

INDEPENDENT ASSURANCE STATEMENT

SEMBCORP INDUSTRIES LIMITED SUSTAINABILITY-LINKED LOANS ('SLL') AND SUSTAINABILITY-LINKED BONDS ('SLB')

Introduction

DNV Business Assurance Singapore Pte. Ltd. ('DNV') has been commissioned by Sembcorp Financial Services Pte. Ltd. ('Sembcorp') to carry out a limited assurance external review of the performance level of two Key Performance Indicators ('KPIs') against Sembcorp's Sustainable Financing Framework ('Framework') which is aligned with the Sustainability-linked Bond Principles ('SLBP') 2020 and Sustainability-linked Loan Principles ('SLLP') 2021. The KPIs are as follows:

- KPI 1: GHG Emissions Intensity (Scope 1 and 2)
- KPI 3: Gross Installed Renewable Energy Capacity

Responsibilities of the Management of Sembcorp and DNV

Sembcorp is solely responsible for the preparation of the disclosure of the performance level of the two KPIs and supporting documents provided to DNV. In performing our external review, DNV is responsible for planning and performing the engagement to provide a limited level of assurance based on International Standard on Assurance Engagements ('ISAE') 3000 and forming an independent conclusion on whether the disclosure of performance level of the two KPIs is free from material misstatement and meets disclosure requirements of the Framework, SLBP 2020 and SLLP 2021. Our Assurance Statement represents our independent opinion and is intended to inform all stakeholders including Sembcorp.

Scope of Assurance

The limited assurance external review agreed with Sembcorp includes the following KPIs:

Key Performance Indicators	Units
KPI 1: GHG Emissions Intensity (Scope 1 and 2)	tCO ₂ e/MWh
KPI 3: Gross Installed Renewable Energy Capacity	GW

Assurance Methodology

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. Our assurance engagement was limited to KPI 1 and KPI 3 as described in the Framework and was carried out during October 2023 to March 2024.

DNV 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 KPIs and following methods were applied during the external review of the performance level of the KPIs:

- Review of documentation, data records and sources relating to the Sustainability Performance Targets ('SPTs') selection for the SLLs and SLBs and disclosure of performance level of the two KPIs;

- Conducted interviews with data owners from Sembcorp to understand the key processes and internal controls for the collection, aggregation and reporting of performance data by business units;
- Review of supporting evidence for key claims and performance data disclosed. Our external review processes were based on a risk-based approach;
- Review of the processes for the collection, aggregation and reporting of the performance data, and checking the data consolidation at site and corporate levels for selected samples;
- Desk review of selected performance data for sampled entities, and discussed findings with Group Sustainability and Group Corporate Finance & Treasury divisions; and
- Verification of data which includes GHG Emissions (Scope 1, Scope 2 and Biogenic Emissions), fuel consumption, electricity generated, electricity purchased, commissioning and operational documents of renewable energy sites etc.

Our Observations

DNV's findings for the performance level against each SPTs are as follows:

SPT 1: GHG Emissions Intensity

Reporting Year ('RY')	Sustainability Performance Targets	Reported Performance
RY 3 (Year ended 31 December 2023).	<ul style="list-style-type: none"> • GHG Emissions Intensity (Scope 1 and 2) is 0.40 tCO₂e/MWh or lower at observation date 31 December 2025. 	<ul style="list-style-type: none"> • Sembcorp's GHG Emissions Intensity as at 31 December 2023 is 0.29¹ tCO₂e/MWh. • Current level of performance achieved the target.

SPT 3: Gross Installed Renewable Energy Capacity

Reporting Year ('RY')	Sustainability Performance Targets	Reported Performance
RY 3 (Year ended 31 December 2023).	<ul style="list-style-type: none"> • Gross Installed Renewable Energy Capacity is 10 GW or higher at observation date 31 December 2025. 	<ul style="list-style-type: none"> • Sembcorp's Gross Installed Renewable Energy Capacity as at 31 December 2023 is 9.4 GW. • Current level of performance is approaching the target and has improved from the baseline level.

Assurance Opinion

Based on the limited assurance processes and procedures conducted and evidence obtained on the performance level of the two KPIs (GHG Emissions Intensity (Scope 1 and 2) and Gross Installed Renewable Energy Capacity), nothing has come to our attention to suggest that the performance level of the two KPIs disclosed in the Sustainability Report are not prepared, in all material respects, in accordance with the Framework. In addition, nothing has come to our attention to suggest that the performance level of the two KPIs disclosed in the Sustainability Report are not materially correct and are not fair representation of the data and information assessed or have not been prepared in accordance with the calculation method referenced.

¹ GHG emissions intensity reduced to 0.29 tCO₂e/MWh mainly due to the divestment of SEIL (the sale of SEIL, which operates two coal-fired plants, was completed in January 2023). The reduction in GHG emissions intensity was also driven by an increase in renewable energy generation.



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 are 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.

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 during the assurance engagement and maintain independence where required by relevant ethical requirements.

This engagement work was carried out by an independent team of assurance professionals. DNV was not involved in the preparation of any statements or performance data included in the Sustainability Report except for this Assurance Statement. DNV did not provide any services to Sembcorp in 2023 that could compromise the independence or impartiality of our work.

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

20 March 2024, Singapore

Vishal Gangwar Lead Verifier Supply Chain & Product Assurance	Thomas Leonard Technical Reviewer Supply Chain & Product Assurance