Sembcorp Industries

Annual Report 2025

Driving Energy Transition Responsibly

As a leading energy player and an established industrial and urban solutions provider in Asia, Sembcorp plays a key role in the transition towards a sustainable and low-carbon future. We believe in building businesses that deliver long-term shareholder value and growth.

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Group FY2025 Highlights#

Turnover

S$5,799m

2024: S$6,417m

EBITDA

S$1,520m

2024: S$1,734m

Adjusted EBITDA[1]

S$2,016m

2024: S$2,050m

Net Profit before EI and DPN FXΔ

S$1,003m

2024: S$1,014m

Return on Equity before EI and DPN FXΔ

18.2%

2024: 20.1%

Total Dividend Per Share

25.0 SG cents

2024: 23.0 SG cents

EBITDA: earnings before net interest expense, tax, depreciation and amortisation
EI: exceptional items DPN FXΔ: deferred payment note foreign exchange gain / loss m: million

The financial figures pertain to the Group's continuing operations. In 2025, the Group revised its accounting policy for the subsequent measurement of investment properties by transitioning from the cost model to the fair value model in accordance with Singapore Financial Reporting Standards (International) SFRS(I) 1-40 Investment Property. This change has been applied retrospectively, with the prior period comparative restated accordingly

[1] Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

Our Presence

With a diverse portfolio across 11 countries, we continue to advance Asia's energy transition through scalable, high-quality projects and sustainable urban solutions. Leveraging deep sector expertise and a proven track record, we drive resilient and sustainable growth across our key markets.

Our Portfolio[1]

Gas and Related Services

Gas-fired, Diesel-fired
8,015MW

Renewable Energy

Wind
8,082MW

Solar
9,270MW

Hydro
49MW

Energy Storage
3,038MWh

Integrated Urban Solutions

Gross Development Land
16,223ha

Industrial Properties
1.1 million sqm gross floor area

Gross Water Treatment Capacity
8 million m³ per day

Energy-from-waste
82MW

[1] Total gross capacity, development land and industrial properties area are as at February 25, 2026. Assumes 100% ownership of assets, including projects secured or under construction and an acquisition pending completion. Energy storage capacity is presented in MWh. Industrial Properties comprise majority-owned industrial properties in operation and under construction

Our Energy Transition Story

As a leading energy player and established provider of industrial and urban solutions in Asia, Sembcorp plays an active role in supporting the region's transition towards a low-carbon future. We are committed to building resilient businesses that create long-term value for our stakeholders while supporting Asia's evolving energy needs.

Global energy portfolio at

28.5GW

We have built a strong track record across 11 countries, with growth through competitive greenfield tenders, as well as disciplined, returns-driven brownfield acquisitions.

Strengthening Energy Security

We operate a diversified 28.5GW global energy portfolio, including gas-fired assets across Asia, the Middle East and the UK. These assets deliver reliable power, while enhancing grid resilience and supporting national energy security.

Supporting Energy Accessibility

Our balanced portfolio with a well-managed cost base and high reliability enables us to deliver essential energy to communities and industries.

Our gas portfolio provides stable, highly visible cash flow underpinned by offtake contracts, which supports our earnings base and funds our energy transition initiatives, such as renewables, low-carbon solutions and sustainable industrial parks.

8.1GW

Gas and others*

* Others include diesel and energy-from-waste

20.4GW

Renewable energy

We have expanded our renewables capacity by more than six-fold in just five years, growing from 3.2GW to 20.4GW through greenfield developments, strategic acquisitions and partnerships.

Our sustainable integrated parks span over 16,200 hectares across Asia, and have attracted US$64 billion in foreign direct investments, creating thriving industrial ecosystems.

Our industrial property portfolio grew to over 1 million square metres gross floor area, comprising ready-built facilities designed to green building standards for improved energy and water efficiency.

>15,000 training hours

across 108 partner companies

Enabling Energy Sustainability

To date, we have invested over S$5 billion in renewable energy projects globally, building a proven track record in delivering large-scale, complex transition investments.

We are also advancing low-carbon technologies, exploring green hydrogen and ammonia projects, including the 600MW hydrogen-ready combined cycle power plant on Jurong Island, set for operation by the fourth quarter of 2026.

In parallel, we enable cross-border decarbonisation through 2.2GW of low-carbon electricity imports from Vietnam and Malaysia.

Building Sustainable Communities and Industrial Ecosystems

With a gross treatment capacity of 8 million cubic metres of water and wastewater each day, our customised water solutions enable businesses to achieve their sustainability goals.

Attracted

US$64 billion

in foreign direct investments

Empowering an Inclusive Transition

Since 2018, Sembcorp Solar Singapore has delivered over 15,000 training hours on solar-related capabilities and technologies across 108 partner companies, including contractors, government agencies and Institutes of Higher Learning. In 2024, we were appointed Singapore's first SkillsFuture Queen Bee for the Energy and Power sector, underscoring our commitment to advancing industry capabilities.

Through the S$25 million Sembcorp Energy for Good Fund, we drive decarbonisation in the charity sector. Since 2022, our solarisation projects have powered over 110 community sites, generating over 930,000kWh of clean energy and avoiding 654,000kgCO_2e of greenhouse gas emissions, comparable to the annual electricity consumption of over 350[1] four-room Housing & Development Board flats in Singapore.

[1] Conversion is based on the 2024 Grid Emission Factor published by the Energy Market Authority of Singapore and the 2024 average electricity consumption rates for households published by the Ministry of Sustainability and the Environment, Singapore

Chairman and CEO's Statement

Message from the Chairman

Dear Shareholders,
After a long 50-year career spanning corporate and executive leadership, I have decided to retire as Chairman and step down from the board of Sembcorp with effect from June 1, 2026, in order to pursue my personal interests and passions.

Serving on the board since 2021 and as Chairman since 2023 has been a deeply rewarding and fulfilling journey. As Chairman of Sembcorp, I have sought to steer the board with thoughtful stewardship through a significant period in the company's journey. I am encouraged by the resilience and dedication shown across the organisation as Sembcorp continues to grow and evolve.

I would like to thank my fellow directors and Sembcorp's management team for their steadfast support and partnership. Above all, I thank our employees for their commitment and you, our shareholders, for your continued support.

I am confident that Sembcorp will continue to build on this strong foundation and deliver sustainable growth under Mr Sohmen-Pao's leadership.

Tow Heng Tan
Chairman

Dear Shareholders,

The operating environment in 2025 was marked by heightened geopolitical tensions, trade frictions and a slowing global economy. At the same time, the unprecedented and rapid deployment of artificial intelligence (AI) continued to reshape industries and energy demand.

Against this backdrop, we remained focused on execution, portfolio discipline and capital allocation. We have stayed the course on our purpose of driving energy transition responsibly, balancing the immediate need for energy security with our unwavering commitment to building a low-carbon future.

Resilient Financial Performance

Despite the uncertainties, the Group delivered a resilient performance. Our results reflected the strength of our diversified portfolio, disciplined cost management and execution of our strategic priorities. In financial year 2025 (FY2025), the Group achieved a turnover of S$5.8 billion and underlying net profit of S$1.0 billion. Our return on equity stood at 18.2%, reflecting our continued focus on capital efficiency.

The Board is pleased to propose a final dividend of 16.0 cents per ordinary share, subject to shareholders' approval. This brings total dividend for the year to 25.0 cents per ordinary share, an increase of 9% or 2.0 cents from FY2024. This reflects confidence in our long-term strategy and the visibility of our cash flows.

Driving Growth with Financial Discipline

Our growth strategy is built on the strength of our business lines: ensuring energy security through our Gas and Related Services segment and driving the transition through our Renewables and Integrated Urban Solutions segments.

Gas and Related Services: Providing Reliability through the Energy Transition
As the energy transition accelerates, the need for reliable and dispatchable power has become more critical. Our 8GW global gas portfolio continues to underpin grid stability while enabling the integration of renewables and low-carbon energy sources into the power system.

In Singapore, we increased our stake in Senoko Energy to 50%. With this stake, we will look to unlock operational synergies and enhance the efficiency of our Singapore power assets as well as support national energy security. At the same time, we are future-proofing our generation capabilities. We are on track to complete our new 600MW hydrogen-ready power plant in 2026, strengthening our ability to meet evolving energy needs. Together, our assets are well-positioned to support growing power requirements of the data centre and high-tech manufacturing industries in Singapore. In a world where AI-driven load growth is reshaping demand patterns, Sembcorp is already a trusted partner to these critical industries, supplying more than one-third of the data centre power needs in Singapore.

In the UK, while operating conditions remain challenging due to subdued industrial demand, we continue to exercise cost discipline and are repositioning the business to broaden customer reach and capture emerging opportunities in data centres.

Renewables: Scaling with Execution and Reliability
We continued to expand our renewables portfolio with discipline, focusing on market fundamentals and execution capabilities. Since 2021, we have invested over S$5 billion globally and grown our gross renewables capacity more than six-fold, from 3.2GW to 20.4GW, including an acquisition pending completion.

Despite market challenges in the China renewables market due to elevated curtailment and tariff pressures, our expanding platforms in the region continued to provide resilience and deliver growth for the segment.

In India, we strengthened our position as a leading independent power producer. We secured a 150MW firm and dispatchable renewable energy project from SJVN, integrating solar and battery energy storage systems to support the growing demand for reliable, renewable power. Together with our other wins, our gross renewables capacity in India has now surpassed 7.6GW.

In the Middle East, we achieved a significant milestone with the signing of a 20-year power purchase agreement for the 125MW Dhofar II wind power project. This is our first wind project in Oman, shortly after we commissioned the 588MWp Manah II Solar Independent Power Project. These assets support Oman's Vision 2040 target of generating 30% of electricity from renewable sources.

In Singapore, we continue to lead in maximising renewable potential in a land-scarce environment. We were awarded the 86MWp Pandan Reservoir floating solar project by PUB, Singapore's National Water Agency. We also signed a 25-year renewable energy purchase agreement with a subsidiary of Meta Platforms to build, own and operate a 150MWp floating solar farm at Kranji Reservoir. These long-term contracts further reinforce our position as the nation's leading floating solar energy player.

Integrated Urban Solutions: Building Sustainable Growth Platforms

Our Urban business continued to grow. During the year, three new Vietnam Singapore Industrial Park (VSIP) projects were awarded investment registration certificates. We further expanded our footprint in January 2026, with a new investment approval for VSIP Hue in central Vietnam. With these investment approvals, our portfolio now comprises 22 industrial parks across 15 provinces and major cities in Vietnam. These new parks are designed to be smart, green and future-ready, and are well-positioned to serve as strategic hubs for clean-tech and export-focused industries.

In Indonesia, we are also making strides with our Tembesi Innovation District, which has received strong pre-commitment interest. We also signed a Memorandum of Understanding with NeutraDC to jointly develop sustainable data centre infrastructure in Southeast Asia.

Sharpening the Portfolio and Entering a New Growth Market

Portfolio optimisation remains a core discipline. In March 2025, we completed the divestment of Sembcorp Environment, sharpening the Group's focus on energy and urban solutions. Proceeds from this capital recycling exercise will be redeployed in line with our strategic priorities to support disciplined growth and value creation.

Looking beyond our established markets, 2025 also marked a pivotal milestone in our geographical expansion. In December, we announced the proposed acquisition of Alinta Energy in Australia. The transaction provides immediate scale, entry into an AAA-rated country and access to a high-quality generation portfolio and development pipeline. The acquisition is immediately earnings accretive and broadens our growth capabilities in a well-established market.

Powering an Inclusive Future

We remain committed to contributing positively to the communities in which we operate. Through the Sembcorp Energy for Good framework, we support a range of community initiatives, including programmes aligned with the United Nations Sustainable Development Goal 7. During the year, we commissioned a 95kWp solar energy system at Boys' Town in Singapore, reducing operating costs and allowing savings to be redirected to its youth development programmes. Since 2022, we have trained over 2,400 participants through our green capability building initiatives. Our green education programmes have reached over 600,000 people worldwide, strengthening energy and sustainability literacy. In 2025, Sembcorp contributed to the Institute of Technical Education Monthly Financial Assistance Scheme in Singapore, supporting approximately 700 students in pursuing their educational goals. We also launched the Sembcorp Energy League, which engaged more than 12,000 participants in 2025.

We will continue to focus on initiatives that deliver measurable outcomes and create sustainable, long-term benefits for the communities we serve.

Health, Safety, Security and Environment

While we celebrate our business achievements, the safety of our people remains important. We are deeply saddened by a contractor fatality that occurred in 2025. This incident reinforces the need for us to continue strengthening our safety culture and practices. We are strengthening our safety controls and processes, and enforcing the strictest adherence to contractor safety protocols across all sites. Beyond procedural improvements, we have also deployed proven AI-driven technologies to monitor work sites, allowing us to detect and deter unsafe acts. We remain resolute in our commitment to ensuring that every person who works with Sembcorp returns home safe every day.

