

Integrated Urban Solutions

Competitive Edge

Established master developer with over three decades of transforming large-scale raw land into sustainable urban developments

International investment and promotion team with local knowledge to drive investments by high-quality, long-term investors and tenants

Suite of low-carbon and sustainable solutions including renewable energy, waste and waste-to-energy as well as recycling to cater to the needs of customers

The Integrated Urban Solutions segment encompasses Urban, Water, and Waste-to-resource businesses. With over 30 years of experience, the Urban business has a proven track record in integrated developments, encompassing industrial parks, industrial properties, business hubs, and residential properties.

In the Water business, we manage specialised facilities in China, the Middle East, Singapore, and the UK. Our water and wastewater management solutions include water supply, wastewater treatment, and water reclamation. The Waste and Waste-to-resource businesses comprise solid waste management services in Singapore and energy-from-waste facilities in Singapore and the UK.

Urban: Expanding Portfolio with Sustainable Development

The Urban business registered land sales of 248ha in 2023, an increase compared to 172ha in 2022, mainly driven by improved economic sentiments. However, earnings declined year-on-year as contributions from commercial and residential (C&R) sales and residential units were lower. In 2022, C&R land, which commands a higher value, accounted for a bigger proportion of sales.

Key Developments

Scaled up land bank with the award of investment licenses for three new industrial parks in Vietnam totalling 1,290 hectares (ha)

Groundbreaking of four Vietnam Singapore Industrial Parks (VSIPs) projects to mark the commencement of land development for handover to customers from 2024

Operational Indicators

	2023	2022
Urban¹		
Saleable land inventory (ha)	5,885	6,363
Land sold (cumulative) (ha)	3,556	3,308
Total net orderbook (ha)	262	312
Remaining saleable land (ha)	2,072	2,743
Water		
Water and wastewater treatment capacity (m ³ /day)	8,075,114	8,051,470
Waste and Waste-to-resource		
Waste collection (tonnes)	943,055	1,085,404
Recyclables collection (tonnes)	36,379	29,102 ²
Energy-from-waste (Efw) gross installed capacity		
– Wilton 11 Efw Plant ³ (MW)	48	48

¹ Figures for Urban operational indicators are based on current planned estimates

² Figures were restated from 11,775 to 29,102 as earlier data pertained to recyclables recovered, rather than collected

³ The Wilton 11 Efw Plant produces both power and steam. The asset's gross installed steam capacity is 160 tonnes per hour



Sino-Singapore Nanjing Eco Hi-tech Island in China

Integrated Urban Solutions

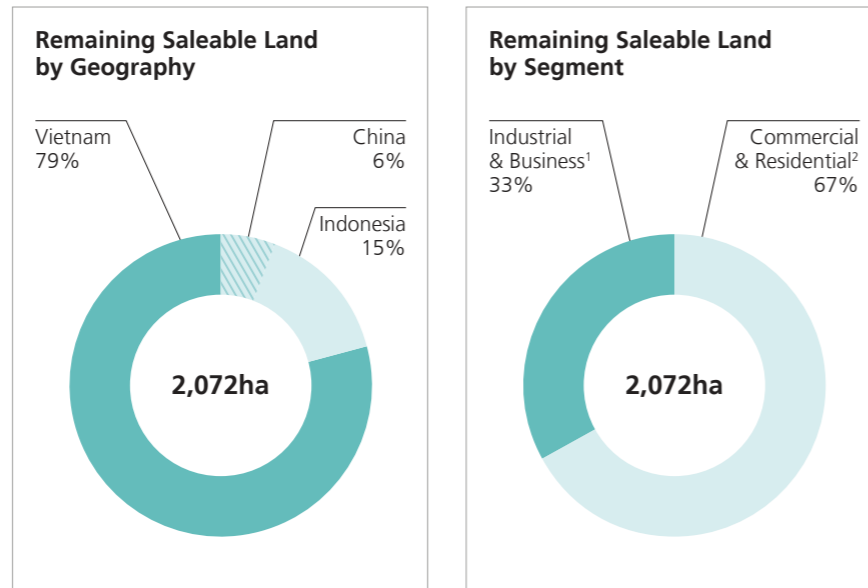
Sales in Kendal Industrial Park (KIP) project in Central Java, Indonesia, more than doubled year-on-year to 77ha from 36ha in 2022, boosted by enhanced clarity on investment incentives in the special economic zone. In line with Indonesia's initiative to establish an electric vehicle ecosystem, KIP has attracted high-tech companies including lithium iron phosphate cathode and anode materials processors. The growth of medical equipment manufacturing and pharmaceutical manufacturing at KIP is also on the rise due to the presence of abundant labour and locally-sourced pharmaceutical active ingredients.

In Vietnam, we continued to build up our land bank with the award of three new investment licences for VSIP Ha Tinh (phase 1), VSIP Lang Son and VSIP Nghe An II during the year. Including these projects, Sembcorp now has 15 VSIPs in its portfolio across 11 provinces in Vietnam. These new VSIPs are envisaged to be the future model of sustainable industrialisation.

