

SEMBCORP AT A GLANCE

WHO WE ARE

Sembcorp Industries is a leading energy, water and marine group operating across five continents worldwide. With facilities of over 10,600 megawatts of gross power capacity and over nine million cubic metres of water per day in operation and under development, Sembcorp is a trusted provider of essential energy and water solutions to both industrial and municipal customers. It is also a world leader in marine and offshore engineering, as well as an established brand name in urban development.

GROUP FY2015 Financial Snapshot

TURNOVER	EBITDA	PROFIT FROM OPERATIONS (PFO)	NET PROFIT	TOTAL ASSETS
S\$9.5 billion US\$6.8 billion	S\$1.7 billion US\$1.2 billion	S\$631 million US\$449 million	S\$549 million US\$391 million	S\$19.9 billion US\$14.2 billion

SEMBCORP UTILITIES 100%

- A leading developer, owner and operator of energy and water assets with strong operational, management and technical capabilities
- Operations in 15 countries with an established presence in Asia and a strong growing presence in emerging markets
- Strong track record in generating and supplying power, steam and natural gas, and providing total water and wastewater treatment solutions for industries and water-stressed regions
- Global leader in the provision of energy, water and on-site logistics to multiple industrial site customers

UTILITIES FY2015 Key Figures

TURNOVER	PFO	NET PROFIT
S\$4.2bn US\$3.0bn	S\$948m US\$675m	S\$701m US\$500m

SEMBCORP MARINE 61%*

- A global leader in integrated marine and offshore engineering solutions with more than 50 years' proven track record
- Focused on four key capabilities: rigs & floaters; repairs & upgrades; offshore platforms and specialised shipbuilding
- Global network of strategic locations in Singapore, India, Indonesia, the UK and Brazil

MARINE FY2015 Key Figures**

TURNOVER	PFO***	NET PROFIT***
S\$5.0bn US\$3.5bn	(S\$342m) (US\$243m)	(S\$290m) (US\$206m)

SEMBCORP DEVELOPMENT 100%

- Over 20 years' track record in undertaking master planning, land preparation and infrastructure development to transform raw land into urban developments
- Significant land bank of integrated urban developments comprising industrial parks as well as business, commercial and residential space in Vietnam, China and Indonesia
- A valued partner to governments, with the ability to deliver the economic engine to support industrialisation and urbanisation by attracting local and international investments

URBAN DEVELOPMENT FY2015 Key Figures

TURNOVER	PFO	NET PROFIT
S\$8.0m US\$5.7m	S\$38m US\$27m	S\$34m US\$24m

* As at December 31, 2015. Shareholding figures are calculated based on the number of issued ordinary shares excluding treasury shares

** Figures taken at Sembcorp Marine level

*** After S\$609 million in impairment and provisions, and S\$192 million share of losses from associates / joint ventures

HOW WE CREATE VALUE

Our Value Creation Process

INPUT



Financial Capital

e.g. cash flow from operations, internal funds and external short-term and long-term financing



Human Capital

e.g. people with deep knowledge and strong capabilities, and employees who embody the Sembcorp culture