A Note of Thanks

The resilience and success of Sembcorp are made possible by the dedication of our employees. We thank them for their professionalism and ability to adapt, innovate and execute in a complex environment.

Chairman and CEO's Statement

We are grateful for the guidance of our Board, whose experience and counsel have been invaluable in navigating a complex operating environment. We would like to express our appreciation to Mr Yap Chee Keong, who will step down from the Board at the forthcoming annual general meeting (AGM). His deep financial expertise and acumen were instrumental in strengthening our governance and risk management frameworks during a period of strategic repositioning for the group. We are pleased to welcome Mr Dinesh Khanna, who was appointed as Alternate Director to Prof Uwe Krueger on February 25, 2026, as well as Mr Andreas Sohmen-Pao and Mr Steven Phan Swee Kim to our board on March 27, 2026. Mr Sohmen-Pao and Mr Phan will be standing for re-election at the AGM pursuant to article 100 of the company's constitution.

Mr Andreas Sohmen-Pao has been appointed as Chairman Designate and non-executive and independent director. He will succeed Mr Tow Heng Tan as non-executive and independent Chairman of the board of directors with effect from June 1, 2026. Mr Sohmen-Pao, chairman of BW Group since 2014, brings deep experience and insights from leading a global business rooted in international energy and infrastructure.

Mr Steven Phan Swee Kim has been appointed non-executive and independent director. He will succeed Mr Yap Chee Keong as chairman of the Audit Committee at the conclusion of the upcoming AGM on April 29, 2026. Mr Phan, formerly the Ernst & Young area managing partner for the Asia Pacific region, has more than 35 years of experience in audit and advisory, with strong expertise in risk management across capital intensive and regulated operating environments.

We look forward to working closely with Mr Sohmen-Pao, Mr Phan and Mr Khanna to drive Sembcorp's growth and deliver value to shareholders.

Looking Ahead: 2026 and Beyond

As we look towards 2026, the global energy landscape presents a mix of challenges and opportunities. We expect operating conditions to remain uncertain due to macroeconomic headwinds such as policy shifts. However, the fundamental drivers of our businesses are strong. The International Energy Agency projects that global electricity demand will grow at an accelerated pace in 2026, driven by the electrification of transport, industrial decarbonisation and the exponential rise of data centres powering the AI revolution.

Sembcorp is uniquely positioned to capture this growth as rapid urbanisation and industrialisation drive sustained demand for renewable energy and sustainable urban solutions. We remain vigilant to risks, disciplined in execution and clear in our strategic intent. Guided by our purpose to drive the energy transition responsibly, we remain confident in our ability to deliver lasting value. We thank you for your continued trust and support.

Tow Heng Tan
Chairman

Wong Kim Yin
Group Chief Executive Officer

Note of Thanks to Outgoing Chairman

Mr Tow Heng Tan will be retiring as Chairman and stepping down from the board of Sembcorp with effect from June 1, 2026.

Mr Tow presided over the Board during an important period of transformation for the Group, steering the Board with wise and careful stewardship. Drawing on decades of leadership experience, he helped shape Sembcorp's strategic direction and left an indelible imprint on the transformation journey of the company during his tenure on the board. Notably, Mr Tow steered the company through a strategic pivot toward energy transition, balancing a renewed emphasis on gas opportunities to ensure energy security with continued advancement of its long-term renewable energy strategy.

The Board and management of Sembcorp record their sincere gratitude and appreciation to Mr Tow for his invaluable contributions as Chairman. We thank him and wish him every success in the next chapter ahead.

Lim Ming Yan
Lead Independent Director

Wong Kim Yin
Group Chief Executive Officer

Community Investment Highlights

Cumulative Community Investment since 2022: S$18.3 million

Green Infrastructure

Supporting charities and community organisations with solarisation and energy-efficient infrastructure solutions

Impact since 2022: **930,000kWh** of solar energy generated
654,000kgCO_2e of GHG emissions avoided

China

Since 2024, 240 solar street lights have been installed across Anqiu City, Shandong Province. To date, the installation has generated 86,000kWh of solar energy and avoided 68,000kgCO_2e of greenhouse gas emissions, supporting cleaner and safer public infrastructure for the local community.

Green Capability Building

Helping charities and communities build sustainability capabilities and green skills, enabling the adoption of ESG practices

Impact since 2022: **2,440 participants** trained

Singapore

Since 2025, Sembcorp's contribution to the Institute of Technical Education Monthly Financial Assistance Scheme has supported over 700 engineering students to pursue their educational goals, contributing to the development of Singapore's green talent pipeline.

Green Education

Building energy and sustainability literacy among youth and the public through experiential learning

Impact since 2022: **604,200 participants** engaged

Singapore

Since 2025, the Sembcorp Energy League has engaged over 12,000 students across Singapore through tours of the Sembcorp Tengeh Floating Solar Farm and school assembly talks. The Sembcorp Energy League offers students insights into energy, sustainability and career pathways in the green economy.

Community Uplift

Uplifting vulnerable communities through access to essential services, while fostering self-sufficiency, resilience and well-being

Impact since 2022: **123,600 people** supported through healthcare programmes across multiple countries

Bangladesh

Since 2022, Sembcorp's ongoing medical outreach has provided essential healthcare to over 5,000 people in underserved communities.

India

Since 2025, Sembcorp has delivered essential healthcare services to over 24,000 people across more than 120 healthcare camps in seven Indian states.

Group Financial Review

Financial Highlights

In 2025, the Group changed its accounting policy relating to the subsequent measurement of investment properties from the cost model to the fair value model, with changes in fair value recognised in profit or loss. This change has been applied retrospectively and 2024 comparatives have been restated accordingly.

	2025	2024 Restated	Change *(%)*
For the Year *(S$ million)*			
Turnover	**5,799**	6,417	(10)
Gas and Related Services	**4,088**	4,637	(12)
Renewables	**856**	746	15
Integrated Urban Solutions	**242**	431	(44)
Decarbonisation Solutions	**42**	53	(21)
Other Businesses and Corporate	**571**	550	4
Earnings before interest, tax, depreciation and amortisation (EBITDA)[1]	**1,520**	1,734	(12)
Share of results: Associates and joint ventures, net of tax	**496**	316	57
Adjusted EBITDA	**2,016**	2,050	(2)
Profit before tax	**1,176**	1,259	(7)
Net profit before exceptional items and DPN FXΔ[2]	**1,003**	1,014	(1)
Gas and Related Services	**701**	728	(4)
Renewables	**192**	183	5
Integrated Urban Solutions	**178**	173	3
Decarbonisation Solutions	**(23)**	(20)	(15)
Other Businesses and Corporate	**(45)**	(50)	10
Exceptional items	**135**	1	NM
DPN FXΔ, (Loss) / Gain	**(154)**	10	NM
Net profit from continuing operations	**984**	1,025	(4)
Net loss from discontinued operation	**–**	(9)	NM
Net profit	**984**	1,016	(3)
Capital Position *(S$ million)*			
Owners' funds	**5,543**	5,441	2
Total assets	**18,429**	18,280	1
Net debt	**7,847**	7,800	1
Operating cash flow	**1,170**	1,412	(17)
Free cash flow	**2,070**	1,790	16
Capital expenditure and equity investment	**1,192**	1,991	(40)
Shareholder Returns			
Net assets per share *(S$)*	**3.12**	3.05	2
Earnings per share *(cents)*	**55.33**	57.00	(3)
Earnings per share – Continuing operations *(cents)*	**55.33**	57.51	(4)
Dividends per share *(cents)*	**25.00**	23.00	9
Last traded share price[3] *(S$)*	**6.02**	5.52	9
Total shareholder return *(%)*	**14**	7	100

NM: Not meaningful

1 EBITDA refers to earnings before net interest expense, tax, depreciation and amortisation

2 DPN FXΔ: Deferred payment note foreign exchange gain / loss

3 As at December 31 of the respective years

Overview

The Group delivered resilient performance in 2025, with Group net profit before exceptional items (EI) and DPN FXΔ of S$1.0 billion, comparable to 2024, reflecting the strength of our diversified portfolio across Gas and Related Services, Renewables, and Integrated Urban Solutions. Reported net profit from continuing operations was S$984 million, 4% lower year-on-year.

Turnover

Group turnover declined 10% to S$5.8 billion in 2025. This was driven mainly by a 12% decrease in the Gas and Related Services segment to S$4.1 billion due to lower electricity offtake, lower pool and gas prices in Singapore, as well as lower availability following a major outage in Wilton 10 in the UK. Renewables increased 15% to S$856 million on newly commissioned projects in Oman, India and Singapore, and a full-year contribution from 196MW of a 245MW Vietnam acquisition completed in 2024, while Integrated Urban Solutions fell 44% to S$242 million following the divestment of Sembcorp Environment and its subsidiaries (SembEnviro). Decarbonisation Solutions decreased to S$42 million amid global macroeconomic pressures, while Other Businesses and Corporate increased by S$21 million, or 4%, to S$571 million.

Net Profit

In 2025, the Group net profit before EI and DPN FXΔ of S$1.0 billion was in line with 2024. Earnings growth from the Renewables and Integrated Urban Solutions segments mitigated lower earnings from the Gas and Related Services segment, which remains the Group's principal contributor at about 70%, underscoring the resilience of our diversified portfolio. EI in 2025 were mainly attributable to the gain from the divestment of SembEnviro, while the foreign exchange loss on the deferred payment note resulted from the depreciation of the Indian rupee (INR) against the Singapore dollar (SGD). Net profit from continuing operations was S$984 million.

Net profit before EI for the Gas and Related Services segment was S$701 million, a 4% decrease from S$728 million in 2024, with lower contribution from the UK business and lower generation spreads in Singapore. These impacts were offset by higher contribution from Senoko Energy, driven by a full-year effect of the 30% stake acquired in November 2024, post-acquisition synergy benefit, and the additional 20% equity interest acquired in the first half of 2025, which increased the Group's effective interest from 30% to 50%.

The Renewables segment delivered net profit before EI of S$192 million, representing a 5% increase driven by better wind resources from the India portfolio, full-year earnings from the Vietnam subsidiaries acquired in 2024, as well as newly commissioned solar capacity in Singapore, the Middle East and India. These improvements were partially offset by higher curtailment and lower tariffs in certain regions in China.

Integrated Urban Solutions achieved net profit before EI of S$178 million, attributable to a higher share of results from associates and joint ventures within the Urban business, supported by higher commercial and residential sales in Vietnam and fair value gain of investment properties, while also reflecting the absence of contribution from SembEnviro following its divestment.

Cash Flow and Liquidity

As at December 31, 2025, the Group's cash and cash equivalents in the cash flow statement stood at S$1.1 billion. Net cash from operating activities was S$1.2 billion, compared to S$1.4 billion in 2024.

Net cash used in investing activities amounted to S$186 million, net of a S$383 million inflow from the divestment of SembEnviro. Cash outflows in 2025 included capital expenditure for renewables projects, development of a hydrogen-ready power plant, acquisition of subsidiaries and investments in joint ventures and associates.

Net cash used in financing activities was S$729 million, primarily due to dividend and interest payments, net of loan drawdowns.

Financial Position

Owners' funds increased to S$5.5 billion as at December 31, 2025, from S$5.4 billion in 2024, primarily driven by net profit after accounting for dividends paid. This uplift was partially offset by a reduction in the currency translation reserve due to the depreciation of the US dollar (USD) and INR against the SGD, as well as a decline in the hedging reserve arising from fair value losses on derivatives used to hedge foreign currency, interest rate and commodity risks.

Total assets increased to S$18,429 million in 2025, from S$18,280 million in 2024 which had included S$389 million of assets held for sale that were disposed of in 2025. The net increase in total assets was mainly attributable to the consolidation of newly acquired subsidiaries, share of current year's results from associates and joint ventures, and additional investments. The increase was also due to capital expenditure for renewables projects in Singapore, India and Oman, as well as the development of a hydrogen-ready power plant in Singapore. These increases were partially offset by translation losses, primarily due to the depreciation of the INR and USD against the SGD.

Net Debt

Gross debt was S$9.0 billion as at December 31, 2025, compared to S$8.7 billion in 2024. The increase was driven by refinancing arrangements, funding for capital expenditure and the consolidation of borrowings from newly acquired subsidiaries. These were partially offset by translation gains, mainly due to the depreciation of the INR against the SGD.

Net debt was S$7.8 billion as at December 31, 2025, remaining broadly unchanged from 2024.

Group Financial Review

Shareholder Returns
In 2025, the Group's return on equity (ROE) was 17.9% and earnings per share was 55.3 cents. The 2025 ROE has the temporary effect of projects that were commissioned during the year and have yet to deliver a full-year contribution, as well as projects still under development.