The groundbreaking ceremonies for VSIP Can Tho in the Mekong Delta, VSIP Bac Ninh II in the Red River Delta, VSIP Nghe An II and Quang Tri Industrial Park in the North Central Coast were held during the year. Totalling over 1,500ha in gross land area, the groundbreaking ceremonies mark the commencement of land development for handover to customers from 2024.

In August 2023, the Prime Ministers of Singapore and Vietnam witnessed the presentation of Memoranda of Understanding (MOUs) from 10 provincial leaders who reiterated their commitment to work with Sembcorp and our joint venture partner, Becamex IDC Corporation (Becamex), to jointly engage in feasibility studies for more VSIPs. Sembcorp and Becamex have committed to modelling the next generation of VSIPs as smart and sustainable industrial parks.

In December, we completed the construction of two warehousing complexes in Vietnam in accordance



As at December 31, 2023

- ¹ Industrial & Business land includes space for general and high-tech manufacturing, research and development, as well as business and technology incubators
- ² Commercial & Residential land includes space for residences, food and beverage businesses, malls, hotels, serviced apartments and modern services such as accounting and legal firms, consultancies and corporate headquarters

Land Sales (ha)

	2023			2022		
	Industrial & Business	Commercial & Residential	Total	Industrial & Business	Commercial & Residential	Total
Vietnam	150	10	160	100	34	134
China	*	11	11	2	-	2
Indonesia	77	-	77	36	-	36
Total	227	21	248	138	34	172

* Denotes less than 1ha



Prime Ministers of Singapore and Vietnam at the MOU presentation ceremony

with the Lotus Silver green building standards, a certification system developed by the Vietnam Green Building Council. Including these new Sembcorp Logistics Parks in Quang Ngai and Nghe An provinces, there are a total of 42 modern ready-built warehouse units co-developed by Sembcorp within the VSIP projects with total gross floor area of approximately 134,000 square metres.

In China, the Wuxi-Singapore Industrial Park continued to maintain a healthy occupancy rate of 95%, despite a slowdown in global demand for manufactured goods. Our Sino-Singapore Nanjing Eco Hi-tech Island project registered sales of three plots of commercial and residential land and one plot of industrial and business land, compared with two industrial and business land plots sold in 2022. However, the real estate market continued to remain challenging, despite government measures, such as lower downpayment requirements and lower interest rates of existing mortgages for first home purchase, to facilitate the recovery of the real estate market.

Promoting Circularity in Waste Management

During the year, SembWaste partnered Coca-Cola to launch an initiative that allows consumers to responsibly deposit polyethylene terephthalate (PET) or recycled polyethylene terephthalate (rPET) bottles at nine convenient locations across Singapore. In addition, SembWaste's Rebottle initiative launched in 2022 has successfully recycled more than 6,700 bottles as of end 2023. The Rebottle initiative was also adopted by the National Day Parade (NDP) 2023 organising committee where customised ReBottle machines were fabricated and placed at the event to take in PET and rPET bottles for recycling. SembWaste also worked in partnership with the NDP 2023 organising committee to look at ways of reducing waste. Waste profiles were generated through the analysis of data on food and non-food waste, following which, the NDP committee adjusted the food menu, leading to a



SembWaste forms strategic partnerships with organisations such as Coca-Cola to promote a closed-loop resource system

subsequent reduction in overall food waste. Consequently, the event noted a 20% reduction in waste generation, reversing the upward trend in waste observed in previous years.

To raise awareness of plastic recycling among youths and children, SembWaste kickstarted its inaugural Plastic Recycling League which garnered interest and participation from nearly 300 schools across Singapore. Through the programme, more than 11,000kg of plastic recyclables were collected, translating to an equivalent of 15.7 tonnes of carbon dioxide emissions avoided.

SembWaste's energy-from-waste plant continues to make significant strides in creating a closed-loop system. Through the incineration of waste, the plant supplied 308,728 tonnes of steam to the petrochemical industries on Jurong Island, an energy output equivalent to powering 144,272 households annually.

In the UK, earnings from our energy-from-waste plant, Wilton 11 moderated year-on-year, due to lower electricity prices.

Outlook

Outlook of the Integrated Urban Solutions segment is expected to remain stable.

In the Urban segment, upcoming amendments to Vietnam's Land Law 2013, Real Estate Business Law 2014 and Housing Law are expected to bring positive changes. With enhanced regulation clarity, we are cautiously optimistic of the future prospects of the sector. China's property sector crisis is expected to continue to weigh on sentiments and land sales. We will seek to improve our value proposition in Indonesia to maintain competitiveness.

We continue to build up our land bank and invest in sustainable infrastructure to provide low-carbon solutions to our tenants to meet their emissions goals. Sembcorp's capabilities in providing integrated urban solutions and sustainable development put us in good stead to capitalise on the growing trend and capture growth opportunities.