
	a, b	2,740	2,396

i. During the year, the Group acquired 30% equity stake in Senoko Energy Pte Ltd (SNK) for S$96 million. Based on the fair value of the identifiable assets (excluding SNK's intangibles) acquired and liabilities assumed, determined on provisional basis, the goodwill acquired was S$44 million.

ii. The loan to an associate is unsecured, bears interest at 8.5% per annum and has no fixed terms of repayment. The settlement of the amount is neither planned nor likely to occur in the foreseeable future and hence the loan is recognised within investment in associate. Allowance for impairment on this loan is insignificant.

iii. In 2024, the Group recognised dividends of S$186 million (2023: S$189 million) from its investments in associates and joint ventures.

iv. The carrying value includes goodwill on acquisition as follows:

(S$ million)	Group 2024	Group 2023
Balance at January 1	2	2
Addition	47	–
Balance at December 31	49	2

a. Associates

Details of the Group's key associates are as follows:

Name of key associate	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2024 %	Effective equity held by the Group 2023 %
Gas and Related Services				
Sembcorp Salalah Power and Water Company SAOG[1]	Generation of electric energy	Oman	40.00	40.00
Renewables				
SDIC New Energy Investment Co., Ltd[2]	Project investment; investment management; technology development, transfer, training and promotion; technical, economic and trade consultation and services; and renewable power generation	China	35.11	35.11
Hunan Xingling New Energy Co., Ltd.[3]	Renewable power generation, power transmission and distribution businesses	China	45.30	45.30
Integrated Urban Solutions				
Sino-Singapore Nanjing Eco Hi-tech Island Development Co., Ltd[4]	First-grade land development including building infrastructure and public amenities	China	21.50	21.50

[1] Audited by member firms of KPMG International
[2] Audited by BDO China Shu Lun Pan Certified Public Accountant LLP
[3] Audited by Baker Tilly Certified Public Accountants Co., Ltd, China
[4] Audited by Jiangsu Gongzheng Tianye Certified Public Accountants Co., Ltd, China

There is one (2023: one) associate that is considered to be material to the Group as at December 31, 2024. Summarised financial information of the associate is presented as follows:

(S$ million)	SDIC New Energy Investment Co., Ltd 2024	SDIC New Energy Investment Co., Ltd 2023
Revenue	376	413
Profit for the year	91	127
Other comprehensive income	*	–
Total comprehensive income	91	127
Attributable to non-controlling interests	4	4
Attributable to investee's shareholders	87	123

(S$ million)	SDIC New Energy Investment Co., Ltd December 31, 2024	SDIC New Energy Investment Co., Ltd December 31, 2023
Non-current assets	3,143	2,673
Current assets	637	641
Non-current liabilities	(1,776)	(1,448)
Current liabilities	(537)	(559)
Net assets	1,467	1,307
Attributable to non-controlling interests	26	24
Attributable to investee's shareholders	1,441	1,283

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

a. Associates *(cont'd)*

(S$ million)	SDIC New Energy Investment Co., Ltd	Individually immaterial associates	Total
Group's interest in net assets of investees at January 1, 2024	450	752	1,202
Group's share of:			
Profit from continuing operations	31	45	76
Other comprehensive income	*	4	4
Total comprehensive income	31	49	80
Dividends received during the year	(13)	(39)	(52)
Translation during the year	(1)	10	9
Addition during the year, net of disposal	39	20	59
Carrying amount of interest in investees at December 31, 2024	506	792	1,298
Group's interest in net assets of investees at January 1, 2023	389	731	1,120
Group's share of:			
Profit from continuing operations	43	59	102
Other comprehensive income	–	(3)	(3)
Total comprehensive income	43	56	99
Dividends received during the year	–	(23)	(23)
Translation during the year	(18)	(23)	(41)
Addition during the year, net of disposal	36	11	47
Carrying amount of interest in investees at December 31, 2023	450	752	1,202

The fair value of the equity interest of a listed associate amounted to S$135 million (2023: S$113 million) based on the last transacted market price on the last transaction day of the year.

b. Joint Ventures

Details of the Group's key joint ventures are as follows:

Name of key joint venture	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2024 %	2023 %
Gas and Related Services				
Shanghai Cao Jing Co-generation Co. Ltd[1]	Production of electricity and steam, supply of steam to customers, supply of electricity to the power grid and production and sale of other relevant products	China	30.00	30.00
Emirates Sembcorp Water & Power Company P.J.S.C[2]	Development, possession, operation and maintenance of production, power generation and water desalination projects	United Arab Emirates	40.00	40.00
Senoko Energy Pte. Ltd. (SNK)[3]	Generation and sale of electricity	Singapore	30.00	–
Renewables				
Guohua AES (Huanghua) Wind Power Co., Ltd[4] (HH)	Development, construction and operation of wind farms as well as provision of wind power technical consultation and services, training and research, development and engineering support services	China	49.00	49.00
Integrated Urban Solutions				
Vietnam Singapore Industrial Park J.V. Co., Ltd.[5] (VSIP)	Development of industrial parks, residential areas and commercial areas for sale and lease	Vietnam	49.26	49.26

1 Audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company
2 Audited by Deloitte & Touche (M.E.)
3 Audited by Ernst & Young LLP, Singapore
4 Audited by Baker Tilly Certified Public Accountants Co., Ltd, China
5 Audited by member firms of KPMG International

As at December 31, 2023, HH is directly held by SESH, previously held through Sembcorp Huanghua Wind Power Co Pte Ltd, a wholly owned subsidiary of SCU.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

b. Joint Ventures *(cont'd)*

The Group has three (2023: two) joint ventures that are material and a number of joint ventures that are individually immaterial to the Group. All are equity accounted. Summarised financial information of the joint ventures is presented as follows:

(S$ million)	Senoko Energy Pte. Ltd. 2024	2023	Vietnam Singapore Industrial Park JV Co., Ltd. 2024	2023	Guohua AES (Huanghua) Wind Power Co., Ltd. 2024	2023
Revenue	568	–	701	447	108	120
Profit for the year[1]	70	–	173	98	39	49
Other comprehensive income	40	–	(17)	(37)	–	6
Total comprehensive income	110	–	156	61	39	55
Attributable to non-controlling interests	–	–	14	7	–	–
Attributable to investee's shareholders	110	–	142	54	39	55

[1] Includes depreciation and amortisation from SNK of S$136 million (2023: nil), VSIP of S$13 million (2023: S$13 million) and HH of S$38 million (2023: S$40 million), finance income from SNK of S$10 million (2023: nil), VSIP of S$9 million (2023: S$13 million) and HH of less than S$1 million (2023: S$1 million), finance cost from SNK of S$87 million (2023: nil), VSIP of S$11 million (2023: S$15 million) and HH of S$6 million (2023: S$8 million) and income tax expense from SNK of S$111 million (2023: nil), VSIP of S$46 million (2023: S$26 million) and HH of S$14 million (2023: S$12 million).

(S$ million)	Senoko Energy Pte. Ltd. December 31, 2024	December 31, 2023	Vietnam Singapore Industrial Park JV Co., Ltd. December 31, 2024	December 31, 2023	Guohua AES (Huanghua) Wind Power Co., Ltd. December 31, 2024	December 31, 2023
Non-current assets	1,757	–	228	237	462	527
Current assets[1]	973	–	1,950	1,705	184	171
Non-current liabilities[2]	(1,729)	–	(758)	(727)	(163)	(185)
Current liabilities[3]	(574)	–	(440)	(453)	(46)	(115)
Net assets	427	–	980	762	437	398
Attributable to non-controlling interests	–	–	221	124	–	–
Attributable to investee's shareholders	427	–	759	638	437	398

SNK's non-current assets, net assets and net assets attributable to investee's shareholders include S$317 million of goodwill, intangible assets, ROU assets net of lease liabilities, assets retirement obligations & deferred tax liabilities determined based on provisional basis.