Subject to approval by shareholders at the next annual general meeting, a final dividend of 16.0 cents per ordinary share has been proposed. Together with the interim dividend of 9.0 cents per ordinary share paid in August 2025, this brings the Group's total dividend for the financial year ended December 31, 2025, to 25.0 cents per ordinary share, an increase from 23.0 cents per ordinary share in 2024.

Five-year Financial Performance

	2025	2024 Restated[1]	2023	2022[2]	2021
For the Year *(S$ million)*					
Turnover	**5,799**	6,417	7,042	7,825	7,795
Earnings before interest, tax, depreciation and amortisation (EBITDA)[3]	**1,520**	1,734	1,789	1,308	1,288
Share of results: Associates and joint ventures, net of tax	**496**	316	264	248	206
Adjusted EBITDA	**2,016**	2,050	2,053	1,556	1,494
Profit before tax	**1,176**	1,259	1,230	865	423
Net profit from continuing operations	**984**	1,025	1,020	704	279
Discontinued operation	**–**	(9)	(78)	144	–
Net profit	**984**	1,016	942	848	279
At Year End *(S$ million)*					
Property, plant and equipment, and investment properties	**9,070**	8,564	6,618	5,438	7,232
Other non-current assets	**6,270**	6,354	6,173	4,074	3,230
Net current assets / (liabilities)	**135**	451	(770)	1,687	1,028
Non-current liabilities	**(9,609)**	(9,618)	(7,149)	(6,983)	(7,572)
Net assets	**5,866**	5,751	4,872	4,216	3,918
Share capital and reserves	**5,543**	5,441	4,588	3,977	3,767
Non-controlling interests	**323**	310	284	239	151
Total equity	**5,866**	5,751	4,872	4,216	3,918
Per Share					
Earnings *(cents)*	**55.33**	57.00	52.83	47.59	15.64
Net assets *(S$)*	**3.12**	3.05	2.58	2.24	2.12
Dividends *(cents)*	**25.0**	23.0	13.0	12.0	5.0

1 Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly. Information for 2021 to 2023 are not re-presented

2 Following the shareholders' approval of the sale of SEIL on November 8, 2022, the performance of SEIL for the period was reported under discontinued operation

3 EBITDA refers to earnings before net interest expense, tax, depreciation and amortisation

Value Added and Productivity Data

In 2025, the Group's total value added was S$2.7 billion. Of this, S$491 million was distributed to employees in wages, salaries and benefits, S$230 million to governments in income and other taxes and S$854 million to providers of capital in interest, dividends and distributions. The remaining S$1.1 billion was reinvested into the business.

Value Added Statement *(S$ million)*

	2025	2024 Restated[1]	2023	2022	2021
Value Added From					
Turnover	**5,799**	6,417	7,042	7,825	7,795
Less: Bought-in materials and services	**(3,838)**	(4,278)	(4,886)	(6,100)	(6,115)
Gross value added	**1,961**	2,139	2,156	1,725	1,680
Investment, interest and other income	**258**	328	305	299	216
Share of results: Associates and joint ventures, net of tax	**496**	316	264	248	206
Other non-operating expenses	**(35)**	(40)	(77)	(96)	(67)
	2,680	2,743	2,648	2,176	2,035
Distribution					
To employees in wages, salaries and benefits	**491**	541	509	485	494
To government in income and other taxes	**230**	258	187	116	62
To provider of capital in:					
Interest on borrowings	**392**	372	410	309	423
Dividends to owners	**462**	250	232	124	107
	1,575	1,421	1,338	1,034	1,086
Retained in Business					
Depreciation and amortisation	**476**	446	454	372	457
Deferred tax expense	**20**	56	14	36	63
Retained profits	**522**	775	788	580	172
Non-controlling interests	**36**	27	28	23	21
	1,054	1,304	1,284	1,011	713
Other non-operating expenses	**51**	18	26	131	236
	1,105	1,322	1,310	1,142	949
Total distribution	**2,680**	2,743	2,648	2,176	2,035
Productivity Data					
Average staff strength	**4,660**	5,283	5,099	4,981	5,740
Employment costs *(S$ million)*	**491**	541	509	485	494
Profit after tax per employee *(S$'000)*	**211**	194	206	146	52
Value added *(S$ million)*	**1,961**	2,139	2,156	1,725	1,680
Value added per employee *(S$'000)*	**421**	405	423	347	293
Value added per dollar employment costs *(S$'000)*	**3.99**	3.95	4.24	3.56	3.40
Value added per dollar investment in property, plant and equipment *(S$)*	**0.23**	0.26	0.22	0.21	0.16
Value added per dollar sales *(S$)*	**0.34**	0.33	0.31	0.22	0.22

The value added statement is for continuing operations for the reporting period. Comparative information is not re-presented

[1] Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly. Information for 2021 to 2023 are not re-presented

Group Financial Review

Treasury Management

Sembcorp Financial Services (SFS), our wholly-owned treasury arm, plays a pivotal role in ensuring the Group's financial health. Based in Singapore, SFS manages financing and treasury activities locally and collaborates with finance and treasury divisions across other line of businesses to align strategies and optimise resources. Funds borrowed by SFS are on-lent to businesses within the Group, where appropriate.

SFS employs an efficient cash management approach, recycling surplus cash from businesses within the Group to support areas with greater funding needs. Debt is managed through an ongoing and disciplined review of new and refinancing requirements to optimise the Group's capital structure and allocation. Cash pooling structures established in various countries, maximise the use of available resources, channelling surplus funds from businesses to those with funding needs. This proactive approach ensures efficient and cost-effective cash management to meet the Group's funding requirements effectively.

Facilities

As at December 31, 2025, the Group had secured total credit facilities of S$18.9 billion (2024: S$18.6 billion), including its Multicurrency Debt Issuance Programmes and Euro Medium Term Note (EMTN) Programme. Of these facilities, S$17.1 billion (2024: S$16.8 billion) are borrowing facilities, and S$1.8 billion (2024: S$1.8 billion) are trade-related facilities such as bank guarantees, letters of credit, bid bonds and performance bonds.

Borrowings and Bond Issuance

The Group aims to closely align its debt structure and maturity profile with the commercial profile of its core assets, while maintaining adequate liquidity to support its businesses. Strong banking relationships remain critical to securing funding on competitive terms, enabling the Group to seize commercially viable and strategically attractive opportunities. SFS continues to explore and diversify funding options to meet the Group's financing objectives effectively.

In 2025, SFS successfully issued a 20.5-year S$300 million bond under the S$5.0 billion EMTN Programme. This issuance is the longest-tenured unrated corporate bond by a Singapore company in recent times and was close to seven times oversubscribed against the

Financing and Treasury Highlights *(S$ million)*

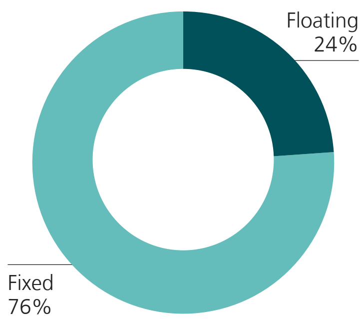
	2025	2024
Source of Funding		
Cash and cash equivalents	**1,109**	871
Borrowing facilities (including Multicurrency Debt Issuance Programmes and EMTN Programme)		
Committed borrowing facilities	**11,427**	11,136
Less: Amount drawn down	**(8,932)**	(8,567)
Unutilised committed borrowing facilities	**2,495**	2,569
Uncommitted borrowing facilities	**5,701**	5,640
Less: Amount drawn down	**(24)**	(104)
Unutilised uncommitted borrowing facilities	**5,677**	5,536
Total unutilised borrowing facilities	**8,172**	8,105
Trade-related facilities		
Facilities available	**1,789**	1,842
Less: Amount used	**(578)**	(640)
Unutilised trade-related facilities	**1,211**	1,202
Funding Profile		
Maturity profile		
Due within one year	**1,057**	671
Due between one to five years	**4,100**	4,073
Due after five years	**3,799**	3,927
	8,956	8,671
Debt mix		
Fixed-rate debt	**6,846**	7,024
Floating-rate debt	**2,110**	1,647
	8,956	8,671

target issuance size, reflecting strong fixed income investor confidence in the Group.

As at December 31, 2025, the Group's gross borrowings stood at S$9.0 billion (2024: S$8.7 billion). The Group remains committed to maintaining a diversified and optimised funding base while upholding prudent financial ratios.

The overall debt portfolio in 2025 consisted of 76% fixed-rate debt (2024: 81%) and 24% floating-rate debt (2024: 19%). The Group will continue to proactively monitor and manage its debt portfolio mix in response to the prevailing interest rate environment.

Hedging Profile

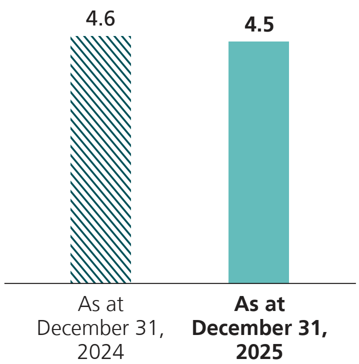


	2025	2024 Restated[1]
Group Debt Financial Ratios		
Interest cover ratio		
Earnings before interest, tax, depreciation and amortisation (EBITDA)	**1,520**	1,734
Adjusted EBITDA[2]	**2,016**	2,050
Finance costs	**392**	372
EBITDA / Finance costs	**3.9**	4.7
Adjusted EBITDA[2] / Finance costs	**5.1**	5.5
Debt Ratios		
Net Debt / EBITDA	**5.2**	4.5
Net Debt / Adjusted EBITDA[2]	**3.9**	3.8

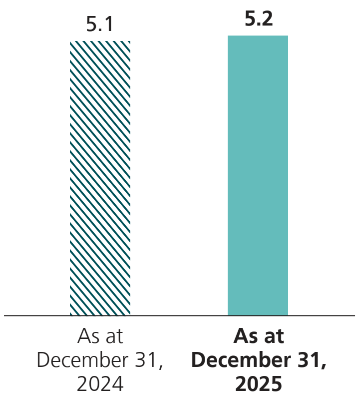
[1] Following the change in accounting policy on subsequent measurement of investment properties which was applied retrospectively, the 2024 information has been restated accordingly

[2] Adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

Weighted Average Cost of Debt *(%)*



Weighted Average Debt Maturity *(years)*



Shaping an Integrated Energy Future

Our businesses in gas, renewables and urban solutions are scaling rapidly to enable energy security, accessibility and sustainability. By expanding firm generation capacity and continuing to invest in clean energy and sustainable infrastructure, we are strengthening our position as a leading provider of integrated solutions that power communities and industries, while advancing national and regional decarbonisation goals.

Gas and Related Services

Advancing Reliable and Cost-effective Power Solutions

Artist's impression of Sembcorp's 600MW hydrogen-ready CCGT power plant on Jurong Island, Singapore

Increased interest in Senoko Energy to 50%, enabling continued support for Singapore's energy security through a generation platform that plays a critical role in meeting national electricity demand

Secured a new 10-year Power and Water Purchase Agreement with Nama Power and Water Procurement Company, supplying up to 465MW of power and 15 million imperial gallons of water per day from our Salalah Independent Water and Power Plant, strengthening long-term energy and water security for Oman

Renewables

Accelerating the Clean Energy Shift

One of Sembcorp's largest utility-scale solar projects, the 528MWp solar farm in Rajasthan, India

Total of 20.4GW in solar, wind and energy storage, with 15GW of installed projects

Singapore's largest solar player, with more than 1GWp deployed across multiple system types, including three floating solar farms in operation or under development

Strengthened global renewables portfolio with greenfield hybrid, firm and dispatchable renewable energy projects in India, and our first wind project award in Oman

Proposed acquisition of Alinta Energy to enter Australia, enabling delivery of reliable and accessible energy while supported by a potential pipeline of 10.4GW of renewables and firming development options

Integrated Urban Solutions

Innovating for a Low-carbon Future

Sembcorp Logistics Park Hai Phong, located at VSIP Hai Phong, supports Vietnam's industrial and urban development with rooftop solar installation to reduce carbon emissions

Expanded gross floor area of ready-built industrial properties to over 1 million square metres (sqm), demonstrating clear progress toward our 2028 target of 1.5 million sqm

Secured four new investment licences for Vietnam Singapore Industrial Parks (VSIP) bringing the VSIP portfolio to 22 industrial parks across 15 provinces and major cities in Vietnam

Gas and Related Services

Anchoring Energy Security and Enabling the Transition

The Gas and Related Services portfolio comprises 8GW of primarily gas-fired power capacity across various geographies including Bangladesh, China, Myanmar, Oman, Singapore, the United Arab Emirates (UAE) and the United Kingdom (UK). In Singapore, Sembcorp is a leading natural gas player, providing an integrated suite of services including gas sourcing, importation and trading. The portfolio provides a stable baseload of reliable power, playing a critical role in supporting energy security and the transition to lower-carbon energy systems.

