

## SembCorp is focused on businesses that are market leaders and capable of delivering quality earnings and sustainable growth.

### **BUSINESS DESCRIPTION**

SembCorp Industries is a Singapore-listed company with assets totalling more than S\$7 billion. The Group is primarily involved in the following businesses:

- Utilities
- Marine & Offshore Engineering
- Environmental Management

The Utilities business unit provides industrial utilities and services to energy-intensive manufacturers. With operations in Singapore, the UK, China, the UAE and Vietnam, its activities include power generation, steam production and distribution, water and wastewater treatment, natural gas supply and associated industrial site services.

The Marine & Offshore Engineering business unit operates a global network of shipyards in Singapore, China, Indonesia, Brazil and the USA to provide integrated solutions in ship repair, shipbuilding, ship conversion, rig building, topsides fabrication and offshore engineering.

The Environmental Management business unit provides integrated environmental solutions to industries, municipalities and governments in Singapore, Australia, China and India. Its activities include collection, recycling and reuse of waste, industrial and commercial cleaning, pre-disposal waste treatment and waste-to-resource conversion.

### **OBJECTIVE AND STRATEGIES**

SembCorp Industries' aim is to provide shareholder value by excelling in businesses that deliver stable earnings, while having the ability to sustain growth over the long term.

The Group pursues overall growth through five strategic directions:

#### **Focus on key businesses**

With the structural changes and divestments completed in 2006, SembCorp is focused on businesses that are market leaders and capable of delivering quality earnings and sustainable growth. Our Utilities and Marine & Offshore Engineering businesses offer strong fundamentals. Coupled with our disciplined approach towards investment and growth, we believe that focusing on these key businesses will enable us to continue delivering value and growth to our shareholders.

#### **Build upon business models**

We have developed and will continue to build on the strong business models we have in each of our businesses.

In Utilities, we have established a niche as a global leader for the provision of centralised utilities and services to multiple customers in energy-intensive clusters such as chemical and petrochemical hubs. We aim to replicate our success in key markets around the globe through

establishing and growing beachheads in target markets. We do this by entering into strategic partnerships with our international customers and through selective investments in projects that provide secure offtake and that give us the potential to grow. Our Marine & Offshore Engineering business is a global leader with a portfolio that encompasses various segments of the value chain in the global marine and offshore industry. This comprehensive portfolio supports growth and healthy margins.

#### **Move up the value chain**

We believe that only businesses with a clear competitive edge and leading market positions can deliver sustainable growth. To this end, we continue to move up the value chain in each of our businesses so as to secure healthy returns and maintain our market leadership.

We operate reliable facilities offering competitive utilities in industrial clusters. Furthermore, we have developed unique operational and technological capabilities, such as the treatment of high chemical oxygen demand wastewater from multiple sources. Together with the continuous improvement and development of proprietary technologies and designs for rigs and vessels in our Marine & Offshore Engineering business and our focus on pre-disposal waste treatment and waste-to-resource conversion in our Environmental Management business, we set ourselves apart from the competition.

#### **Develop new income streams**

We are committed to developing businesses to generate new income streams. We seek to expand in tandem with demand through strategic partnership with our customers.

To provide a platform for future growth, we continually identify and develop a pipeline of greenfield and brownfield investments. We also aim to build leading positions in growth markets through selective acquisitions and partnerships.

#### **Leverage on strong brand name**

We are organised to enable our businesses to better capitalise on the strength and reliability associated with the SembCorp brand. By anticipating the needs of our customers and leveraging on Group strength and sector expertise to deliver innovative and effective solutions that enable our customers to do their business better, the performance of our businesses reinforce the strength of our brand.