[1] Includes cash and cash equivalents from SNK of S$385 million (2023: nil), VSIP of S$475 million (2023: S$407 million) and HH of S$10 million (2023: S$16 million).

[2] Includes non-current financial liabilities (excluding trade and other payables and provisions) from SNK of S$1,519 million (2023: nil), VSIP of S$636 million (2023: S$640 million) and HH of S$135 million (2023: S$185 million).

[3] Includes current financial liabilities (excluding trade and other payables and provisions) from SNK of S$140 million (2023: nil), VSIP of S$203 million (2023: S$204 million) and HH of S$32 million (2023: S$65 million).

In 2023, VSIP's higher current assets and non-current liabilities included loan drawdown to fund the construction of the industrial park.

(S$ million)	Senoko Energy Pte. Ltd.	Vietnam Singapore Industrial Park JV Co., Ltd.	Guohua AES (Huanghua) Wind Power Co., Ltd	Individually immaterial joint ventures	Total
Group's interest in net assets of investees at January 1, 2024	–	323	199	672	1,194
Group's share of:					
Profit from continuing operations	20	78	19	124	241
Other comprehensive income	12	–	–	4	16
Total comprehensive income	32	78	19	128	257
Dividends received during the year	–	(40)	–	(94)	(134)
Translation during the year	–	(6)	(4)	18	8
Elimination of unrealised profit	–	(3)	–	–	(3)
Addition during the year, net of disposal and impairment	96	29	–	(5)	120
Carrying amount of interest in investees at December 31, 2024	128	381	214	719	1,442
Group's interest in net assets of investees at January 1, 2023		354	213	600	1,167
Group's share of:					
Profit from continuing operations		45	24	95	164
Other comprehensive income		–	3	2	5
Total comprehensive income		45	27	97	169
Dividends received during the year		(57)	(36)	(73)	(166)
Translation during the year		(17)	(5)	(13)	(35)
Elimination of unrealised profit		(2)	–	–	(2)
Addition during the year, net of disposal and impairment		–	–	105	105
Capital reduction during the year		–	–	(44)	(44)
Carrying amount of interest in investees at December 31, 2023		323	199	672	1,194

i. The Group's share of the capital commitments of the joint ventures at the balance sheet date amounted to S$62 million (2023: S$80 million).

ii. The Group's interest in joint ventures with total carrying amount of S$127 million (2023: S$118 million) as at balance sheet date has been pledged to banks to secure credit facilities granted to the joint venture entities.

iii. The Group has fully impaired the carrying value of S$212 million interest in Chongqing Songzao Sembcorp Electric Power Co., Ltd (CSZ) in 2021. Post impairment, the Group no longer equity accounts the results of CSZ as the Group's cumulative share of losses exceeds its interests in CSZ. As at December 31, 2023, the Group's share of the unrecognised losses of CSZ was S$11 million. The Group has disposed its investment in the equity shares of CSZ in December 2024 (Note G6).

iv. In 2023, proceeds from the capital reduction of a joint venture in China was settled against an amount due to joint venture of S$44 million.

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G4. Related Party Information

a. Amounts Due from Related Parties

(S$ million)	Note	Associates December 31, 2024	Associates December 31, 2023	Joint ventures December 31, 2024	Joint ventures December 31, 2023	Related companies December 31, 2024	Related companies December 31, 2023	Total December 31, 2024	Total December 31, 2023
Group									
Trade		4	5	4	1	104	59	112	65
Non-trade		2	2	5	5	5	4	12	11
Dividends		5	–	46	37	–	–	51	37
Loans		*	*	61	1	1	–	62	1
	E1	11	7	116	44	110	63	237	114
Loss allowance	ii	*	(1)	*	(10)	(1)	(1)	(1)	(12)
		11	6	116	34	109	62	236	102
Amount due within 1 year		(11)	(6)	(112)	(31)	(108)	(62)	(231)	(99)
Amount due more than 1 year		–	–	4	3	1	–	5	3

i. The non-trade amounts due from related parties are unsecured, repayable on demand and interest-free.

ii. In 2023, loss allowance mainly pertained to a dividend receivable from a joint venture which was impaired (see G3(b)(iii)).

(S$ million)	Note	Subsidiaries December 31, 2024	Subsidiaries December 31, 2023
Company			
Current:			
– Trade		47	30
	E1	47	30

b. Amounts Due to Related Parties

(S$ million)	Note	Holding company December 31, 2024	Holding company December 31, 2023	Associates December 31, 2024	Associates December 31, 2023	Joint ventures December 31, 2024	Joint ventures December 31, 2023	Related companies December 31, 2024	Related companies December 31, 2023	NCI December 31, 2024	NCI December 31, 2023	Total December 31, 2024	Total December 31, 2023
Group													
Current:													
– Trade		–	–	6	*	*	*	8	5	–	–	14	5
– Non-trade		–	–	*	*	*	6	6	7	–	1	6	14
	E3	–	–	6	*	*	6	14	12	–	1	20	19

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

(S$ million)	Note	Subsidiaries December 31, 2024	Subsidiaries December 31, 2023
Company			
Current:			
– Trade		2	*
– Non-trade		4	6
– Loans		–	145
	E3	6	151
Non-current:			
– Loans	E3	1,393	1,370
		1,399	1,521

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G4. Related Party Information *(cont'd)*

b. Amounts Due to Related Parties *(cont'd)*

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

The loans from a related party of S$1,393 million (2023: S$1,515 million) bear interest rates ranging from 3.70% to 4.06% (2023: 3.72% to 4.90%) per annum and are secured.

c. Related Party Transactions

In addition to the above, the Group had the following significant outstanding balances and transactions with related parties during the year:

	Outstanding balances		Transactions	
(S$ million)	December 31, 2024	December 31, 2023	2024	2023
Related Corporations				
Sales	104	59	577	543
Purchases including rental	8	5	352	378
Finance income	5	4	*	12
Finance expense	6	7	7	27
Associates and Joint Ventures				
Sales	8	6	32	47
Purchases including rental	6	*	*	20
Finance income	7	4	6	5
Payment on behalf	–	–	1	3
Loans receivable	61	1	–	–

d. Compensation of Key Management Personnel

The Group considers the Directors of the Company (including the Group CEO of the Company) and other personnel who have the authority and responsibility for planning, directing and controlling the activities of the Group to be key management personnel in accordance with SFRS(I) 1-24 Related Party Disclosures.

The compensation of the six (2023: six) key management personnel is included in the table below:

	Group	
(S$ million)	2024	2023
Directors		
Directors' fees paid / payable	2	2
Key Management Personnel		
Short-term employee benefits[1]	18	15
Employer's contributions to defined contribution plans	*	*
Share-based compensation expenses	18	13

[1] Short-term employee benefits comprise of base salary, bonus and other benefits, excluding the fair value of shares vested during the year.

The Group adopts an incentive compensation plan, which is tied to the creation of Economic Value Added (EVA), as well as attainment of individual and Group performance goals for its key executives. "A bonus bank" is used to hold incentive compensation credited in any year. Typically, one-third of the available balance is paid out in cash each year, with the balance being carried forward to the following year. The balances of the bonus bank will increase or decrease by the yearly EVA performance achieved and the pay-outs made from the bonus bank.

G5. Acquisition of Subsidiaries

Acquisition of Significant Subsidiaries

2024

During the year, the Group completed the acquisition of subsidiaries in the renewable business in India, Vietnam and China.

Acquisition of subsidiaries in India

On February 13, 2024, the Group completed the acquisition of a 100% interest in two SPVs of Leap Green. The SPVs contributed turnover of S$22 million and loss of S$3 million to the Group's results.

Acquisition of subsidiaries in Vietnam

In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex. These acquisitions contributed turnover of S$32 million and profit of S$9 million to the Group's results.