Strengthening Singapore's Platform to Capture Growth from Data Centre and High-tech Manufacturing

As one of Singapore's largest importers of natural gas, we leverage our established long-term gas supply arrangements to offer customers stable long-term power purchase agreements (PPAs) that provide reliable power and cost certainty.

Operational Indicators *(MW)*

	2025	2024
Gross gas and diesel-fired power capacity	**8,015**	8,015
– Gas	**7,955**	7,955
– Diesel	**60**	60

Since 2023, we have significantly transformed our Singapore gas-fired portfolio by converting a previously merchant-heavy position into one anchored by long-term contracts. Through securing PPAs with major energy-intensive customers, we have established a higher and more predictable earnings base for the business. Sembcorp now holds the largest long-term contracted portfolio in the Singapore market, reinforcing the resilience and competitiveness of our energy business.

Singapore continues to see strong structural demand for data centres and high-tech manufacturing, driven by rapid digitalisation, cloud computing adoption and its position as a leading connectivity and technology hub in Southeast Asia. Significant new data centre capacity is expected to be added in the coming years, supported by the second Data Centre – Call for Application and the government's plan to develop a 700MW low-carbon data centre park on Jurong Island. In parallel, semiconductor manufacturers are expanding operations to support the artificial intelligence (AI) and advanced electronics value chain. These sectors are highly energy-intensive, placing increasing demand on reliable and long-term power supply.

Against this backdrop, Sembcorp is well-positioned to capture growth with our reliable fleet of gas-fired generation assets and our integrated

We completed the acquisition of an additional 20% interest in Senoko Energy, bringing our effective interest to 50%

energy solutions. We currently supply one-third of the power demand of data centres in Singapore, underscoring our role as a leading power partner to this fast-growing sector.

Building on this momentum, Sembcorp continues to enhance earnings visibility by prioritising long-term contracting across the portfolio. In 2025, we secured over 120MW of new long-term PPAs with data centres as well as commercial and industrial customers, with tenures of five to 10 years. During the year, we also entered into a multi-service energy and utilities agreement with Aster Chemicals and Energy to provide integrated gas, power and utilities solutions for its refining and chemical complex in Pulau Bukom and Jurong Island, further expanding our portfolio of contracted energy solutions for industrial customers.

In January 2026, we further strengthened our contracted position through a key terms agreement with Micron Semiconductor Asia Operations (Micron) to supply an additional 150MW of power. This expansion builds on the 18-year PPA signed in 2023, under which Sembcorp currently supplies up to 450MW to Micron's Singapore facilities. The added capacity, which continues under the original term through 2041, supports Micron's ongoing expansion and reinforces Sembcorp's role as a trusted energy partner to Singapore's energy-intensive industries. As of February 2026, 79% of our gas-fired power generation in Singapore[1] was underpinned by long-term contracts, with 49% secured for over 10 years and 30% locked in for five to 10 years.

In 2026, 5% of Sembcorp's portfolio and approximately half of Senoko Energy's portfolio will be re-contracted. We expect the prevailing softness in Singapore's wholesale electricity market to exert downward pressure on tariffs, resulting in renewed contracts being signed at lower levels compared to prior periods.

To strengthen our platform, we are also enhancing our generation capacity. In June 2025, we completed the acquisition of an additional 20% interest in Senoko Energy, bringing our effective interest to 50%. The enlarged ownership positions us to better serve the rising baseload demand from high-growth sectors including data centres and semiconductor manufacturing, while also unlocking operational and financial synergies with Senoko. It also enables a more carbon-efficient generation profile and delivers cost savings through portfolio optimisation, cost efficiency and cross-selling opportunities across both customer bases. We are also working to recontract or transition Senoko's existing contracts into longer-tenure PPAs to strengthen earnings visibility.

Construction of our new multi-utilities centre on Jurong Island, including a 600MW hydrogen-ready combined cycle gas turbine (CCGT) power plant, remains on track for completion in the fourth quarter of 2026. The high-efficiency, future-ready power plant will further enhance the fuel and cost efficiency of our fleet. It will also create growth headroom to support Singapore's digital economy and manufacturing expansion. With this expanded multi-utilities platform, Sembcorp will continue to offer customers comprehensive and competitive energy and utilities solutions.

Supporting Singapore's Gas Supply Resilience

In May 2025, a new fully government-owned entity, Singapore GasCo, was established to centralise the procurement and supply of natural gas to power generation companies in Singapore. Notwithstanding this structural change, Sembcorp's gas portfolio in Singapore remains resilient and relevant. GasCo's mandate does not extend to commercial and industrial customers, while our existing gas sales contracts with power generation companies are grandfathered.

From a supply perspective, our gas portfolio is diversified across both piped natural gas and liquefied natural gas (LNG), with long-term LNG contracts secured until 2042.

Together with long-term gas procurement agreements and multi-year PPAs, these arrangements support reliable and competitively priced gas supply for customers, while contributing to Singapore's broader objectives of energy security and price stability.

Maintaining Earnings Visibility while Expanding Selectively Overseas

Apart from Singapore, we continue to anchor our earnings through long-term contracts across overseas gas-fired assets. These include our gas-fired power plants in Bangladesh, Myanmar, Oman and the UAE.

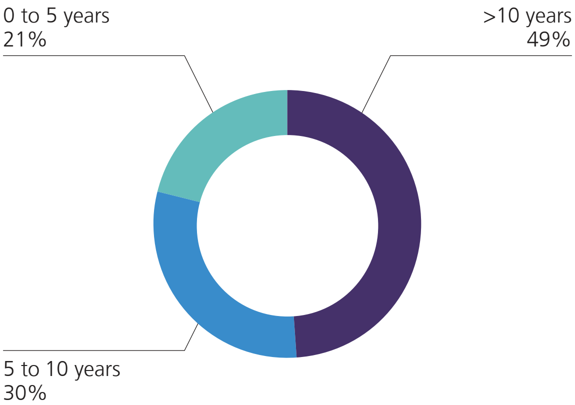
In Oman, we secured a new 10-year Power and Water Purchase Agreement for the Salalah Independent Water and Power Plant (IWPP), starting from April 2027. The renewed contract includes the continued supply of 465MW of power and 15 million imperial gallons of water per day, ensuring stable cash flows beyond the expiry of the current agreement. The renewal reinforces our strong partnership with Nama Power and Water Procurement Company and supports the long-term sustainability of our energy portfolio in the country.

[1] Based on aggregated maximum contracted load across customer agreements and remaining contract tenure

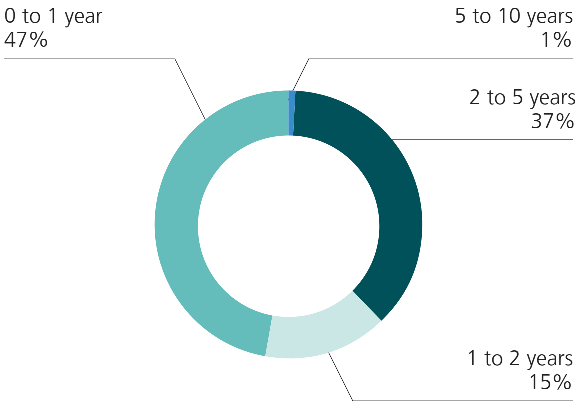
Gas and Related Services

Singapore Gas-fired Power Plants Contracting Profile[1]

Singapore (ex-Senoko) Contracting Profile
by Contract Tenure



Senoko Contracting Profile
by Contract Tenure



[1] As of February 2026. Based on aggregated maximum contracted load across customer agreements and remaining contract tenure

Challenging Market Conditions in the UK

In the UK, operating conditions were challenging during the year. Low wholesale power prices reduced generation margins, particularly for gas-fired assets, while lower demand from energy-intensive industries further suppressed returns. Uncertainty around the UK-US trade deal disrupted global petrochemical trade flows, softening sector activity. The closure of the SABIC Olefins' ethylene cracker facility at Wilton International reduced on-site steam and utilities demand and a planned four-week maintenance at our biomass plant in the second half of 2025 temporarily lowered availability. These factors collectively weighed on UK market performance.

Outlook

The Gas and Related Services segment delivered a resilient performance in 2025. Earnings in 2026 are expected to be affected by reduced margins for newly contracted volumes in Singapore, with 5% of Sembcorp's portfolio and approximately half of Senoko Energy's portfolio to be re-contracted. The effect would be partially offset by operational and financial synergies from the two portfolios. Commissioning of the 600MW hydrogen-ready CCGT power plant, which is expected in the fourth quarter of 2026, will further enhance the fuel and cost efficiency of our fleet. The highly competitive portfolio positions us well to capture growing demand in Singapore, particularly from data centre and high-tech manufacturing sectors.

Operations of the gas-fired power plants in Bangladesh, Myanmar and the Middle East, which are contracted under long-term PPAs, are expected to remain stable.

As power demand continues to rise, driven by data centres and high-tech manufacturing, Sembcorp is strongly positioned to capture the structural demand growth in Singapore. Our portfolio is integral in safeguarding energy security and serves as an essential platform for advancing energy transition.

Geopolitical Developments and Supply Resilience

In light of the developments in the Middle East, Sembcorp continues to monitor the evolving situation closely. As at March 9, 2026, our three facilities in Oman and the UAE continued to operate. The facilities have contingency measures in place and the safety and well-being of Sembcorp's employees remain its top priority as the company maintains operational stability.

In Singapore, Sembcorp's gas supply remains secure, with no anticipated disruptions in the near term. We are able to leverage our diversified portfolio of long-term natural gas supply contracts across both piped and liquefied sources, drawing from multiple global origins. Sembcorp's upcoming LNG cargo deliveries scheduled for 2026 are not from the Middle East. In addition to natural gas, Sembcorp's broader portfolio includes renewable energy and energy storage solutions. These help diversify our energy mix and strengthen supply resilience amid heightened geopolitical uncertainty.

Renewables

Strengthening Portfolio through Disciplined, Targeted Expansion

Sembcorp's renewables portfolio spans diversified geographies and technologies, comprising wind, solar, hydropower and energy storage assets in China, India, Oman, Southeast Asia (Indonesia, Philippines, Singapore and Vietnam) and the UK.

In 2025, we continued to grow our renewables platform through disciplined and targeted expansion, strengthening both scale and quality of the portfolio. Growth has remained disciplined and return-focused, targeting markets with sound fundamentals and long-term growth visibility.

Operational Indicators[1] *(MW / MWh)*

	2025	2024
Gross renewables capacity	**20,343**	16,827
– Wind	**8,082**	7,472
– Solar	**9,174**	7,899
– Energy Storage[2]	**3,038**	1,456
– Hydro	**49**	–
Gross renewables capacity	**20,343**	16,827
– Installed	**15,001**	13,072
– Secured or under construction	**5,342**	3,755

1 Figures refer to total gross capacity (assuming 100% ownership) as at December 31 of the corresponding year. 2025 figures do not include a 96MW solar project in the Philippines, the acquisition of which is pending completion

2 Energy storage capacity is in MWh

Since the end of 2024, Sembcorp's gross renewables capacity has increased by 3.6GW through greenfield wins and acquisitions. This brings the Group's total renewables portfolio to 20.4GW as of February 2026, with a robust development pipeline of 5.4GW of projects secured or under construction.

Strengthening Position in India

India remains a core growth market where we continued to strengthen our position as a leading renewables player in the country through both greenfield wins and acquisitions. During the year, we commissioned our 400MW solar farms in Rajasthan, one of our largest solar projects to date, spanning 2,200 acres. We also completed the acquisition of the 300MW ReNew Sunbright solar portfolio and secured over 1.5GW of complex greenfield projects. These include firm and dispatchable renewable energy, round-the-clock supply and hybrid solar-battery storage system projects, reflecting our in-house capabilities in developing and executing multi-technology renewable assets. By integrating solar, wind and battery storage systems, these solutions optimise generation profile to deliver more stable and reliable renewables supply. Their enhanced dispatchability and reliability support higher-value tariffs compared to single-technology contracts and improve overall project returns. These contracts are underpinned by 25-year long-term PPAs with Solar Energy Corporation of India and SJVN, both reputable renewable energy implementing agencies with strong credit profiles.

With these additions, our gross renewables capacity in India has surpassed 7.6GW, comprising 3.6GW of operating assets and 4.0GW of projects secured or under construction. The scale and maturity of our India renewables platform across diverse technologies provide a strong asset base for capital recycling initiatives to unlock value and support continued disciplined growth.