Social and Relationship Capital

e.g. relationships with stakeholders and Sembcorp's brand and values



Manufactured Capital

e.g. energy, water and other utilities facilities, and shipyards



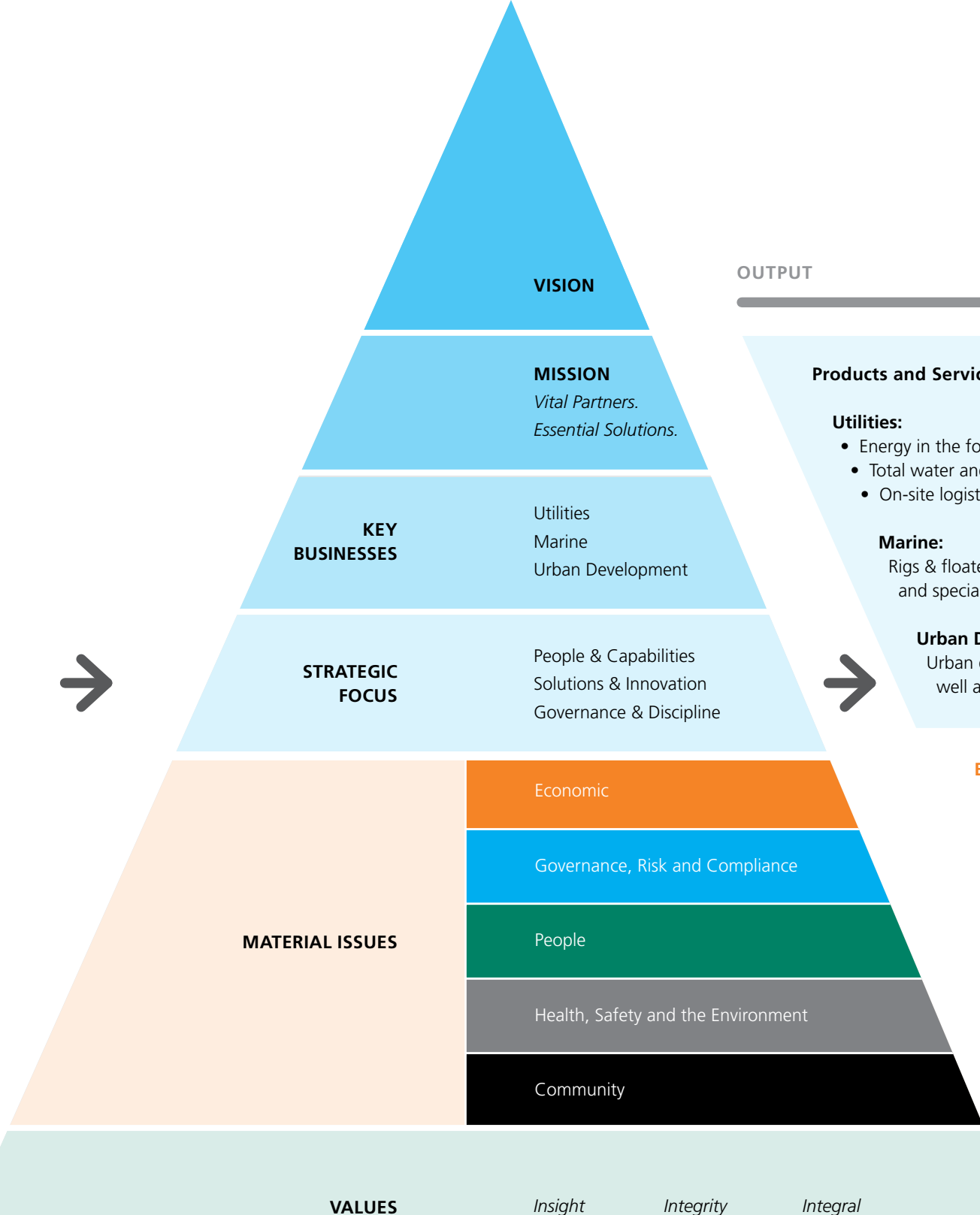
Intellectual Capital

e.g. intellectual property, technologies and proprietary solutions, group-wide policies and frameworks, and standardised systems and processes



Natural Capital

e.g. thermal energy resources (such as coal and natural gas), renewable resources (such as wind, solar and biomass) and land



OUTPUT

Products and Services:

Utilities:

- Energy in the form of power and steam, and natural gas
- Total water and wastewater treatment solutions
- On-site logistics and solid waste management

Marine:

Rigs & floaters; repairs & upgrades; offshore platforms and specialised shipbuilding

Urban Development:

Urban developments comprising industrial parks as well as business, commercial and residential space

Economic: Long-term value and growth

Governance, Risk and Compliance: High standards of behaviour and integrity and best-in-class governance practices

People: A fair, diverse and inclusive workplace, and a deep pool of talent

Health, Safety and the Environment: A workplace culture that encompasses sound and practical health and safety management, as well as good environmental practices

Community: A positive contribution to our communities through supporting development and improving the quality of life

Vision

To be a global company, a leader in our industry sectors by responsibly operating and excelling in sustainable businesses that support development, improve the quality of life and deliver long-term value and growth.

Mission

Vital Partners. Essential Solutions.