Acquisition of subsidiaries in China

During December 2024, the Group completed the acquisitions of 100% interest in Hechishi Yizhouqu Xinyang New Energy Co. Ltd. and Qinzhou Fengmushan Wind Power Co., Ltd (collectively China subsidiaries). These subsidiaries' contributions to the Group's turnover and profit for the year are not material.

(S$ million)	Note	India (Note i)	Vietnam (Note ii)	China (Note iii)	Total
Purchase consideration					
Cash paid		46	174	51	271
Contingent and deferred consideration payable		–	3	–	3
Contingent receivable	ii	–	(12)	–	(12)
Consideration transferred for the businesses		46	165	51	262
Effect on cash flows of the Group					
Cash paid		46	174	51	271
Less: Cash and cash equivalents in subsidiaries acquired		(9)	(11)	(7)	(27)
Cash outflow on acquisition		37	163	44	244
Identifiable assets acquired and liabilities assumed					
Property, plant and equipment		146	282	165	593
Intangible assets		1	44	16	61
Trade and other receivables		9	17	19	45
Deferred tax assets		–	*	–	*
Cash and cash equivalents		9	11	7	27
Total assets		165	354	207	726
Trade and other payables		3	1	11	15
Provisions		2	–	–	2
Borrowings		104	189	142	435
Lease liabilities		*	*	*	*
Deferred tax liabilities		2	5	3	10
Total liabilities		111	195	156	462
Identifiable net assets acquired		54	159	51	264
Less: NCI measured on proportionate basis		–	(4)	–	(4)
Identifiable net assets acquired		54	155	51	260
Add: Goodwill acquired		–	10	–	10
Less: Gain on bargain purchase		(8)	–	–	(8)
Considerations transferred for the business		46	165	51	262

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*

i. Acquisition of subsidiaries in India

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The gain on bargain purchase relating to the acquisition is presented within non-operating income in the income statement in FY2024.

ii. Acquisition of subsidiaries in Vietnam

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The goodwill recognised is not expected to be deductible for tax purposes.

c. Contingent consideration includes both contingent receivables and contingent consideration payable. The receivable is due when the agreed energy production level is not met within two years after the acquisition, while the payable is for the payment of a defined amount upon obtaining the necessary permits for the operation of certain projects. The receivable and payable are presented at gross amounts within trade and other receivables and trade and other payables, respectively, on the balance sheet as of December 31, 2024.

In determining the fair value of the contingent consideration, the Group has applied estimates to evaluate the probability and timing of fulfillment, considering past experiences and changes in the market, economic, or legal environment in Vietnam.

iii. Acquisition of subsidiaries in China

a. Acquisition-related costs amounting to S$1 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss.

iv. Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function
	Vietnam Replacement cost method	Replacement cost could be obtained or estimated using the quote of similar assets or inflation-adjusted historical cost of subject assets.
	China Replacement cost method	The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project
		Discount rate India: 11.22%–11.33% Vietnam: 9.45%–11.14% China: 6.60%

2023

On January 11, 2023, the Group completed the acquisition of a 100% interest in Vector Green, which consists of a portfolio of solar and wind assets. On December 6, 2023 and December 28, 2023, the Group completed the acquisition of a 100% interest in Qinzhou Yuanneng Wind Power Co., Ltd (Qinzhou Yuanneng) and Binyang County Santai Energy Technology Co., Ltd (Binyang Santai) (collectively China subsidiaries) respectively. These acquisitions will support the Group in achieving its 2028 target of attaining 25GW gross installed capacity in renewable energy, reinforcing its commitment to driving the energy transition.

India

Vector Green contributed turnover of S$89 million and profit of S$18 million to the Group's results. As the completion date was in January 2023, management estimated that the change in contribution to turnover and profit for the year would not have been material if the acquisition was completed on January 1, 2023.

China

The China subsidiaries contributed turnover of S$5 million and profit of S$3 million to the Group's results. As the projects only achieved commercial operation in 4Q2023, management estimated that the contribution to turnover and profit for the year would not have been material should the acquisition be completed on January 1, 2023.

(S$ million)	Note	India (Note i)	China (Note i)	Total
Purchase consideration				
Cash paid		450	112	562
Deferred consideration	ii	–	35	35
Consideration transferred for the businesses		450	147	597
Effect on cash flows of the Group				
Cash paid		450	112	562
Less: Cash and cash equivalents in subsidiaries acquired		(49)	(11)	(60)
Cash outflow on acquisition		401	101	502
Identifiable assets acquired and liabilities assumed				
Property, plant and equipment		470	319	789
Intangible assets		164	90	254
Trade and other receivables		72	33	105
Other investments and derivative assets		57	–	57
Deferred tax assets		2	–	2
Cash and cash equivalents		49	11	60
Total assets		814	453	1,267
Trade and other payables		36	13	49
Deferred tax liabilities		65	27	92
Lease liabilities		7	4	11
Borrowings		354	262	616
Total liabilities		462	306	768
Identifiable net assets acquired		352	147	499
Add: Goodwill acquired		98	*	98
Consideration transferred for the businesses		450	147	597

The China subsidiaries' identifiable assets acquired, and liabilities assumed are inclusive of fair value adjustments, determined on provisional basis as of December 31, 2023.

Prior to the end of the provisional one-year period from the date of acquisition of HYNE (June 1, 2022), the consideration has decreased by S$3 million, resulting in a reduction in goodwill by S$3 million. As at December 31, 2023, the goodwill arising from the acquisition of subsidiaries was S$95 million (see Note D3).

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*

2023 *(cont'd)*

i. Measurement of fair values

a. The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function
	China Replacement cost method	Replacement cost derived from a markup on comparable companies' average gross margin
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project
		Remaining average contract tenure of 18 years for Vector Green and permits tenure of 20 years for the China subsidiaries
		Discount rate of 11.48% and 8.5% for Vector Green and the China subsidiaries respectively

b. The goodwill recognised is not expected to be deductible for tax purposes.

c. Acquisition-related costs amounting to S$2 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss.

ii. The deferred consideration is payable on the fulfilment of the completion procedures and is expected to be paid within 2024. This amount was presented within trade and other payables in the balance sheet as at December 31, 2023.

G6. Disposal Group Held for Sale and Discontinued Operations

Accounting policies

Non-current assets or disposal groups are classified as assets held for sale and measured at the lower of carrying amount and fair value less costs to sell if they are expected to be recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

Any impairment losses on initial classification and subsequent re-measurement are recognised in profit or loss. Subsequent increases in fair value less costs to sell are recognised in profit or loss but not exceeding the accumulated impairment loss that has been previously recognised.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- represents a separate major line of business or geographical area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;

Key estimates and judgements

The assessment on whether the Group has lost control of a subsidiary takes into consideration the terms of the sales, including the transaction structure. Judgements are applied in determining if there is a loss of control or influence of the subsidiary. Factors considered in the assessment for disposal during the year are described in the note.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

a. Disposal Group Held for Sale

i. Sembcorp Environment Pte. Ltd. (SembEnviro)

On November 8, 2024, the Group has entered into a share purchase agreement (SPA) to sell the entire issued and paid-up share capital of SembEnviro to SBT Investment 2 Pte. Ltd., a wholly-owned subsidiary of PT TBS Energi Utama Tbk (TBS), a company listed on the Indonesian Stock Exchange. The completion of the transaction is subject to fulfilment of conditions precedent, including regulatory approvals. The transaction will be settled in cash and is expected to be completed by the first half of 2025.