Winning our First Wind Project in Oman

During the year, we achieved another significant milestone in Oman with the signing of a 20-year PPA for the 125MW Dhofar II wind project, our first wind asset in the country. This development followed the early commissioning of the 588MWp Manah II Solar Independent Power Project, which was delivered ahead of schedule. Together with our long-established Salalah IWPP, Sembcorp's 1.1GW energy portfolio supports Oman's Vision 2040 target to generate 30% of electricity from renewable sources, positioning Sembcorp as a key partner in the country's lower-carbon energy transition.

Reinforcing Leadership in Singapore, Supporting Transition in Southeast Asia

In Singapore, we strengthened our leadership position in renewable energy solutions with two new floating solar projects secured during the year. These included the 86MWp Pandan Reservoir project awarded by PUB, Singapore's National Water Agency, and a 25-year renewable energy purchase agreement with a subsidiary of Meta Platforms to build, own and operate a 150MWp floating solar farm at Kranji Reservoir. With these awards, our Singapore renewables portfolio has reached 1.1GWp, representing over one-third of Singapore's solar energy deployment target of 3GWp by 2030.

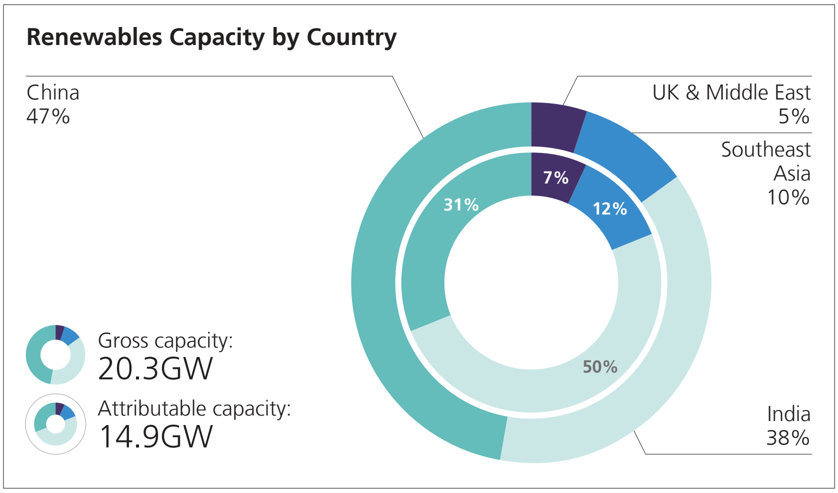
Renewables

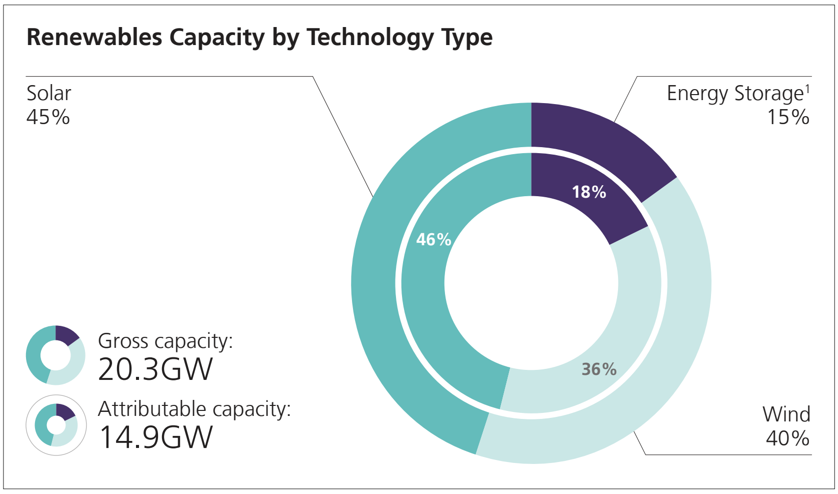
In Indonesia, we launched our first utility-scale solar and energy storage project in Nusantara. Backed by a 25-year PPA with state-owned utility provider PT PLN (Persero), the project marks Sembcorp's inaugural venture into large-scale solar development in the country. During the year, we also completed an acquisition of a 49% interest in a 280MW portfolio comprising solar and energy storage assets, which are currently under construction.

In the Philippines, we marked our entry into the renewable energy sector with the strategic acquisition of Puente Al Sol, which is developing a 96MW solar farm in Cadiz. The transaction remains subject to the fulfilment of conditions precedent, including regulatory approvals.

In Vietnam, we completed the acquisition of Gelex's 49MW run-of-river hydropower asset as part of the broader acquisition of renewables assets from Gelex Group Joint Stock Company, announced in 2023. This followed the earlier completion of 196MW of wind and solar assets under the same transaction in 2024. As we await clarity on the finalisation of revisions to Vietnam's renewable feed-in-tariff policy, we remain disciplined in deploying capital into the country.

While market and regulatory conditions across Southeast Asia are progressing at varying paces, our selective expansion reinforces our long-term commitment to driving the region's energy transition. Sembcorp will continue to build a diversified renewables presence that supports sustainable growth over time.





[1] Energy storage capacity measured in GWh

China: Disciplined Capital Allocation amid Market Headwinds

Operating conditions in China remained challenging during the year due to elevated curtailment driven by rapid renewables expansion, particularly in the northwestern region. The progressive shift towards market-based pricing regime also exerted pressure on industry-wide renewables tariffs.

Our approach to investment evaluation remains highly selective and disciplined, limiting new project additions. China's power grid is expected to undergo substantial upgrades, with the State Grid Corporation of China planning to invest RMB4 trillion (approximately S$730 billion) between 2026 and 2030 to strengthen grid infrastructure and support renewables deployment. These enhancements are expected to ease curtailment pressures over the medium term. At the same time, the availability of the contract-for-difference mechanism for generators provides partial revenue stability amid increasing exposure to market-based trading within China power market. China's future demand is also projected to remain robust, contributing nearly 50% of global demand growth through 2030[1]. China's forecasted increase in demand is equivalent to the European Union's total electricity consumption today, driven by its industry, buildings, rising electrification, and expanding data centres and digital infrastructure.

We will continue to monitor market conditions closely, carefully manage exposure across the portfolio and pursue contracts to improve earnings stability.

Entering a New Growth Market – Australia

2025 marked a pivotal milestone in our geographic expansion with the proposed acquisition of Alinta Energy, providing Sembcorp with a strategic entry into Australia, an AAA-rated OECD market with strong long-term decarbonisation commitments. The acquisition provides access to a substantial 10.4GW development option pipeline comprising renewables and firming solutions, strengthening our ability to support Australia's transition to a low-carbon economy.

The acquisition is immediately earnings accretive and expands our operational footprint in a well-established market. While the inclusion of a coal-fired power plant increases emissions in the near term, the asset remains one of the most reliable generators in the country's National Electricity Market, providing a platform for Sembcorp to play a meaningful role in Australia's energy transition while maintaining systems reliability. We remain committed to achieving our net-zero target by 2050 and will continue to grow our renewables portfolio while enhancing operational efficiency and exploring emerging technologies to support a responsible transition.

Artist's impression of the 86MWp Pandan Reservoir floating solar project in Singapore

Shareholders approved the acquisition at the Extraordinary General Meeting in January 2026. The transaction is expected to close by the end of the first half of 2026, subject to regulatory approvals and other customary closing conditions.

Outlook

Global power markets continue to experience strong electricity demand growth, driven by rising industrial demand, rapid uptake of electric vehicles and expansion of data centres. The International Energy Agency projects global electricity demand to grow at an average annual rate of 3.6% from 2026 to 2030 – around 50% faster than in the past decade, while renewables generation is expected to increase by 8% per year, becoming the largest source of global power generation by 2030. Countries continue to recognise the need to decarbonise their economies. At the same time, there has been greater emphasis on reliability and system flexibility, driven by a changing generation mix and rising energy demand.

Collectively, this creates opportunities for renewables, complemented by firming solutions including storage, to play a more integral role in meeting long-term demand.

Against this backdrop, operating conditions continue to vary across markets. We will continue to grow our renewables platforms with new capacity progressively coming online between 2026 and 2030. Contribution from China is expected to be affected by the cancellation of the value-added tax refund for onshore wind power sales, curtailment and downward pressure on tariff.

Our diversified renewables portfolio across geographies, technologies and market structures will continue to underpin the segment's resilience and enable us to capture opportunities as the energy transition progresses.

[1] International Energy Agency, Electricity 2026 (February 2026)

Integrated Urban Solutions

The Integrated Urban Solutions segment develops and operates sustainable industrial ecosystems by integrating energy, water, waste management and smart infrastructure to create sustainable environments that meet modern urban and industrial needs for customers. Our developments catalyse industrialisation, attract foreign investment and support customers' transition to low-carbon operations across Vietnam, Indonesia and China.

In 2025, we expanded our portfolio with three new VSIP projects in Vietnam, followed by our 22nd industrial park development in January 2026. This brings our total number of urban development projects in Vietnam, Indonesia and China to 26.

Operational Indicators

	2025	2024
Urban		
– Land sales *(ha)*	**329**	342
– Total gross land (cumulative) *(ha)*	**15,756**	14,395[2]
– Leasable space *(GFA sqm)* from majority-owned industrial properties	**956,435**	508,437
– Portfolio occupancy *(%)* for majority-owned completed industrial properties	**96%**	76%
Water		
– Water and wastewater treatment capacity *(m^3/day)*	**7,957,570**	8,075,570
Waste-to-resource		
Energy-from-waste (Efw) gross installed capacity		
– Wilton 11 Efw Plant *(MW)*	**48**	48

GFA: gross floor area ha: hectares m^3/day: cubic metres per day sqm: square metres

Note: The above table excludes VSIP Hue, which received development approval in January 2026. Including VSIP Hue, total gross land would be 16,223ha

[2] Includes Tembesi project, a joint venture agreement signed with Panbil Group in January 2025

Urban: Driving Strategic Expansion with Resilient Performance

In 2025, the Urban business navigated shifting global trade dynamics. With supply chain realignment, reshoring and nearshoring taking place, the business is well-placed to support sustained demand for industrial land and infrastructure for their production bases and expansion into Vietnam and Indonesia.

Vietnam: Expanding a Resilient and Scalable Industrial Platform

Vietnam remained a key market of focus, despite a more measured investment environment, influenced by evolving global trade conditions and longer timelines for regulatory and administrative processes as local provinces underwent consolidation.

Land sales (by area) in Vietnam remained stable overall, with softer demand in the central region offset by higher sales in northern Vietnam. Our business in Vietnam continues to be supported by strong fundamentals – an investor-friendly environment, robust infrastructure with location advantages and comprehensive offerings of our parks nationwide.

During the year, investment licences were awarded for VSIP Nam Dinh, VSIP Nghe An III and VSIP Ninh Xuan, reflecting our strong local partnerships. In March 2025, we signed Memorandums of Understanding (MoUs) with local governments to explore additional prospective VSIPs in Vietnam. The MoU signings, including the groundbreaking of VSIP Thai Binh, were witnessed by the Prime Ministers of Singapore and Vietnam, reflecting deep bilateral support for our projects.

The signing of MoUs for future VSIPs and a groundbreaking ceremony for VSIP Thai Binh was attended by the Prime Ministers of Singapore and Vietnam, senior government officials and Sembcorp's leadership team

The Habitat Binh Duong Phase 3, a residential development by our joint venture VSIP-Sembcorp Gateway, was launched for sale during the year. Located within VSIP Binh Duong I, the project achieved cumulative sales of 659 units, or 83% of total units, underscoring continued residential demand within Vietnam's southern industrial corridor and complementing the broader VSIP township ecosystem.

Indonesia: Record Performance and Strategic Expansion

Indonesia delivered a record year at Kendal Industrial Park (KIP), supported by strong market demand and disciplined execution. These outcomes reflect Indonesia's continued economic momentum and attractiveness to manufacturing investors.

In response to strong demand, KIP secured shareholder approval for a 510-ha expansion, strengthening our long-term land bank visibility and positioning the park to capture long-term industrial demand in Central Java. We also made a strategic entry into Batam through a joint venture with the Panbil Group to develop the 97-ha Tembesi Innovation District. This positions the Urban business to capture growth in advanced manufacturing and data centre industrial demand, supported by enhanced connectivity from new submarine cable systems linking Batam to Singapore in the coming years.

China: Stable Operations and Strengthened Cash Flow

The Urban business in China delivered resilient performance in 2025, supported by stable occupancy across our industrial assets. Occupancy at Wuxi-Singapore Industrial Park improved to 79%, an increase of two percentage points from 2024, reflecting continued demand from high-tech and advanced manufacturing tenants. Demand at the Global Sustainability Hub, a wholly-owned office building in Singapore Nanjing Eco High-tech Island increased to 76%, driven by rising demand from robotics, automation and drone technologies. In October 2025, I-PARK, a commercial and office development located within Sino-Singapore Chengdu Innovation Park in Chengdu, commenced operations. Designed to serve the increasing needs of high-tech and digital-economy businesses, the project received healthy leasing enquiries during the year.

