

# Directors' Statement

Year ended December 31, 2025

We are pleased to submit this annual report to the members of the Company together with the audited financial statements for the financial year ended December 31, 2025.

In our opinion:

- the financial statements set out on pages 124 to 251 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at December 31, 2025 and the financial performance, changes in equity and cash flows of the Group for the year ended on that date are in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) and International Financial Reporting Standards; and
- at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

The Board of Directors has on the date of this statement, authorised these financial statements for issue.

## Directors

The directors in office at the date of this statement are as follows:

Tow Heng Tan  
Lim Ming Yan  
Yap Chee Keong  
Dr Josephine Kwa Lay Keng  
Kunnasagaran Chinniah  
Marina Chin Li Yuen  
Ong Chao Choon  
Manu Bhaskaran  
Prof Uwe Krueger  
Wong Kim Yin

## Directors' Interests

According to the register kept by the Company for the purposes of Section 164 of the Companies Act 1967 (the Act), particulars of interests of directors who held office at the end of the financial year (including those held by their spouses and children) in shares, debentures, warrants and share options in the Company and in related corporations are as follows:

Name of director and corporation in which interests held	Direct interest			Deemed interest		
	At beginning of the year	At end of the year	At 21/01/2026	At beginning of the year	At end of the year	At 21/01/2026
<b>Ordinary shares of the Company</b>						
Tow Heng Tan <sup>1</sup>	55,600	89,800	89,800	22,715	22,715	22,715
Lim Ming Yan	48,900	61,200	61,200	–	–	–
Yap Chee Keong <sup>2</sup>	143,600	153,500	153,500	–	–	–
Dr Josephine Kwa Lay Keng	78,100	86,800	86,800	–	–	–
Kunnasagaran Chinniah	3,500	14,100	14,100	–	–	–
Marina Chin Li Yuen	1,600	10,300	10,300	–	–	–
Ong Chao Choon	1,600	11,500	11,500	–	–	–
Manu Bhaskaran	–	2,600	2,600	–	–	–
Wong Kim Yin	6,387,697	7,729,197	7,729,197	–	–	–

<sup>1</sup> Deemed interest in the shares registered in the name of his wife

<sup>2</sup> All shares are registered in the name of DBS Nominees Pte Ltd

Name of director and corporation in which interests held	Direct interest			Deemed interest		
	At beginning of the year	At end of the year	At 21/01/2026	At beginning of the year	At end of the year	At 21/01/2026
<b>S\$300,000,000 3.735 per cent. sustainability-linked notes due 2029 comprising Series 003, issued under the S\$3,000,000,000 Multicurrency Debt Issuance Programme</b>						
Kunnasagaran Chinniah	S\$250,000	S\$250,000	S\$250,000	–	–	–
<b>S\$350,000,000 4.6 per cent. notes due 2030 comprising Series 004 ("Series 004 Notes"), issued under the S\$3,000,000,000 Multicurrency Debt Issuance Programme</b>						
Yap Chee Keong <sup>3</sup>	S\$250,000	S\$250,000	S\$250,000	–	–	–
<b>S\$350,000,000 3.65 per cent. fixed rate guaranteed notes due 2036 comprising Series 001 ("Series 001 Notes"), issued under the S\$5,000,000,000 Euro Medium Term Note Programme</b>						
Yap Chee Keong <sup>3</sup>	S\$250,000	S\$250,000	S\$250,000	–	–	–

<sup>3</sup> The Series 004 Notes and Series 001 Notes are registered in the name of DBS Nominees Pte Ltd

	Direct interest		Deemed interest	
	At beginning of the year	At end of the year	At beginning of the year	At end of the year
<b>Conditional share award</b>				
Wong Kim Yin				
PSP 2022-2024 (Note 1a)	521,300	–	–	–
PSP 2023-2025 (Note 1b)	335,900	335,900	–	–
PSP 2024-2026 (Note 1c)	254,600	254,600	–	–
PSP 2025-2027 (Note 1d)	–	334,400	–	–
PSP-TI 2021-2025 (Note 1e)	852,700	729,600	–	–
PSP-TI 2022-2025 (Note 1f)	525,000	–	–	–
PSP-TI 2023-2025 (Note 1g)	740,850	666,765	–	–
RSP 2022 (Note 2a)	357,400	–	–	–
RSP 2023 (Note 2b)	215,800	107,900	–	–
RSP 2024 (Note 2c)	–	181,000	–	–