As at December 31, 2024, SembEnviro is classified as held for sales having assessed the following:

1. Management is committed to sell and the sale is highly probable
2. The asset or disposal group is ready for immediate sale in its present condition
3. The carrying amount will be recovered principally through sale rather than through continuing operation

Post Completion

Post completion of the sale, SCI will lose control of SembEnviro. Our considerations include:

1. SCI will not be a shareholder of SembEnviro and will have no voting rights on shareholder matters relating to SembEnviro
2. SCI will not have the rights or ability to appoint directors, key management, and participate as a director or management of SembEnviro
3. SCI will not have contractual arrangements that give SCI the rights or ability to direct the operating and financing activities of SembEnviro
4. SCI will also not be exposed to, or have rights to, the variable returns of SembEnviro

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G6. Disposal Group Held for Sale and Discontinued Operations *(cont'd)*

a. Disposal Group Held for Sale *(cont'd)*

i. Sembcorp Environment Pte. Ltd. (SembEnviro) *(cont'd)*

As of December 31, 2024, the assets and liabilities relating to SembEnviro and its subsidiaries were classified as held for sale. Correspondingly, the Company has also classified its investment in SembEnviro as held for sale.

	Carrying amount at December 31, 2024			
	Group			Company
(S$ million)	SembEnviro	Intercompany	Attributable to Group	
Assets held for sale				
Investment in subsidiary	–	–	–	268
Property, plant and equipment	323	–	323	–
Investment properties	1	–	1	–
Intangible assets	*	–	*	–
Trade and other receivables	115	(80)	35	–
Inventories	6	–	6	–
Cash and cash equivalents	24	–	24	–
	469	(80)	389	268
Liabilities held for sale				
Trade and other payables	44	(2)	42	–
Provisions	2	–	2	–
Current tax payable	9	–	9	–
Lease liabilities	62	–	62	–
Deferred tax liabilities	33	–	33	–
	150	(2)	148	–
Excess of assets over liabilities held for sale	319	(78)	241	268

The disposal of SembEnviro will not be disclosed as discontinued operation, as SembEnviro business is part of the Integrated Urban Solutions segment and is not a major line of business of the Group.

ii. Vietnam assets

Included within assets held for sale is S$3 million relating to property, plant and equipment located in Vietnam.

b. Discontinued Operations

2024

On December 19, 2024, the Group completed the sale of Chongqing Songzao Sembcorp Electric Power Co., Ltd. (CSZ). The loss on disposal of S$9 million relates mainly to the realisation of the accumulated currency translation loss recognised in the foreign currency translation reserve.

In May 2021, SCI announced its strategy to reduce its carbon emission, and in 2022, the Group announced the divestment of SEIL, which was completed in 2023, and to exit its coal business. The exit of the coal business, being a major line of business under the Conventional Energy business segment then, was classified as discontinued operation.

In 2024, the Group completed its divestment of CSZ, the Group's remaining coal-fired power generation assets. Being part of the Group's plan to exit its coal business, the loss on disposal was reported under discontinued operation.

2023

On January 19, 2023, the Group completed the sale of SEIL. The loss on disposal of S$78 million was after realisation of an accumulated currency translation loss recognised in the foreign currency translation reserve of S$423 million and a gain in capital reserve and other reserves of S$290 million. Before realisation of these reserves, there was a gain of S$55 million recognised on the sale.

The financial effects arising from the divestment of the discontinued operation are as follows:

	Group	
(S$ million)	2024	2023
Net assets derecognised	–	1,938
Less: Realisation of currency translation, capital and other reserves upon disposal	9	133
Less: Transaction costs	*	42
Loss on disposal	(9)	(78)
Consideration received	*	2,035
Add: Stamp duties and tax	*	3
Less: DPN receivable	–	(2,038)
Net cash inflow	*	–

Loss of control of SEIL

Post divestment of the Group's 100% equity stake in SEIL (now known as SEIL EIL), the Group has indirect exposure to SEIL EIL's operational and financial risks as a lender by virtue of the DPN issued to the Purchaser, extension of the corporate guarantees on an arm's length basis to certain SEIL EIL's existing lenders and the provision of non-exclusive technical service to SEIL EIL. Judgements were applied in determining the loss of control in SEIL EIL based on the terms of the sale. The factors being considered include:

i. The Group does not have any voting rights, board representatives or decision-making authority in SEIL EIL's operational and financial matters.

ii. Affirmative, negative and information covenants common in commercial project finance arrangements, were included as the terms of the DPN to ensure full recoverability of the DPN amount. Such rights are typical of project finance agreements and are not exclusive to the Group. They do not confer any power to direct SEIL EIL's activities for any variable returns, similar to those of SEIL EIL's then existing project finance loans.

iii. The corporate guarantee extended to SEIL EIL's lenders was required as part of the consents from lenders for the change in shareholder of SEIL EIL, under the terms of SEIL EIL's then existing project finance arrangements. The Group charges a corporate guarantees fee at an arm's length basis to compensate for the risks assumed and is not a mechanism to extract returns from SEIL EIL.

iv. The Group has also entered into Technical Service Agreement (TSA) to facilitate a smooth transition of the change in ownership in SEIL EIL for the Purchaser (*Tanweer Infrastructure SAOC*). The Purchaser may request for advice from time to time so that it can run SEIL EIL's operations reliably and efficiently, safeguarding the interest of SEIL EIL's stakeholders, namely the power distribution customers, end users, employees, lenders, and the Indian Power system. The TSA can be terminated by either party with 30 days' notice in writing in accordance with the terms of the agreement.

   The fees charged for TSA are at market rate on an arm's length basis, based on the scope as decided and requested by the Purchaser and SEIL EIL, and not in accordance with the performance achieved by SEIL EIL. The TSA is also not a mechanism to extract returns from SEIL EIL, and the TSA fees are not linked to SEIL EIL's returns and are not material relative to the earnings of SEIL EIL.

v. The Group derives interest income as its return under the DPN. The interest rate is at 1.8% per annum plus benchmark rate equal to 10-year Indian government bond minus GHG emission intensity reduction incentive. As a lender under the DPN, the Group has no power nor significant influence over SEIL EIL to affect the amounts of its return from SEIL EIL. Like any other non-recourse project finance lender, the Group's recoverability of the DPN principal is subject to the downside risk of SEIL EIL's ability to generate cashflow to repay the DPN principal.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

Notes to the Financial Statements

H. Other Disclosures

H1. DPN Receivable, Other Investments and Derivatives

Accounting policies

Classification and Measurement

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group initially recognises financial liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group classifies financial liabilities as measured at amortised cost or FVTPL.

Equity Investments at FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. The Group's equity investments are classified as FVOCI. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets and liabilities at FVTPL

All other financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI, as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial liability is classified as FVTPL if it is held for trading, it is a derivative or it is designated as such on initial recognition. Financial assets and financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest income and expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

Derecognition

The Group derecognises a financial asset when a) the contractual rights to the cash flows from the financial asset expire, or b) when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or if the Group neither transfers nor retains substantially all of the risks and rewards of ownership, it does not retain control of the financial asset.

The Group enters transactions whereby it transfers assets recognised in its balance sheet but retains either all or substantially all of its risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantively different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash transferred or liabilities assumed) is recognised in profit or loss.

Deferred Payment Note receivable (DPN)

Arising from the completion of the sale of 100% of the shares in Sembcorp Energy India Limited (SEIL) by Sembcorp Utilities Pte Ltd (SCU) to Tanweer Infrastructure SAOC (the Purchaser) on January 19, 2023, the consideration for the sale was settled through a deferred payment note receivable amounting to approximately S$2,038 million. The DPN, measured at fair value, is classified as a financial asset at fair value through profit and loss, as it does not meet the criteria for the SPPI (Solely Payments of Principal and Interest) test based on its terms.

Key estimates and judgements

The determination of the fair value of the DPN requires significant judgements and estimates, which are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected.

The Group has derived the fair value of DPN by performing a discounted cashflow using the forecasted distributable reserves available from SEIL Energy India Limited (SEIL EIL), considering secured cash flows from various power purchase agreements and unsecured cash flows from contract renewals and / or new contracts.

The fair value of DPN assumed that the Group will receive interest payments in accordance with a pre-agreed interest rate and principal repayment according to SEIL EIL's a cash distribution waterfall agreed in the DPN agreement.