Advancing Low-carbon Industrial Ecosystems

We continue to embed low-carbon design principles across our industrial developments to support customers' sustainability goals and strengthen the competitiveness of our parks. In September 2025, VSIP signed a landmark Direct Power Purchase Agreement to supply renewable energy directly to the LEGO Group's factory at VSIP Binh Duong III. This represents the first large-scale renewable energy solution in Vietnam specially designed for industrial use. The solution combines rooftop solar with battery energy storage, ensuring a stable and reliable supply of renewable energy. This is a key step toward LEGO's goal of operating its most environmentally sustainable factory, powered entirely by renewables.

Building New Capabilities for the Digital Economy

The rapid growth of cloud computing, AI and digital services across Asia is driving rising demand for scalable, energy efficient data centre infrastructure. In addition to supporting Singapore's data centre ecosystem through reliable and competitive power solutions, we are extending our regional footprint by laying the groundwork for future data centre developments through early stage partnerships across key growth markets.

During the year, we signed MoUs with data centre developers and a technology partner to explore data centre opportunities in Southeast Asia.

Leveraging our established strengths in industrial and infrastructure development, as well as our integrated urban solutions, we are building the foundations to grow our presence in the data centre sector and support the region's digital economy.

Progressing Towards 2028 Targets with Stable Underlying Performance

Our total gross land bank as of end 2025 was 15,756ha and has since expanded to 16,223ha with the award of the investment license for VSIP Hue in January 2026. We remain on track to achieve our 2028 target of 18,000ha. Our portfolio of industrial properties for lease has also expanded, with gross floor area of our ready-built warehouses and factories increasing to over 956,000sqm, an 88% increase from 508,000sqm in 2024. This demonstrates clear progress towards our 2028 target of 1.5 million sqm. These facilities provide customers with an asset-light option to scale quickly and flexibly, strengthening our recurring income stream. Of the 956,435sqm, 161,603sqm are operational and portfolio occupancy rose to 96%, up from 76% in 2024.

Land sales totalling 329ha in 2025, together with fair value gains from associated companies and joint ventures, contributed to an increase in Urban's net profit for the year. The Urban business' underlying operating performance remained stable, supported by recurring rental income growth and continued cost discipline.

Integrated Urban Solutions

I-PARK Singapore Digital Innovation Park in Chengdu commenced operations in October 2025 and received healthy leasing enquiries

Water Portfolio: Streamlined and Strengthened for Industrial Growth

In 2025, the water business achieved stable performance, with a continued focus on operational efficiency and implementation of improvement projects at existing plants.

In October 2025, the Zhangjiagang upgrade project achieved commercial operation. The upgrade allows for a greater mix of non-chemical industrial water treatment through two independent treatment lines to treat chemical and non-chemical wastewater in the plant. This improves overall plant operations and supports higher profitability.

Another enhancement project was also completed at the Tianjin industrial wastewater treatment plant, increasing total capacity from 10,000m^3/day to 12,000m^3/day. Commissioning is expected in early 2026, subject to environmental approval. A new industrial customer has committed to part of the additional capacity, with the balance allocated to the local government.

In December 2025, we divested our 91% equity interest in Qitaihe Sembcorp Water, which owns and operates a municipal water plant with a capacity of 100,000m^3/day in Qitaihe, Heilongjiang Province, China. The plant supplies tap water to residential, commercial and industrial users within Qitaihe. The divestment is aligned with the Group's broader water strategy in China to focus on the industrial water business.

Sharpened Focus: Sale of Sembcorp Environment Completed

The sale of SembEnviro to SBT Investment 2, a wholly-owned subsidiary of PT TBS Energi, was completed in March 2025. The sale consideration represents 54% premium over its book value and net asset value, resulting in a gain of S$136 million in 2025. The divestment reflects our continued focus on the energy sector and disciplined capital recycling to maximise shareholder value.

Outlook

We remain committed to expanding our presence in Vietnam and Indonesia. Our VSIP Group has been named the Best Industrial and Business Park Developer in Vietnam (2025) by Euromoney (UK) for the 10th time. The recognition is a testimony of our commitment to advancing sustainable industrial developments.

The Urban business is making steady progress in developing 0.8 million sqm of ready-built facilities. These assets are expected to deliver meaningful recurring income upon completion in 2027. We will continue to expand our land bank and industrial property portfolio to support growth and achieve our 2028 targets. Together with our energy and water business, we will harness synergies to deliver integrated solutions for industrial customers. These strategic priorities position us to capture rising demand for sustainable, energy-efficient industrial spaces and deliver long-term value. We will deepen sustainability initiatives by scaling renewable energy integration and green certifications across developments.

Our water business will continue to identify opportunities to provide integrated water and wastewater solutions across industrial parks in the region, leveraging our existing platforms and customer relationships. We will continue to enhance operational performance across our current water portfolio while pursuing growth in a disciplined manner to drive long-term value creation.

Decarbonisation Solutions

The Decarbonisation Solutions segment comprises businesses focused on delivering decarbonisation solutions via high-integrity environmental attributes including Energy Attribute Certificates (EACs) and carbon credits, brokerage of PPAs, 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 drive decarbonisation and advance the energy transition, enhancing the company's relevance and resilience in the future energy landscape.

Forming Partnerships to Explore Green Hydrogen and Low-Carbon Feedstock

In 2025, we continued to expand our strategic partnerships to explore the development of green feedstock technologies and cross-border low-carbon supply chains.

We signed an MoU with India's Government of Odisha in January 2025. The MoU explores the development of a production facility for green hydrogen and its derivatives, with an anticipated production capacity of 720,000 metric tonnes per annum (mtpa). Strategically located in Odisha, the facility is expected to create over 2,000 jobs when operational. The project benefits from Odisha's resources and aligns with India's National Green Hydrogen Mission.

In April 2025, Bharat Petroleum Corporation Limited (BPCL) and Sembcorp entered into a joint venture agreement to pursue renewable energy and green hydrogen projects across India. This strategic partnership aims to support India's energy transition and development goals. The joint venture will assess projects in green ammonia production and bunkering, emissions reduction for port operations and other emerging green fuel technologies. The potential projects will leverage Sembcorp's renewables experience and BPCL's expertise in the petroleum sector and infrastructure. With more than 7.6GW of renewables assets in India, Sembcorp is well-positioned to enable large-scale, low-cost green hydrogen production.

In February 2026, NeuEn, a 50:50 joint venture between Sembcorp Green Hydrogen India, and BPCL, emerged as the successful bidder for a 10 kilotonnes per annum of green hydrogen supply under an open competitive tender conducted by Numaligarh Refinery Limited in Assam. This 25-year contract represents a significant milestone in NeuEn's journey within India's evolving green hydrogen ecosystem and reinforces confidence in the long-term viability of green fuels. The win underscores our strong commitment to driving energy transition.

India's National Green Hydrogen Mission targets to achieve 5 million mtpa of green hydrogen production capacity by 2030, positioning India as a global leader in lower-carbon energy. Building on strong private-sector interest and support from state government, India now aims to secure 10% (or approximately 10 million mtpa) of global green hydrogen production capacity, which is projected to surpass 100 million mtpa by 2030. With abundant natural resources and the potential to expand renewable energy capacity, India is well-placed to drive the green hydrogen economy forward.

In October 2025, we signed two MoUs with V.O. Chidambaranar Port and Paradip Port Authorities to develop an integrated ecosystem for production and handling of green hydrogen and its derivatives in and around these ports.

The three port sites in Tamil Nadu, Andhra Pradesh and Odisha have been identified for potential development of green hydrogen, ammonia and related derivatives. These production sites enable direct integration of renewables into green hydrogen and derivatives production, reducing energy losses and logistics costs while supporting future low-carbon feedstock growth.

Supporting Singapore's Energy Transition through Low-carbon Electricity Imports

Sembcorp continues to support Singapore's energy transition through the development of low-carbon renewables import options, a key pillar under the country's Four Switches.

In March 2025, Sembcorp and Sarawak Energy Services entered into a preferred supplier agreement with Prysmian, a global leader in high-voltage submarine and underground cable systems. Both parties will partner exclusively with Prysmian to optimise the design, installation methodology and protection requirements for a subsea interconnector cable, for the import of an estimated 1GW of green electricity from Sarawak to Singapore, subject to various regulatory approvals. In October 2025, the consortium received Conditional Approval from the Energy Market Authority of Singapore. The project is expected to commence operations around 2035, importing electricity

Decarbonisation Solutions

generated predominantly from hydropower sources from Sarawak to Singapore. This will be Singapore's first large-scale 24/7 power import initiative, delivering renewable baseload energy to the country. In addition to facilitating renewable energy imports, the project strengthens regional cooperation, enhances energy resilience and serves as a key building block of the ASEAN Power Grid.

In May 2025, leading energy companies from Malaysia, Singapore and Vietnam signed a joint development agreement in a landmark move to explore the export of renewable electricity from Vietnam to Malaysia and Singapore. The MY Energy Consortium, together with PetroVietnam Technical Services Corporation and Sembcorp will focus on unlocking Vietnam's rich renewable energy resources, particularly offshore wind power, as a source for green electron generation and to supply clean electricity across borders.

Through these collaborations, Sembcorp plays a strategic role in strengthening regional energy connectivity and supporting Singapore's long-term energy security.

GoNetZero™: Trusted Solutions for Corporate Decarbonisation

Founded in 2022, GoNetZero™ is Sembcorp's carbon management business, delivering end-to-end decarbonisation solutions via high-integrity environmental attributes, brokerage of PPAs and a digital platform comprising *Measure, Manage, Perform*.

GoNetZero™ empowers organisations to advance their decarbonisation goals and aspires to be a trusted partner for businesses transitioning to net zero. Between 2024 and 2025, its client base approximately doubled to more than 150 across 14 markets, with clients using its solutions for environmental attribute procurement, emissions measurement and renewable asset optimisation.

Enabling Credible Decarbonisation for Organisations Across the Globe

In 2025, GoNetZero™ enabled customers to decarbonise through environmental attributes and renewable energy. This included carbon credits equivalent to 3 million tonnes of CO_2e and more than 1.5 million MWh of EACs, supporting credible climate action and renewable energy claims. GoNetZero™ has also helped customers source renewables projects for long-term PPAs, including in challenging markets such as South Korea.

To broaden access to high-integrity EACs and carbon credits, GoNetZero™ expanded its diversified portfolio across international, regional and national registries including APX Tradable Instruments for Global Renewables, China Green Electricity Certificate, Clean Development Mechanism, European Guarantees of Origin, Global Carbon Council, Gold Standard, International Renewable Energy Certificates (I-RECs), Japan Non-fossil Certificates / Japan J Credits Scheme, Korean K-RECs, Taiwan T-RECs, UK Renewable Energy Guarantees of Origin and Verified Carbon Standard, helping customers align procurement strategies to disclosure frameworks and market availability.

During the year, GoNetZero™ secured its first Australian licence, and began executing Australian Carbon Credit Unit (ACCU) trades for customers, underscoring its active presence in the Australian market.

GoNetZero™ supported corporate customers across different sectors in their energy transition, including Dyson, DHL, Seagate, Surbana Jurong (SJ Group) and Millenia Energy. Customer engagement in 2025 reflected deeper relationships, with around one-fifth of customers opting for multi-year arrangements during the year, and one-quarter being returning customers.

GoNetZero™'s digital platform supports customers' decarbonisation programmes through Scope 1 to 3 emissions measurement and reporting via *Measure*, and renewables asset performance management via *Perform*, which applies analytics and AI for performance benchmarking, proactive alerts and operations and maintenance case management to reduce downtime and improve reliability.

Industry Engagement and Market Credibility

GoNetZero™ strengthened market credibility through a focused set of ecosystem engagements, including participation in the Singapore Carbon Market Alliance and its role as Carbon Offset Partner at Singapore International Energy Week 2025. GoNetZero™ also

In May 2025, Sembcorp and leading energy companies from Malaysia and Vietnam signed a joint development agreement in a landmark move to explore the export of renewable electricity from Vietnam to Malaysia and Singapore

took part in CNBC's CONVERGE LIVE 2025 as part of its broader thought-leadership engagement. In the public sector, GoNetZero™ supported Singapore's National Day Parade 2025 through event emissions tracking and facilitation of retirements. Regionally, GoNetZero™ worked with Malaysian trade partners, to support targeted customer engagement connecting customers with GoNetZero™'s solutions.

Outlook

While longer-term decarbonisation imperatives continue to support structural demand for credible decarbonisation solutions as organisations strengthen emissions disclosure and pursue renewable procurement, near-term market conditions remain challenging. Some organisations have adjusted the pace of procurement amid broader macroeconomic uncertainty and slower-than-expected implementation of Article 6. Pricing premiums persist in tighter EAC markets, and carbon credit demand is largely concentrated on higher-integrity supply. Compliance schemes such as Carbon Offsetting and Reduction Scheme for International Aviation and Australia's Safeguard Mechanism are expected to provide some structural support for ACCU demand, although conditions are likely to remain uneven.