As a vital partner to our customers, we leverage our group strength and sector expertise to deliver essential solutions that enable them to do their business better or improve the quality of life. In partnership with our stakeholders, we build sustainable businesses that deliver long-term growth and create value for all – our customers, employees, shareholders, partners and communities in which we operate.

Our Strategic Focus



Our Strategy at a Glance



UTILITIES

- Expand our global presence in key markets and rapidly developing economies, and build new capabilities to enhance competitiveness
- Grow our energy business with a balanced portfolio of high-efficiency thermal as well as renewable energy assets, including wind power, solar power and energy-from-waste assets
- Deliver specialised total water management solutions, including the upgrading of existing wastewater treatment plants and the provision of pre-treatment and other services
- Leverage our leadership in utilities supply for multiple customers on industrial sites



MARINE

- Offer diversified solutions for the marine and offshore industry, and expand into new businesses to capture existing and growth markets
- Enhance competitiveness through technology and innovation, including strategic investments in new solutions and the development and ownership of proprietary designs
- Leverage strong track record and integrated yard facilities for quality and on-time delivery to strengthen our position as a leading player in the global market



URBAN DEVELOPMENT

- Leverage our core competency in transforming raw land into self-sufficient urban developments and delivering the economic engine to support industrialisation and urbanisation
- Build on strong brand name to attract high-quality local and international investments
- Enhance value of our land bank, such as through the development of commercial and residential real estate at choice sites

WHAT GUIDES US

Our Values

At the core of how Sembcorp operates are our three values: **Insight, Integrity, and Integral**. Our values are translated into day-to-day action and practical behaviour through our group-wide policies and frameworks, creating within Sembcorp a common culture founded on these values.



INSIGHT

We excel as solution providers, pioneering and innovating in all our businesses.

We solve problems with real understanding, applying our expertise for best results.



INTEGRITY

We maintain the highest levels of integrity at personal and corporate levels. This underpins everything we do.

We can be trusted to deliver quality and reliability.



INTEGRAL

We are an integrated business, a unified brand that always delivers on what we promise.

We seamlessly provide essential solutions that enhance the quality of life and help our customers to carry out their businesses better. This makes us integral to the success of our customers.

Code of Business Conduct and Policies

We are guided by well-defined policies, frameworks and a code of business conduct, which express the high standards of behaviour and integrity that the company requires from our employees worldwide. These cover all facets of business and personal conduct across the Group, from governance, risk and compliance matters to ethics and employee conduct.

Sembcorp Core Competency Framework

Sembcorp's core competency framework is based on our values of **Insight, Integrity and Integral** and spells out the competencies and behaviours expected of a Sembcorp employee. The framework is deployed through recruitment, assessment, development and career progression, promoting transparency in what is expected of every Sembcorp employee.

Our Governance Structure

ENTERPRISE RISK MANAGEMENT FRAMEWORK

BOARD OF DIRECTORS AND SENIOR MANAGEMENT
Provide direction and oversight including risk appetite

GROUP-WIDE GOVERNANCE POLICIES, PROCEDURES AND FRAMEWORKS

Fraud Risk Management and Ethics	Business Development and Project Development	Asset Management and Health, Safety & Environment (HSE)	Business Support and Governance	Crisis and Reputation Management
<ul style="list-style-type: none"> Fraud Risk Management Policy and Fraud Control Plan Whistle-blowing Policy Conflict of Interest Policy Code of Business Conduct 	<ul style="list-style-type: none"> Investment Approval Process Country Risk Framework Group Project Development Policy and Procedures 	<ul style="list-style-type: none"> Group HSE Framework and Guidelines Group Insurance Framework Group Asset Management Framework Business Continuity Plan 	<ul style="list-style-type: none"> Group Treasury Policy Group Financial Authority Limits Group Internal Control Policy 	<ul style="list-style-type: none"> Group Crisis Management and Emergency Response Framework Group Crisis Communications Manual

STANDARDISED RISK MANAGEMENT AND INTERNAL CONTROL METHODOLOGY



GOVERNANCE ASSURANCE FRAMEWORK
A robust assurance and reporting process

Management Assurance				Independent Assurance
<u>Quarterly System of Financial Discipline</u>				
Senior Management	Risk Champions	Control Owners	Risk and Governance	Independent Audit