A discount rate is applied to the DPN to reflect the cash flow risks associated with the forecasted distributable dividends from SEIL EIL and credit default risk of the Purchaser^. This discount rate was derived from the yields of comparable INR bonds in India in the same industry with similar credit ratings, adjusted for maturity and subordinated structure of the DPN and cross referenced with Indian company INR perps and comparable Indian company loans.

An increase in 10 basis points on the discount rate would have reduced the fair value by S$8 million. Conversely, a 10 basis points decrease would have increased the fair value by S$8 million (Note H1(i)).

^ Tanweer Infrastructure SAOC

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

(S$ million)	Note	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current
2024					
DPN receivable	i	–	1,581		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	47		
At FVTPL:					
– Mutual funds	ii	76	34	–	–
– Cross currency swaps		–	2	–	–
– Interest rate swaps		–	2	–	–
– Forward foreign exchange contracts		8	2	11	7
		84	40	11	7
Hedge of net investment in foreign operations:					
– Forward foreign exchange contracts		1	–	–	–
		1	–	–	–
Cash flow hedges:					
– Forward foreign exchange contracts		2	–	–	–
– Fuel oil swaps		27	1	23	4
– Interest rate swaps		–	27	2	6
– Cross currency swaps		–	–	–	13
		29	28	25	23
At amortised cost:					
– Long-term fixed deposits		–	14		
– Redeemable preference shares		–	7		
		–	21		
Total		114	136	36	30

(S$ million)	Note	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current
2023					
DPN receivable	i	–	1,816		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	46		
At FVTPL:					
– Mutual funds	ii	63	31	–	–
– Cross currency swaps		–	2	25	–
– Interest rate swaps		–	*	–	–
– Forward foreign exchange contracts		2	–	*	–
– Foreign exchange swap contracts		1	–	*	–
		66	33	25	–
Hedge of net investment in foreign operations:					
– Foreign exchange swap contracts		–	1	–	–
– Forward foreign exchange contracts		8	–	–	–
		8	1	–	–
Cash flow hedges:					
– Forward foreign exchange contracts		*	–	9	8
– Fuel oil swaps		29	11	29	11
– Interest rate swaps		11	27	–	–
– Cross currency swaps		–	4	–	1
		40	42	38	20
At amortised cost:					
– Long-term fixed deposits		–	3		
– Redeemable preference shares		–	7		
		–	10		
Total		114	132	63	20

i. DPN Receivable

The DPN was entered into by SCU, a wholly owned subsidiary of the Company, as part of the sale of SEIL in January 2023 as a means of providing financing to the Purchaser^. The DPN receivable is now classified as a financial asset at fair value through profit and loss, as it does not pass the SPPI (Solely Payments of Principal and Interest) test. A Technical Services Agreement ("TSA") was also entered into by SCU to provide technical advisory services to SEIL EIL as part of transition arrangements, pursuant to which SCU is paid fees which are mutually agreed annually based on estimated man-days. Under the terms of the DPN, the TSA cannot be terminated without SCU's consent.

The DPN receivable was initially measured at fair value as at the date of sale. Subsequent changes in fair value are recognised in profit or loss as DPN income (Note B4).

The DPN bears interest at a rate per annum equal to 1.8% plus a benchmark rate equal to the Indian government 10-year bond yield spot rate, minus a greenhouse gas emissions intensity reduction incentive rate.

^ Tanweer Infrastructure SAOC

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

i. DPN Receivable *(cont'd)*

SCU has put in place a mechanism to monitor and manage the credit exposure via the rights provided in the DPN. A summary of the terms of the DPN are set out below and can also be found in Circular to Shareholders dated October 22, 2022:

a. Under the DPN, SCU receives payment from the borrower (Tanweer Infrastructure SAOC);

b. SCU has protective rights as a lender by way of covenants in the DPN (affirmative, negative and information) in line with common financing terms provided by project lenders;

c. These covenants ensure that the borrower and the underlying project's funding and operational activities do not negatively affect payments under the DPN and also impose obligations on the borrower to ensure that SEIL EIL continues to operate in accordance with the annual operating budget, contractual obligations and in compliance with applicable laws and standards.

The Group has continued to assess that it has no control over SEIL EIL and only retain risks as lender through the DPN provided to the Purchaser and corporate guarantee given over SEIL EIL's borrowing facilities. The Group also assessed that the services provided as part of the TSA did not give rise to power to direct the relevant activities of SEIL EIL that result in the Group having control or any significant influence over the operating and financial decisions of SEIL EIL.

The balance as at December 31, 2024 of S$1,581 million (2023: S$1,816 million) included a fair value gain of S$169 million (2023: S$133 million) for the period, net of receipts of S$404 million (2023: S$355 million) consisting of principal and interest repayments.

ii. Included in mutual funds are amounts of S$14 million (2023: S$19 million) pledged to secure loan facilities.

H2. Provisions

Accounting policies

A provision is an amount set aside based on reliable estimate to settle a probable legal or constructive obligation from a past event.

Key estimates and judgements

Estimates of the Group's obligations arising from contracts or regulations that exist as at balance sheet date may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on management's knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Certain of the Group's subsidiaries are involved in claims, litigations, land disputes and other regulatory matters in certain countries at year end. Due to the nature of these disputes and matters, and in view of the uncertainty of the outcome, the Group believes that the amount of exposure cannot currently be reliably determined. Therefore, no provision has been recorded for these.

Provision for restoration cost

The provision recognised represents management's best estimate of the present value of the future costs required. Significant estimates and assumptions are made in determining the amount of restoration provisions. Those estimates and assumptions deal with uncertainties such as: changes to the relevant legal and regulatory framework; the timing, extent and costs required. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the balance sheet by adjusting both the asset and provision. Such changes give rise to a change in future depreciation and interest charges.

Movements in provisions are as follows:

(S$ million)	Note	Claims (i)	Restoration costs (ii)	Remediation of legacy sites (iii)	Others (iv)	Total
Group						
2024						
Balance at January 1		6	89	12	35	142
Translation adjustments		*	*	*	*	*
Provisions made during the year		8	15	*	3	26
Provisions reversed during the year		*	–	*	(9)	(9)
Provisions utilised during the year		(7)	(5)	(5)	(11)	(28)
Acquisition of subsidiaries		–	2	–	–	2
Transfer to liabilities held for sale		–	(2)	–	–	(2)
Unwind of accretion on restoration costs	C6	–	3	–	–	3
Balance at December 31		7	102	7	18	134
Provisions due:						
– within 1 year		7	49	7	2	65
– after 1 year but within 5 years		–	2	–	12	14
– after 5 years		–	51	–	4	55
		7	102	7	18	134
2023						
Balance at January 1		2	69	20	13	104
Translation adjustments		*	1	1	*	2
Provisions made during the year		4	19	–	25	48
Provisions reversed during the year		*	*	(2)	(2)	(4)
Provisions utilised during the year		–	(2)	(7)	(1)	(10)
Unwind of accretion on restoration costs	C6	–	2	–	–	2
Balance at December 31		6	89	12	35	142
Provisions due:						
– within 1 year		6	45	11	15	77
– after 1 year but within 5 years		–	3	1	20	24
– after 5 years		–	41	–	–	41
		6	89	12	35	142

Notes to the Financial Statements

H. Other Disclosures *(cont'd)*

H2. Provisions *(cont'd)*

(S$ million)	Claims (i)	Restoration costs (ii)	Total
Company			
2024			
Balance at January 1	1	51	52
Provisions made during the year	–	6	6
Provisions utilised during the year	*	(4)	(4)
Unwind of accretion on restoration costs	–	1	1
Balance at December 31	1	54	55
Provisions due:			
– within 1 year	1	38	39
– after 5 years	–	16	16
	1	54	55
2023			
Balance at January 1	*	41	41
Provisions made during the year	1	10	11
Provisions utilised during the year	–	*	*
Balance at December 31	1	51	52
Provisions due:			
– within 1 year	1	34	35
– after 5 years	–	17	17
	1	51	52

i. Provision for claims relates to the obligations arising from contractual and commercial arrangements in the Group's and the Company's operations, based on the best estimate of the possible outflow considering both contractual and commercial factors.

ii. Restoration costs relate to cost of dismantling and removing assets and restoring the premises to its original condition as stipulated in the agreements. The liability is expected to be incurred upon fulfilment of restoration obligation or termination of the lease.

iii. This relates to remediation obligations of certain legacy sites in the UK, which are expected to be utilised within one to three years. This provision has been determined with reference to external quotes from suppliers as well as management's best estimate of the costs to complete the remediation works.

iv. Others for the Group include provision for maintenance obligation based on contractual obligations to maintain the infrastructure and equipment to specified levels of serviceability under the service concession agreements. These provisions are measured at the best estimate of the expenditure required and timing of outflows, to settle the present obligation at the end of each reporting period.