# Directors' Statement

Year ended December 31, 2025

## Directors' Interests *(cont'd)*

**Note 1:** In accordance with the rules of the Sembcorp Industries Performance Share Plan 2020 (the PSP), the actual number of SCI shares delivered will depend on, inter alia, the achievement of set targets over the performance period as indicated below. No performance shares will be delivered if achievement of targets is below threshold level. Based on the achievement of performance targets:

- Period from 2022 to 2024 (PSP 2022-2024)  
In FY2025, 1,042,600 SCI shares were vested on April 1, 2025 (out of which payment in cash\* in lieu of shares equivalent to the value of 729,800 SCI shares was made)
- Period from 2023 to 2025 (PSP 2023-2025)  
For this period, 0% to 200% of the conditional performance shares awarded may be delivered
- Period from 2024 to 2026 (PSP 2024-2026)  
For this period, 0% to 200% of the conditional performance shares awarded may be delivered
- Period from 2025 to 2027 (PSP 2025-2027)  
For this period, 0% to 200% of the conditional performance shares awarded may be delivered
- Period from 2021 to 2025 (PSP-TI 2021-2025)  
In FY2025, 68,400 SCI shares were vested on June 23, 2025 and 654,700 SCI shares were vested on December 30, 2025 (out of which payment in cash\* in lieu of shares equivalent to the value of 327,400 SCI shares was made). The remaining conditional performance shares awarded may vest in 2026, subject to the achievement of performance targets and vesting conditions
- Period from 2022 to 2025 (PSP-TI 2022-2025)  
In FY2025, 525,000 SCI shares were vested on December 30, 2025 (out of which payment in cash\* in lieu of shares equivalent to the value of 262,500 SCI shares was made)
- Period from 2023 to 2025 (PSP-TI 2023-2025)  
In FY2025, 55,600 SCI shares were vested on June 23, 2025 and 18,500 SCI shares were vested on December 30, 2025 (out of which payment in cash\* in lieu of shares equivalent to the value of 9,200 SCI shares was made). The remaining conditional performance shares awarded may vest in 2026, subject to the achievement of performance targets and vesting conditions

**Note 2:** With effect from FY2019, restricted shares were granted based on the financial performance and corporate objectives achieved in the preceding year. The vesting of share awards under the Sembcorp Industries Restricted Share Plan 2020 (the RSP) is subject to fulfilment of service conditions at vesting and may be settled in accordance with the rules of the RSP.

- RSP 2022  
In FY2025, 357,400 SCI shares were vested on April 1, 2025 (out of which payment in cash\* in lieu of shares equivalent to the value of 250,200 SCI shares was made).
- RSP 2023  
In FY2025, 107,900 SCI shares were vested on April 1, 2025. The remaining shares will be vested in Year 2026.
- RSP 2024  
In FY2025, 90,500 SCI shares were vested on April 1, 2025. The remaining shares will be vested in Year 2026 and 2027.

\* Vested share awards under the PSP and RSP can be settled by the Company in shares or cash or a combination of both, in accordance with the PSP and RSP plan rules and subject to the discretion and approval of the Executive Resource & Compensation Committee of the Company (ERCC).

Except as disclosed in this statement, no director who held office at the end of the financial year had interests in shares, debentures, warrants or share options of the Company, or of related corporations, either at the beginning of the financial year or at the end of the financial year.

Except as disclosed under the "Share-based Incentive Plans" section of this statement, neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Except as disclosed in Notes B4(a) and G4(d) to the financial statements, since the end of the last financial year, no director has received or become entitled to receive, a benefit by reason of a contract made by the Company or a related corporation with the director, or with a firm of which he / she is a member, or with a company in which he / she has a substantial financial interest.

## Share-based Incentive Plans

The Company's PSP and RSP (collectively, the 2020 Share Plans) were approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

The ERCC has been designated by the Board as the Committee responsible for the administration of the 2020 Share Plans. The ERCC comprises the following members, all of whom are directors:

Lim Ming Yan (*Chairman*)  
Tow Heng Tan  
Kunnasagaran Chinniah

The 2020 Share Plans aim to strengthen the Company's competitiveness in attracting, retaining and motivating talented key senior management and senior executives, to incentivise superior performance and sustainable growth, and to align the interests of participants and shareholders. Under the 2020 Share Plans, the Group CEO and top management are required to hold shares equivalent to a multiple of the individual participant's annual base salaries.

Details of 2020 Share Plans are disclosed in Note B6 to the financial statements.