Board of Directors

Tow Heng Tan *(age 70)*
Chairman
Non-executive &
Non-independent Director
Appointed June 1, 2021 E C N

Mr Tow is a board member of Temasek Trust and National Healthcare Group.

He was chief executive officer of Pavilion Capital International, a North Asia-focused private equity firm. He retired on 31 March 2026. He also previously held senior leadership positions, including as chief investment officer of Temasek International, senior director of DBS Vickers and managing director of Lum Chang Securities. He was also an investment banker with Schroders Singapore.

Mr Tow is a fellow of the Association of Chartered Certified Accountants, and Chartered Institute of Management Accountants in the United Kingdom. He is a chartered accountant with the Institute of Singapore Chartered Accountants.

Past directorships in listed companies and major appointments 2023–2025:

- ABC Impact Holdings
- Fullerton Financial Holdings
- TTAM Holdings

Andreas Sohmen-Pao *(age 54)*
Chairman Designate
Non-executive &
Independent Director
Appointed March 27, 2026

Mr Sohmen-Pao is chairman of BW Group and its listed affiliates BW Offshore, BW LPG, Hafnia, BW Energy and Cadeler. He is also chairman of the Global Centre for Maritime Decarbonisation, and a trustee of the Lloyd's Register Foundation.

Mr Sohmen-Pao was previously chairman of the Singapore Maritime Foundation and has served as a director of The Hongkong and Shanghai Banking Corporation Ltd, Navigator Holdings, Singapore Symphonia Company, National Parks Board Singapore, Sport Singapore, and the Maritime and Port Authority of Singapore amongst others.

Mr Sohmen-Pao graduated from Oxford University with an honours degree in Oriental Studies and holds a Master of Business Administration from Harvard Business School.

Past directorships in listed companies and major appointments 2023–2025:

- Asia Business Council
- Future Economy Council
- Navigator Holdings
- SSO Council

Lim Ming Yan *(age 63)*
Non-executive &
Lead Independent Director
Appointed January 18, 2021 E C N

Mr Lim is non-executive chairman of Changi Airport Group. He also serves on the boards of China Vanke, DLF Cyber City Developers and Enterprise Singapore. In addition, he is a member of the board of trustees of Chinese Development Assistance Council, and is Singapore's non-resident high commissioner to the Republic of Mauritius.

Mr Lim previously served as president and group chief executive officer of CapitaLand Group.

Mr Lim holds a first class honours in mechanical engineering and economics as well as an honorary doctorate from University of Birmingham. He also completed the Advanced Management Program at Harvard Business School.

Past directorships in listed companies and major appointments 2023–2025:

- Future Economy Council
- Singapore Business Federation

Board Committees: E Executive A Audit R Risk C Executive Resource & Compensation N Nominating

Manu Bhaskaran *(age 67)*
Non-executive & Independent Director
Appointed July 1, 2024

Mr Bhaskaran is the founding chief executive officer of Centennial Asia Advisors. As a leading Asian economist, he has 40 years of experience in studying economic, political and security issues that shape the business environment in Asia.

Prior to Centennial, Mr Bhaskaran held senior positions at Société Générale's Asian investment banking division and was a member of its executive committee. He previously worked for the Singapore government, supervising a team that prepared strategic political and economic assessments of Asia for senior government officials.

Mr Bhaskaran is an adjunct senior research fellow at Institute of Policy Studies, and serves as council member of the Economics Society of Singapore and of the Singapore Institute of International Affairs. He previously served as chairman of a high-level government committee that reviewed the regulation of money lenders, and was a member of Competition Appeals Board.

He also serves on the boards of companies including Luminor Capital and Storepay Holding.

Mr Bhaskaran holds a Bachelor of Arts with Honours from University of Cambridge and was conferred a Master of Arts (MA (Cantab)). He also holds a Master in Public Administration from Harvard University, and is a chartered financial analyst.

Past directorships in listed companies and major appointments 2023–2025:

- CIMB Investment Bank
- Japfa Ltd

Marina Chin Li Yuen *(age 60)*
Non-executive & Independent Director
Appointed November 1, 2023 A R

Ms Chin, a senior counsel appointed by the Singapore Academy of Law, is joint managing partner of TKQP Law LLP where she became a senior partner in 2000. With over 35 years of legal experience, she focuses on dispute resolution for civil and commercial matters, including those with cross-border angles, across a broad spectrum of industry sectors in Asia.

Ms Chin is currently an independent non-executive director and a member of the audit and risk committee of Jurong Port. She is also court referee of Singapore's Industrial Arbitration Court, deputy commissioner of Singapore's Government Procurement Adjudication Tribunal, a member of the appeal advisory panel of Monetary Authority of Singapore, senate member and fellow of Singapore Academy of Law, specialist mediator panel member of Singapore International Mediation Centre, and an accreditation committee member of Singapore Institute of Legal Education.

Ms Chin holds a Bachelor of Laws with honours from National University of Singapore. She was awarded the Tan Ah Tah Book Prize after completing the postgraduate practical law course.

Past directorships in listed companies and major appointments 2023–2025:

- Singapore Land Authority

Kunnasagaran Chinniah
(age 68)
Non-executive & Independent Director
Appointed August 1, 2023 E R C

Mr Chinniah is a board member of CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT), Greenko Energy Holdings, Hindu Endowments Board and Nirlon Limited. He is also an advisor to Archipelago Capital Partners, Azalea Investment Management and Changi Airports International.

He previously served at GIC for more than 20 years, where he held various positions and was responsible for investments in Asia, Europe and North America. He last served as head of GIC Global Infrastructure Group and co-head of portfolio, strategy and risk group at GIC Special Investments.

Mr Chinniah is a chartered financial analyst. He holds a Bachelor of Engineering (Electrical) from National University of Singapore, and a Master of Business Administration from University of California, Berkeley.

Past directorships in listed companies and major appointments 2023–2025:

- Azalea Asset Management
- Keppel Infrastructure Fund Management (the trustee-manager of Keppel Infrastructure Trust)
- Nuvama Wealth Finance
- Nuvama Wealth Management

Board of Directors

Prof Uwe Krueger *(age 61)*
Non-executive &
Non-independent Director
Appointed October 1, 2024

Prof. Dr. Dr. h.c. Krueger is vice chairman, European Partnerships at Temasek International, where he joined in 2018 as head of industrials, business services, energy and resources, as well as head of Europe, Middle East and Africa. He also serves on the boards of gategroup AG (vice chairman) and Chain IQ Group AG (member).

Prior to Temasek International, Prof. Dr. Dr. h.c., Krueger was chief executive officer of WS Atkins, until the company was acquired by SNC Lavalin and delisted from the London Stock Exchange. Previously, he also held senior positions in other companies, including president of Cleantech Switzerland, senior advisor for TPG Capital and chief executive officer of Oerlikon Group. He began his career at an international strategy consulting firm A.T. Kearney, followed by Hochtief AG where he held several positions during his 10-year tenure, including as chief executive officer of Central Eastern Europe, senior vice president of corporate development, as well as senior vice president and chairman of Turner International, a subsidiary of Hochtief AG.

Prof. Dr. Dr. h.c. Krueger holds a PhD in Physics and a graduate degree in Physics and Business Administration from University of Frankfurt. He also holds an honorary doctorate from Heriot Watt University. As honorary professor of physics, he lectures at Johann Wolfgang Goethe University.

Dr Josephine Kwa Lay Keng
(age 67)
Non-executive &
Independent Director
Appointed August 1, 2018 A R

Dr Kwa brings to the board rich experience in technology and research and development (R&D) across various industries, including energy and engineering.

Dr Kwa was previously chief executive officer of NSL and served in various functions over her 23-year tenure with the company, including being its chief operating officer and head of technology, responsible for energy and environmental investments, information technology, R&D, and strategy. Dr Kwa chaired the National Energy Efficiency Committee for Industries in Singapore from 2000 to 2009 and continues to sit on the steering committee for the Singapore Certified Energy Manager programme.

Dr Kwa holds a PhD and Bachelor of Science with honours in Mechanical Engineering from University of Leeds.

Past directorships in listed companies and major appointments 2023–2025:

- Agency for Science, Technology and Research
- Barghest Building Performance

Ong Chao Choon *(age 62)*
Non-executive &
Independent Director
Appointed November 3, 2023 A R N

Mr Ong serves on the boards of Community Foundation of Singapore, Lee Kuan Yew Fund for Bilingualism and NCS. He was previously on the boards of Singapore Food Agency, National Environment Agency, Republic Polytechnic and Nanyang Business School Alumni Advisory Board. He was awarded the Public Service Medal in 2017.

Mr Ong previously worked in PwC for over 30 years, where he was a partner and held various leadership positions, including deputy chairman and advisory leader of PwC Singapore, as well as managing partner of PwC Myanmar. He brings extensive experience in mergers and acquisitions advisory accumulated over two decades, in addition to more than 10 years of auditing and business advisory experience.

Mr Ong holds a Bachelor of Accountancy with honours from National University of Singapore. He also holds a Master of Business Administration in Banking and Finance from Nanyang Business School. He is a fellow of the Institute of Singapore Chartered Accountants and was a fellow of the Chartered Accountants Australia & New Zealand.

Past directorships in listed companies and major appointments 2023–2025:

- PwC Group of Companies

Board Committees: E Executive A Audit R Risk C Executive Resource & Compensation N Nominating

Steven Phan Swee Kim
(age 68)
Non-executive & Independent Director
Appointed March 27, 2026

An accountant by training, Mr Phan has more than 35 years of experience in the auditing and advisory fields, of which close to 10 years were spent overseas in London and Kuala Lumpur. He was formerly the Ernst & Young area managing partner for the Asia Pacific region and was responsible for all its businesses in the region, including assurance, tax, transaction and advisory services. He was also a member of its Global Executive Board prior to his retirement in 2018. His work experience includes business consulting and process improvement for multinationals, government and quasi-government organisations, and advising companies on initial public offerings on various exchanges.

Mr Phan is a director of United Oversea Bank Limited, Jardine Cycle & Carriage and Advanced MedTech Holdings. He previously served as a director of Spring Singapore and Singapore Land Authority.

Mr Phan graduated from the University of Aston with a Bachelor of Science in Managerial and Administrative Studies and is a fellow of the Institute of Singapore Chartered Accountants. He also qualified as a chartered accountant under the Institute of Chartered Accountants of England and Wales.

Past directorships in listed companies and major appointments 2023–2025:

- Council for Board Diversity
- Singapore Accountancy Commission

Wong Kim Yin *(age 55)*
Group Chief Executive Officer
Appointed July 1, 2020 E

Mr Wong has 30 years of leadership experience in the energy sector and in investment management. Since joining Sembcorp in July 2020, he has been instrumental in driving the transformation of the company's portfolio.

Prior to Sembcorp, Mr Wong was Group CEO of Singapore Power from 2012 to 2020, and has held senior roles in Temasek International and The AES Corporation.

Mr Wong actively contributes to the global energy transition as vice chair, Asia, of the World Energy Council. He is chairman of Health Promotion Board, and serves on the boards of National Research Foundation and China Venture Capital Fund Corporation. He is also a member of GIC's investment board.

Mr Wong holds a Bachelor of Science from National University of Singapore, and a Master of Business Administration from University of Chicago Booth School of Business.

Past directorships in listed companies and major appointments 2023–2025:

- DSO National Laboratories
- Inland Revenue Authority of Singapore
- SkillsFuture Singapore Agency and related bodies

Board of Directors

Yap Chee Keong *(age 65)*
Non-executive & Independent Director
Appointed October 1, 2016 A R

Mr Yap brings to the board financial, management and audit expertise, as well as experience in industry sectors including energy, infrastructure and real estate. He was formerly the executive director of The Straits Trading Company and chief financial officer of Singapore Power.

Currently, Mr Yap is the deputy chairman of Olam Group and Seatrium and a director of Ensign InfoSecurity, OFI Group, Pacific International Lines, Shangri-La Asia and Singapore Life Holdings.

He previously served on the board of Singapore's Accounting and Corporate Regulatory Authority (ACRA) and on ACRA's Public Accountants Oversight Committee. He was a member of the working group convened by ACRA, Monetary Authority of Singapore (MAS) and Singapore Exchange (SGX) to review the Guidebook for Audit Committees in Singapore, as well as the panel convened by ACRA, MAS, SGX and Singapore Institute of Directors which formulated guidelines for board risk committees.

Mr Yap holds a Bachelor of Accountancy from National University of Singapore and is a fellow of Institute of Singapore Chartered Accountants, Singapore Institute of Directors and CPA Australia.