H3. Performance Guarantees

Group

As at December 31, 2024, the Group has provided performance guarantees to external parties amounting to nil (2023: S$2 million). The Group does not consider it probable that a claim will be made against the Group under these guarantees, as such there were no liabilities recognised.

Company

The Company has provided performance guarantees of S$75 million (2023: S$80 million) on behalf of a subsidiary, Sembcorp Cogen Pte Ltd (SembCogen) for two long-term agreements entered in Year 2010 for the purchase of a total of 20 BBtud (2023: 20 BBtud) (Billion British thermal units per day) of liquefied natural gas (LNG) from Shell Gas Marketing Pte Ltd (Shell).

These agreements have a start date on May 7, 2013 and September 1, 2015 respectively, and have a term of 10 years and SembCogen has an option to extend the term by two successive periods of five years each, subject to fulfilment of conditions set in the agreements. As the contract which expired in May 2023 was not renewed, the Company's obligations under this contract have been discharged.

The Company believes that the subsidiary has sufficient resources to fulfil its contractual obligations and does not consider it probable that a claim will be made against the Company under these guarantees, as such there were no liabilities recognised.

H4. Subsequent Events

On January 31, 2025, the Group announced the signing of a share purchase agreement to acquire a 100% interest in Puente Al Sol Inc for consideration of approximately S$105 million. Puente Al Sol Inc is currently developing a 96MW solar farm in Cadiz, Philippines.

H5. New or Revised Accounting Standards and Interpretations Not Yet Effective

The following new SFRS(I)s, amendments to and interpretations of SFRS(I)s are effective for annual periods beginning after January 1, 2024:

Applicable to 2025 financial statements

- *Amendments to SFRS(I) 1-21: Lack of Exchangeability*

Applicable to 2026 financial statements

- *Amendments to SFRS(I) 9 and SFRS(I) 7: Classification and Measurement of Financial Instrument*
- *Annual Improvements to SFRS(I)s — Volume 11*
- *Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity*

Applicable to 2027 financial statements

- *SFRS(I) 18: Presentation and Disclosure in Financial Statements*
- *SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures*

Mandatory effective date deferred

- *Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)*

The Group is still in the process of assessing the impact of the new SFRS(I)s, amendments to and interpretations of SFRS(I)s on the financial statements. The Group does not expect significant impact on the financial statements upon the adoption of these new SFRS(I)s.

Notes to the Financial Statements

I. Supplementary Information

I1. Interested Person Transactions (Under SGX-ST Listing Manual requirements)

For the purposes of Chapter 9 of the SGX-ST Listing Manual, shareholders' approval is required for any interested person transaction of a value equal to, or more than 5% of the Group's latest audited consolidated net tangible assets (NTA) or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than 5% of the Group's latest NTA. For FY2024, the 5% Group's consolidated NTA as at December 31, 2023 was S$181 million.

Chapter 9 however permits the Company to obtain a shareholders' mandate for recurrent transaction of a revenue or trading nature or those necessary for its day-to-day operations. At the Annual General Meeting held on April 2023, the Company obtained approval for such shareholders' mandate.

Transactions under shareholders' mandate

(S$ million)	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than S$100,000) 2024
Sale of Goods and Services		
Singapore Technologies Telemedia Pte Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	0.1
Mapletree Investments Pte Ltd and its Associates		0.5
PSA International Pte Ltd and its Associates		6.0
Olam International Ltd and its Associates		45.6
SATS Ltd and its Associates		0.1
CapitaLand Investment Limited and its Associates		0.9
Singapore Power Limited and its Associates		2.6
Singapore Technologies Engineering Ltd and its Associates		1.4
		57.2
Purchase of Goods and Services		
Singapore Power Limited and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	57.3
Mapletree Investments Pte Ltd and its Associates		3.8
SATS Ltd and its Associates		1.0
Singapore Airlines Limited and its Associates		0.1
Singapore Telecommunications Ltd and its Associates		8.1
Singapore Technologies Engineering Ltd and its Associates		10.8
Surbana-Jurong Private Limited and its Associates		7.2
PSA International Pte Ltd and its Associates		0.4
Lan Ting Holdings Pte Ltd and its Associates		82.2
Starhub Ltd and its Associates		0.5
Constellar Holdings Pte. Ltd.		0.3
		171.7
Treasury Transactions		
Subscription to S$350 million 3.65% fixed rate notes due 2036 notes issued by Sembcorp Financial Services Pte. Ltd. on October 23, 2024		
Yap Chee Keong	Director	0.4
		0.4
Total		229.3

There are no interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920).

I2. List of Properties

Urban

Description	Type	Land tenure	Gross floor area (sq m)	Group's effective interest	Status
China					
Industrial & Business Properties					
1. Global Sustainability Hub, Nanjing	Office & exhibition centre	Leasehold 50 years from 2015	36,489[1]	100%	Completed development
2. Jiangdao Intelligent Cube, Nanjing	Office & business park	Leasehold 50 years from 2012	72,273	21.5%	Completed development
3. Jiangdao Technology Innovation Centre, Nanjing	Office & exhibition centre	Leasehold 50 years from 2012	49,340	21.5%	Completed development
4. Wuxi-Singapore Industrial Park	Ready-built factories	Leasehold 50 years from 1995	540,227	45.4%	Completed development
5. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 2011	118,202	45.4%	Completed development
6. Wuxi-Singapore Industrial Park	Office & amenities	Leasehold 50 years from 1996	10,491	45.4%	Completed development
7. Wuxi-Singapore Industrial Park	Office	Leasehold 50 years from 1999	4,423	45.4%	Completed development
8. Wuxi-Life Science Park Phase 1	Ready-built factories	Leasehold 50 years from 2022	60,655	45.4%	Completed development
9. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 1995	13,087	45.4%	Under development
Commercial & Residential Properties					
1. Jiangdao Xin Tiandi, Nanjing	Retail	Leasehold 40 years from 2012	51,644	21.5%	Completed development
2. Jiangdao Hua Ting, Nanjing	Residential	Leasehold 70 years from 2012	3,229	21.5%	Completed development
3. Modena by Fraser, Wuxi New District	Service apartment	Leasehold 40 years from 2008	11,056	45.4%	Completed development
4. Chengdu Innovation & Technology Centre	Office & retail	Leasehold 40 years from 2022	65,930	50.0%	Under development
Indonesia					
Industrial & Business Properties					
1. Kendal Industrial Park, Central Java	Ready-built factories	Leasehold 30 years from 2015	1,836	49.0%	Completed development