### a. Performance Share Plan (PSP)

The details of the performance shares of Sembcorp Industries Ltd awarded during the financial year since commencement of the PSP (aggregate) are as follows:

Performance shares participants	At January 1	Movements during the year			At December 31
		Conditional performance shares awarded	Conditional performance shares lapsed	Performance shares awarded due to achievement of targets	
<b>2025</b>					
Key executives of the Group <sup>1</sup>	12,082,650	1,031,900	(596,000)	3,788,365	(8,444,450) 7,862,465

<sup>1</sup> Includes PSP for Group CEO of Sembcorp Industries Ltd

The total number of performance shares granted conditionally but not released as at December 31, 2025, was 7,862,465 (2024: 12,082,650). Based on the achievement factor, the actual release of the awards could range from zero to a maximum of 15,724,930 (2024: 24,165,300) performance shares.

# Directors' Statement

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## Share-based Incentive Plans *(cont'd)*

### b. Restricted Share Plan (RSP)

The details of the restricted shares of Sembcorp Industries Ltd awarded during the year are as follows:

Restricted shares participants	At January 1	Movements during the year			At December 31
		Conditional restricted shares awarded	Conditional restricted shares released	Conditional restricted shares lapsed	
<b>2025</b>					
<b>Non-executive directors of the Company:</b>					
Tow Heng Tan	–	34,200	(34,200)	–	–
Lim Ming Yan	–	12,300	(12,300)	–	–
Yap Chee Keong	–	9,900	(9,900)	–	–
Dr Josephine Kwa Lay Keng	–	8,700	(8,700)	–	–
Kunnasagaran Chinniah	–	10,600	(10,600)	–	–
Marina Chin Li Yuen	–	8,700	(8,700)	–	–
Ong Chao Choon	–	9,900	(9,900)	–	–
Manu Bhaskaran	–	2,600	(2,600)	–	–
Prof Uwe Krueger	–	–	–	–	–
<b>Employees of the Group<sup>1</sup></b>	<b>2,007,400</b>	<b>1,499,900</b>	<b>(2,041,900)</b>	<b>(70,600)</b>	<b>1,394,800</b>
	<b>2,007,400</b>	<b>1,596,800</b>	<b>(2,138,800)</b>	<b>(70,600)</b>	<b>1,394,800</b>

<sup>1</sup> Includes RSP for Group CEO of Sembcorp Industries Ltd

The total number of restricted shares outstanding, including award(s) achieved but not released, as at end 2025, was 1,394,800 (2024: 2,007,400). With the change in the remuneration structure, with effect from 2019 award, the RSP balances represent 100% of targets achieved, but not released subject to fulfilment of service conditions at vesting. The actual release of the awards is a maximum of 1,394,800 (2024: 2,007,400) restricted shares.

### c. Maximum Number of Shares Issuable

The maximum number of performance shares and restricted shares which could be delivered, when aggregated with the number of new shares issued and issuable in respect of all options granted, is within the 15% limit of the share capital of the Company on the day preceding the relevant date of the grant.

## Audit Committee

The members of the Audit Committee during the year and at the date of this statement are:

Yap Chee Keong (*Chairman*)  
Dr Josephine Kwa Lay Keng  
Marina Chin Li Yuen  
Ong Chao Choon

The Audit Committee held four meetings since the last directors' statement. In performing its functions, the Audit Committee met with the Company's external and internal auditors to discuss the scope of their work, and the results of their examination and evaluation of the Company's internal accounting control system.

The Audit Committee performed the functions specified in Section 201B of the Companies Act 1967, the Listing Manual of the SGX, and the Code of Corporate Governance.

The Audit Committee also reviewed the following:

- assistance provided by the Company's officers to the external and internal auditors;
- interim financial information and annual financial statements of the Group and the Company prior to their submission to the directors of the Company for adoption; and
- interested person transactions (as defined in Chapter 9 of the SGX Listing Manual).

The Audit Committee has full access to management and is given the resources required for it to discharge its functions. It has full authority and the discretion to invite any director or executive officer to attend its meetings. The Audit Committee also recommends the appointment of the external auditors and reviews the level of audit and non-audit fees.

The Audit Committee is satisfied with the independence and objectivity of the external auditors and has recommended to the Board of Directors that the auditors, KPMG LLP, be nominated for re-appointment as auditors at the forthcoming AGM of the Company.

In appointing our auditors for the Company, subsidiaries and significant associated companies, we have complied with Rules 712 and 715 of the SGX Listing Manual.

## Auditors

The auditors, KPMG LLP, have indicated their willingness to accept re-appointment.

On behalf of the Board of Directors



**Tow Heng Tan**  
Chairman



**Wong Kim Yin**  
Director

Singapore  
February 24, 2026