

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.