[1] Gross floor area excludes carpark and basement area

Notes to the Financial Statements

I. Supplementary Information *(cont'd)*

I2. List of Properties *(cont'd)*

Urban *(cont'd)*

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
Vietnam					
Industrial & Business Properties					
1. Sembcorp Logistics Park Quang Ngai	Warehouses	Leasehold 60 years from 2022	33,600	52.5%	Under development
2. Sembcorp Logistics Park Nghe An	Warehouses	Leasehold 43 years from 2022	39,390	52.5%	Under development
3. VSIP Binh Duong I	Ready-built factories	Leasehold 50 years from 1996	57,659	49.3%	Completed development
4. VSIP Binh Duong II	Ready-built factories	Leasehold 50 years from 2005	25,020	49.3%	Completed development
5. VSIP Binh Duong II-A	Ready-built factories	Leasehold 50 years from 2008	85,111	49.3%	Completed development
6. VSIP Nghe An	Ready-built factories	Leasehold 50 years from 2015	8,810	49.3%	Completed development
7. VSIP Binh Duong – Hai Phong Branch	Ready-built factories	Leasehold 50 years from 2008	30,066	49.3%	Completed development
8. VSIP Bac Ninh	Ready-built factories	Leasehold 50 years from 2007	37,826	46.5%	Completed development
9. VSIP Bac Ninh Flatted Factory	Flatted factory	Leasehold 50 years from 2007	15,583	46.5%	Completed development
10. Sembcorp Logistics Park Hai Phong Phase I	Warehouses	Leasehold 44 years from 2014	15,000	52.5%	Completed development
11. Sembcorp Logistics Park Hai Phong Phase II	Warehouses	Leasehold 43 years from 2016	14,279	52.5%	Completed development
12. Sembcorp Logistics Park Hai Phong Phase III	Warehouses	Leasehold 40 years from 2018	13,200	52.5%	Completed development
13. Sembcorp Logistics Park Hai Duong	Warehouses	Leasehold 38 years from 2020	13,176	52.5%	Completed development
14. Sembcorp Logistics Park Thuy Nguyen	Warehouses	Leasehold 34 years from 2024	19,617	52.5%	Under development
15. Sembcorp Logistics Park Dinh Vu	Warehouses	Leasehold 34 years from 2024	83,260	52.5%	Under development
16. Sembcorp Logistics Park Bac Ninh I	Warehouses	Leasehold 47 years from 2024	61,864	100%	Under development
17. Sembcorp Logistics Park Binh Duong	Warehouses	Leasehold 43 years from 2024	77,080	100%	Under development
18. Sembcorp Logistics Park Nam Dinh	Warehouses	Leasehold 35 years from 2024	87,877	100%	Under development

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
Vietnam *(cont'd)*					
Commercial & Residential Properties					
1. VSIP Binh Duong II-A	Retail	Leasehold 50 years from 2008	1,118	49.3%	Completed development
2. VSIP Plaza, Quang Ngai	Retail	Leasehold 50 years from 2015	3,062	49.3%	Completed development
3. VSIP Hai Phong	Retail	Leasehold 50 years from 2008	233	46.5%	Completed development
4. Hai Phong Gateway	Retail	Leasehold 50 years from 2008	674	46.5%	Completed development
5. VSIP Bac Ninh	Shophouses	Leasehold 50 years from 2007	680	46.5%	Completed development
6. Sun Casa, Binh Duong	Residential & shophouses	Leasehold 50 years from 2008	1,677	49.3%	Completed development
7. Sun Casa Central I, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	7,372	49.3%	Completed development
8. Sun Casa Central II, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	27,504	49.3%	Under development
9. The Habitat Binh Duong Phase II	Residential & retail	Leasehold 45 years from 2018	431	51.6%	Completed development
10. The Habitat Binh Duong Phase III	Residential & retail	Leasehold 44 years from 2019	60,583	51.6%	Under development

Corporate and Others

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest
Singapore				
30 Hill Street	Office	Freehold land and building	11,410	100%

Additional Information on Directors Seeking Re-election

Name of director	Tow Heng Tan	Yap Chee Keong	Manu Bhaskaran	Prof Uwe Krueger
Date of appointment	June 1, 2021	October 1, 2016	July 1, 2024	October 1, 2024
Date of last re-appointment	April 21, 2022	April 20, 2023	N.A.	N.A.
Age	69	64	66	60
Country of principal residence	Singapore	Singapore	Singapore	Switzerland
The board's comments on this appointment (including rationale, selection criteria, board diversity considerations, as well as the search and nomination process)	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement
Whether appointment is executive, and if so, the area of responsibility	No	No	No	No
Job title (e.g., Lead ID, AC Chairman, AC Member etc.)	Chairman Non-executive & Non-independent Director Chairman • Executive Committee Member • Executive Resource & Compensation Committee • Nominating Committee	Non-executive & Independent Director Chairman • Audit Committee Member • Risk Committee	Non-executive & Independent Director	Non-executive & Non-independent Director
Professional qualifications	Chartered Accountant, Institute of Singapore Chartered Accountants Fellow of: • Association of Chartered Certified Accountants, UK • Chartered Institute of Management Accountants, UK	Bachelor of Accountancy, National University of Singapore Fellow of: • Institute of Singapore Chartered Accountants • CPA Australia • Singapore Institute of Directors	Bachelor of Arts (Honours), University of Cambridge Master of Arts (MA (Cantab)), University of Cambridge Master in Public Administration, Harvard University Chartered Financial Analyst	Degree in Physics and Business Administration, University of Frankfurt PhD in Physics, University of Frankfurt Honorary Doctorate, Heriot Watt University Honorary Professor of Physics, Johann Wolfgang Goethe University
Working experience and occupation(s) during the past 10 years	Pavilion Capital International • Chief Executive Officer (2012 – present)	The Straits Trading Company • Executive Director (2013–2014) Company director of various companies	Centennial Asia Advisors • Founding CEO (2002 – present)	Temasek International • Vice Chairman, Europe, Middle East and Africa (EMEA) (2024 – present) • Head of Industrials, Business Services, Energy & Resources and Head of EMEA (2018–2024) WS Atkins PLC • Chief Executive Officer (2011–2017)
Shareholding interest in the listed issuer and its subsidiaries	Sembcorp Industries • 55,600 ordinary shares (direct interest) • 22,715 ordinary shares* (deemed interest) * Deemed interest in the shares registered in the name of his wife	Sembcorp Industries 143,600 ordinary shares* * All shares are registered in the name of DBS Nominees Pte Ltd	Nil	Nil
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and / or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Chief Executive Officer of Pavilion Capital International, wholly-owned by Temasek Holdings, which is a substantial shareholder of the Company	Nil	Nil	Vice Chairman, EMEA, Temasek International, a related corporation of the substantial shareholder of the Company
Conflict of interest (including any competing business)	No	No	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes	Yes

Additional Information on Directors Seeking Re-election

Other Principal Commitments Including Directorships

Name of director	**Tow Heng Tan**	**Yap Chee Keong**	**Manu Bhaskaran**	**Prof Uwe Krueger**
Past (for the last five years)	• Autumn Bloom Investments • Fullerton Financial Holdings • Keppel Capital Holdings	• Bayberry • Certis CISCO Security • Citibank Singapore • Maxeon Solar Technologies • Mediacorp • Olam International	• CIMB Investment Bank • IFS Capital • Jebsen & Jessen • MinorCap • Shining Star Solutions and Services	• Aggreko plc • Ontex S.A. • Swiss Federal Nuclear Commission
Present	Listed companies • Sembcorp Industries Others • MOH Holdings (Member, Investment Committee) • National Healthcare Group • Pavilion Capital Holdings Group of Companies • Temasek Trust • True Light Fund I (Member, Investment Committee) • TTAM Holdings Group of Companies	Listed companies • Olam Group • Seatrium • Sembcorp Industries • Shangri-La Asia Others • Ensign Infosecurity • PIL Group • Sing Life Holdings Group • The Assembly of Christians of Singapore	Listed companies • Japfa • Niks Professional • Sembcorp Industries Others • Aspen Networks Inc • Centennial Asia Advisors • Centennial Group Holdings LLC • LCPL Partners VCC • Luminor Capital	Listed companies • Sembcorp Industries Others • Element Materials Technology • Gategroup Holding AG

Information Required Pursuant to Listing Rule 704(7)

Confirmation under items (a) to (k) in Appendix 7.4.1 of the SGX-ST Listing Manual	Confirmed that all responses to be "No"	Confirmed that all responses to be "No"	Confirmed that all responses to be "No" except for item (k). Mr Bhaskaran was convicted on three counts under the Official Secrets Act on March 31, 1994. He was fined S$2,000 on each count.	Confirmed that all responses to be "No"

Shareholding Statistics

As at March 6, 2025

Statistics of Shareholders

Issued and fully paid-up capital:	S$565,571,683.28
Number of issued shares:	1,787,547,732
Number / percentage of treasury shares:	7,443,424 (0.42%)
Number of shareholders:	31,601
Class of shares:	Ordinary shares with equal voting rights[1]

Shareholdings Held by the Public

Based on information available to the company as at March 6, 2025, 50.10%[2] of the issued ordinary shares of the company is held by the public and therefore, the company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Substantial Shareholder

Substantial Shareholder	Direct Interest	Indirect Interest	Total	%[2]
Temasek Holdings (Private) Limited	871,200,328	10,244,275[3]	881,444,603	49.52

Top 20 Shareholders

No.	Name	No. of Ordinary Shares Held	%[2]
1.	Temasek Holdings (Private) Ltd	871,200,328	48.94
2.	Citibank Nominees Singapore Pte Ltd	228,830,527	12.85
3.	DBSN Services Pte Ltd	134,910,137	7.58
4.	Raffles Nominees (Pte) Limited	86,457,126	4.86
5.	DBS Nominees Pte Ltd	65,655,025	3.69
6.	HSBC (Singapore) Nominees Pte Ltd	58,711,532	3.30
7.	BPSS Nominees Singapore (Pte.) Ltd.	21,994,179	1.24
8.	United Overseas Bank Nominees (Private) Limited	19,535,304	1.10
9.	Startree Investments Pte Ltd	9,400,000	0.53
10.	OCBC Nominees Singapore Pte Ltd	8,235,826	0.46
11.	OCBC Securities Private Ltd	6,281,063	0.35
12.	Tang Kin Fei	4,746,612	0.27
13.	Heng Siew Eng	4,482,000	0.25
14.	Wong Kim Yin	4,163,597	0.23
15.	Phillip Securities Pte Ltd	4,017,456	0.23
16.	IFAST Financial Pte Ltd	3,119,073	0.18
17.	Tan Kong Hong Alex	3,010,081	0.17
18.	UOB Kay Hian Pte Ltd	2,352,773	0.13
19.	Maybank Securities Pte. Ltd.	1,850,264	0.10
20.	DB Nominees (Singapore) Pte Ltd	1,646,522	0.09
		1,540,599,425	86.55

1 Ordinary shares purchased and held as treasury shares by the company will have no voting rights

2 The percentage of issued ordinary shares is calculated based on the number of issued ordinary shares of the company as at March 6, 2025 excluding 7,443,424 ordinary shares held as treasury shares as at that date

3 Temasek is deemed to be interested in the 10,244,275 shares in which its subsidiaries and / or associated companies have or are deemed to have an interest pursuant to Section 7 of the Companies Act 1967

Analysis of Shareholdings

Range of Shareholdings	No. of Ordinary Shareholders	%	No. of Ordinary Shares Held (Excluding Treasury Shares)	%
1 – 99	867	2.74	36,847	0.00
100 – 1,000	6,152	19.47	4,786,739	0.27
1,001 – 10,000	20,542	65.00	80,304,510	4.51
10,001 – 1,000,000	4,010	12.69	142,222,515	7.99
1,000,001 and above	30	0.10	1,552,753,697	87.23
	31,601	100.00	1,780,104,308	100.00

Other Information

Corporate Information

Registered Office
30 Hill Street #05-04
Singapore 179360
Tel: (65) 6723 3113
Website: www.sembcorp.com

Board of Directors
Tow Heng Tan
Chairman

Lim Ming Yan
Lead Independent Director

Manu Bhaskaran
(Appointed on July 1, 2024)
Marina Chin Li Yuen
Kunnasagaran Chinniah
Nagi Hamiyeh
Prof Uwe Krueger
(Appointed on October 1, 2024)
Dr Josephine Kwa Lay Keng
Ong Chao Choon
Yap Chee Keong

Wong Kim Yin
Group Chief Executive Officer

Executive Committee
Tow Heng Tan
Chairman

Kunnasagaran Chinniah
Nagi Hamiyeh
Lim Ming Yan
Wong Kim Yin

Audit Committee
Yap Chee Keong
Chairman

Marina Chin Li Yuen
Dr Josephine Kwa Lay Keng
Ong Chao Choon

Risk Committee
Kunnasagaran Chinniah
(Appointed on April 23, 2024)
Chairman

Marina Chin Li Yuen
Dr Josephine Kwa Lay Keng
Ong Chao Choon
Yap Chee Keong

Executive Resource & Compensation Committee
Lim Ming Yan
Chairman

Kunnasagaran Chinniah
Tow Heng Tan

Nominating Committee
Lim Ming Yan
Chairman

Ong Chao Choon
Tow Heng Tan

Company Secretary
Nuraliza Osman

Registrar
Tricor Barbinder Share
Registration Services
9 Raffles Place #26-01
Republic Plaza Tower 1
Singapore 048619

Auditors
KPMG LLP
Public Accountants and
Chartered Accountants
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

Partner-in-charge: Chiang Yong Torng
(Appointed during the financial year ended December 31, 2024)

Investor Relations
investorrelations@sembcorp.com

Sustainability
sustainability@sembcorp.com

Glossary

BESS	battery energy storage system uses rechargeable batteries to store electricity, enabling the capture and release of energy from renewable sources or the grid as needed
CAGR	compound annual growth rate steady annual return needed for an investment to grow to its final value, assuming reinvested profits
CSP	concentrated solar power a technology that uses mirrors and / or lenses to concentrate sunlight onto a small area to produce high-temperature heat which is used for electricity generation
EBITDA	earnings before interest, tax, depreciation and amortisation excludes major non-cash items such as the effects of fair value adjustments, re-measurements, impairments and write-offs
GW	gigawatt unit of measurement for capacity of electricity generation (in billion watts)
GWh	gigawatt-hour unit of measurement for electricity generated or consumed over time (in billion watt-hours). In BESS, it indicates the system's capacity to store and deliver energy over a specified period
GWp	gigawatt-peak unit of measurement for maximum capacity of direct current electricity generation (in billion watts) often used in reference to solar photovoltaic assets
kW	kilowatt unit of measurement for capacity of electricity generation (in thousand watts)
kWh	kilowatt-hour unit of measurement for electricity generated or consumed over time (in thousand watt-hours)
m^3	cubic metres unit of measurement for volume
m^3/day	cubic metres per day unit of measurement for volumetric flow rate
MW	megawatt unit of measurement for capacity of electricity generation (in million watts)
MWh	megawatt-hour unit of measurement for electricity generated or consumed over time (in million watt-hours). In BESS, it indicates the system's capacity to store and deliver energy over a specified period
MWp	megawatt-peak unit of measurement for maximum capacity of direct current electricity generation (in million watts) often used in reference to solar photovoltaic assets
PPA	power purchase agreement an agreement for electricity supply between power producer and customer
PV	photovoltaic produces electricity from sunlight
REC	renewable energy certificate a type of energy attribute certificate that certifies the environmental benefits of generating one MWh of renewable energy
tCO_2e	tonnes of carbon dioxide equivalent unit of measurement for absolute greenhouse gas emissions (GHG)
tCO_2e/MWh	tonnes of carbon dioxide equivalent per megawatt-hour unit of measurement for GHG emissions intensity

Sembcorp Industries Ltd
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