Past directorships in listed companies and major appointments 2023–2025:

- Mediacorp

Dinesh Khanna *(age 51)*
Alternate Director to Prof Uwe Krueger
Appointed February 25, 2026

Mr Khanna is currently joint head of the portfolio development group and corporate strategy at Temasek International. He partners closely with Temasek Portfolio Companies to drive long-term shareholder value and strengthen governance practices.

Prior to joining Temasek International, Mr Khanna spent over two decades at The Boston Consulting Group (BCG), where he was a managing director and senior partner. He held multiple senior leadership roles, including as global chair of the People Team, member of BCG's executive and operating committees and as head of BCG Singapore from 2014 to 2015. He also led the global advantage practice, the corporate development practice, as well as the corporate development and private equity practice for Asia.

Mr Khanna previously served on the Singapore Future Economy subcommittee and as a member of the World Economic Forum Global Agenda Growth Council. He also served on the board of Safe Horizon, the largest victim services non-profit organisation in the US, from 2019 to 2021. He currently serves on the boards of Singtel, Olam Group, Surbana Jurong, Gategroup Holding AG and OFI Group.

He holds a Bachelor of Technology from Indian Institute of Technology Delhi as an Institute Silver Medallist and a Master of Business Administration from Indian Institute of Management Bangalore, where he graduated as the Institute Gold Medallist.

Board Committees: E Executive A Audit R Risk C Executive Resource & Compensation N Nominating

International Technology Panel

The International Technology Panel helps Sembcorp stay ahead in the fast-changing landscape of energy transition, climate action and digital innovation. Partnering with Sembcorp's senior leadership, the ITP provides strategic insights and clear recommendations to guide technology-related decisions. This underscores the importance Sembcorp places on existential areas to keep the company focused on future-ready energy systems and solutions.

Jonathan Asherson, OBE
Chairman

Mr Asherson brings extensive experience in the energy and aerospace sectors across Europe and Asia. He currently serves as chairman of Sembcorp Energy UK.

Mr Asherson was previously president of Rolls-Royce Southeast Asia and later retired as chairman of Rolls-Royce Singapore, where he oversaw the company's regional operations across civil aerospace, defence, marine and energy in Asia Pacific.

He has chaired the Singapore International Chamber of Commerce and British Chamber of Commerce, and served as a non-executive director of the UK Department for International Trade and the Economic Development Board of Singapore. He was also a council member of the Singapore National Employers Federation.

His contributions have earned him distinguished honours, including an Order of the British Empire (OBE) medal as an officer in 2007 and the Public Service Medal (Friends of Singapore) under the Singapore National Day Awards in 2010.

He holds a Bachelor of Science in mechanical engineering and an honorary doctorate of science from Kingston University.

Pieter Franken
Member

Mr Franken started his career as a researcher at Hitachi's Central Research Lab in Japan and has since held executive roles at Aplus, Citigroup, Elevandi, Monex Group, Monex Securities and Shinsei Bank. He is currently managing director at GFTN (Global Finance and Technology Network – formerly Elevandi) and also CEO of GFTN Japan, where he plays a key role in strengthening and expanding Singapore's financial technology (FinTech) ecosystem into Japan and Northeast Asia.

For more than a decade (2016–2025), he has supported the Monetary Authority of Singapore (MAS) as a member of its International Technology Advisory Panel and also served on the board of GFTN.

In 2011, Mr Franken co-founded Safecast, a global non-profit enabling accessible environmental data through ordinary citizens collecting such data. The genesis was Japan's Fukushima nuclear accident where trusted data is premium.

He is also the founding member of the ASEAN Financial Innovation Network, promoting financial inclusion and digital transformation in ASEAN through the APIX platform in collaboration with IFC World Bank and MAS.

As a senior researcher and guest professor at Murai Lab, Keio University, Mr Franken contributes to research on Internet of Things, digital assets, FinTech, and financial inclusion.

He holds a Master of Science in computer science from Delft University.

International Technology Panel

Prof Liu Bin
Member

Prof Liu is the deputy president (research and technology) at the National University of Singapore (NUS). She is a fellow of the Singapore Academy of Engineering and the Singapore National Academy of Sciences and an international member of the US National Academy of Engineering.

An internationally acclaimed leader in organic functional materials, Prof Liu has been highly recognised for her contributions in polymer chemistry and the application of organic nanomaterials for biomedical, environmental and energy (hydrogen) research. Since 2014, she has been named annually among the World's Most Influential Scientific Minds by Thomson Reuters and the Top 1% Highly Cited Researchers by Clarivate. In 2024, she was honoured with the prestigious President's Science Award in Singapore.

Prof Liu holds bachelor's and master's degrees from Nanjing University and a PhD in chemistry from NUS. She also received postdoctoral training at the University of California, Santa Barbara.

Prof Lui Pao Chuen
Member

Prof Lui is Singapore's first chief defence scientist and the Temasek defence professor at the National University of Singapore (NUS). With extensive experience in engineering, he has played a key role in national infrastructure projects and chairs several high-level steering committees.

He serves on the boards of corporations, government agencies, research institutions and technical organisations, as well as steering committees for major infrastructure projects.

Prof Lui is a fellow of the Singapore Academy of Engineering and the Singapore National Academy of Sciences, as well as an honorary fellow of the ASEAN Federation of Engineering Organisations. His accolades include the National Science and Technology Medal, the President's Medal from the Institute of Physics Singapore, the Pioneer Award from the International Council on Systems Engineering, the Lifetime Engineering Achievement Award, the Defence Technology Medal (Outstanding Service) and the Aviation Pioneer Award. In 2024, he was named a distinguished honorary fellow of the Institute of Physics Singapore. In 2025, he was awarded the prestigious Distinguished Service Order at the 2025 National Day Awards.

Prof Lui holds a Bachelor of Science in physics from NUS and a Master of Science in operations research and systems analysis from the Naval Postgraduate School.

Philippe Joubert
Member

Mr Joubert is the founder and CEO of Earth on Board, a leading organisation advocating for the necessary changes in business governance to lead the evolution of the business model based on respect of the planet boundaries. He serves as senior advisor and is a former special envoy for energy and climate at the World Business Council for Sustainable Development.

He is also senior advisor for international development at the World Energy Council and a former chair of the advisory board of the Cambridge Institute for Sustainability Leadership, where he remains a fellow.

He previously served as president of Alstom Power, deputy CEO of the Alstom Group and chair of the Prince of Wales's Corporate Leaders Group. He sits on the boards of several global companies.

Mr Joubert holds a Bachelor of Science in finance and economy from ESSEC Business School. He has been honoured as Chevalier de la Legion d'Honneur.

Key Executives

Eugene Cheng
Group Chief Financial Officer
President & CEO, Integrated Urban Solutions

Robert Chong*
Chief Corporate & Human Resource Officer

Charles Koh*
Chief Operating Officer
Platform Founder, GoNetZero™

Koh Chiap Khiong
President & CEO, Gas and Related Services

Lee Ark Boon
CEO, Urban

Lynette Lim
Chief Legal Officer

A. Nithyanand
CEO, Renewables Business, India

Mike Patrick
CEO, UK

Soon Sze Meng
CEO, GoNetZero™

Alex Tan
President & CEO, Renewables, East

Tan Cheng Guan
Executive Vice President,
Group CEO Office

Vipul Tuli
President & CEO, Renewables, West
CEO, Hydrogen Business
Executive Director, UK

Wong Kim Yin
Group Chief Executive Officer

For profiles of our Key Executives, please refer to the Key Executives section on Our Leadership webpage.

* As at April 1, 2026, Robert Chong has retired from his role as Chief Corporate & Human Resource Officer while Charles Koh has been appointed as Chief Operating Officer

Sustainability Report

Sembcorp Banyan Energy Storage System at Jurong Island, Singapore

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Our Sustainability Framework GRI 3-2

Energy companies play a transformative role in an inclusive energy transition. Delivering on this commitment begins with clarity on the sustainability priorities that shape our actions. Our refreshed Sustainability Framework reflects the material sustainability factors imperative for us to focus on and manage well, as we support Asia's shift to a lower-carbon and responsible future.

Material Sustainability Topics	Why This is Material	Material Sustainability Factors
Climate Action	Climate change is reshaping markets and economies. As an energy and urban solutions provider, we play a key role in supporting a responsible energy transition aligned to national plans and policies, facilitating the shift to lower-carbon energy in ways that maintain reliability, keep energy accessible and meet the practical needs of the markets we serve. This transition will evolve amid changing market dynamics, and its pace and direction will shape the risks we manage and opportunities we pursue.	**Energy Transition** **Climate Risks** (addressed in Climate-related Disclosures)
Empowering Lives	People power the transition. We invest in our workforce and the communities where we operate to build capabilities, deepen expertise and promote inclusive growth. When our employees and communities thrive, so does our collective future.	**Human Capital Management** **Community Investment**
Resilient Business	Resilience is built on the ability to anticipate, manage and respond to risk. For Sembcorp, this means maintaining strong governance, rigorous compliance and proactive risk management. It also means cultivating a safety-first culture while staying agile in navigating disruptions such as economic shocks, cyber threats, extreme weather or evolving policies. Our goal is to safeguard people, maintain business continuity and uphold the trust that stakeholders place in us.	**Health and Safety** **Risk Governance**

Performance | Target

2025 Performance against Targets[1]

Indicator	Performance	Target year	Target
GHG Emissions Intensity	0.21 tCO_2e/MWh	2035[2]	0.26 tCO_2e/MWh
Gross Installed Renewable Energy Capacity	15GW	2028	25GW
Reliability Factor (Gas-fired Power Plants)	99.8%	2025	97.2% Sector benchmark
Number of Employees and Partners Upgraded	1,983	2025	500
Operations with Community Development Programmes	100%	Ongoing	100%
Work-related Fatalities	1 Contractor	Ongoing	0
Integrated Assurance Framework Implementation	100%	Ongoing	100%
Employee Completion of Anti-bribery and Corruption Training	100%	Ongoing	100%

1 For details and additional context on the data presented, please refer to the corresponding sections in this report

2 Target updated in December 2025. For more information, please refer to Our Climate Action Targets section of the Climate-related Disclosures 2025

Our Approach

Reporting Framework

Our Sustainability Report has been prepared with reference to the Global Reporting Initiative (GRI) Standards, Singapore Exchange Limited (SGX) Listing Rules 711A and 711B, Practice Note 7.6 Sustainability Reporting Guide and SGX Core Environmental, Social and Governance (ESG) Metrics. Climate-related disclosures are mandatory with effect from financial year (FY) 2023, and in this FY2025 report, we have transitioned from the Task Force on Climate-related Financial Disclosures framework to the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards – IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures) issued by the International Sustainability Standards Board (ISSB). Our previous Sustainability Report was published in April 2025.

Materiality GRI 2-14 | 3-1

Our materiality assessment process takes guidance from the GRI Standards. The Board of Directors reviews and approves our material sustainability factors annually.

We undertook a comprehensive review in 2025 to assess the continued relevance and materiality of our sustainability factors. The update in our material sustainability factors encapsulates the impacts, risks and opportunities from the global energy transition. Our refreshed Sustainability Framework on page 40 articulates our material sustainability factors and focus.

Our assessment followed a four-step process:

1. Identifying potential ESG aspects through the review of ESG rating reports, internationally-recognised ESG standards and frameworks, peer benchmarking, as well as global and industry studies on risks and sector trends.
2. Rating the aspects internally and obtaining sentiments of key stakeholder groups through the relevant relationship holders within the company.
3. Prioritising the aspects to develop the material sustainability factors, following which corresponding metrics and targets were developed.
4. Validating the material sustainability factors, metrics and targets in consultation with our senior executives and the board.

Reporting Scope GRI 2-2 | 2-3

Our report provides information on Sembcorp and its subsidiaries and covers the period from January 1 to December 31, 2025. It excludes operations, joint ventures, partnerships and associates where Sembcorp does not have control, with the exception of greenhouse gas (GHG) emissions data. GHG emissions data are reported using the equity share approach and with reference to the GHG Protocol and relevant local regulatory guidelines.

As part of our transition to ISSB reporting, we have tightened our reporting scope across all metrics to align with financial reporting boundaries.

Acquisitions and greenfield projects

- GHG emissions data: Pro-rated for current year
- Other sustainability data: Excluded from our report until a full calendar year of data is available

Divestments and concession expiry

- GHG emissions data: Pro-rated for current year
- Other sustainability data: Excluded from our report for the full calendar year of data

In March 2025, we completed the divestment of Sembcorp Environment, an integrated waste management services provider. The pro-rated emissions of Sembcorp Environment have been included, while other sustainability data have been excluded from this report.

In June 2025, we increased our effective interest in Senoko Energy from 30% to 50%. The pro-rated emissions of Senoko Energy have been included in this report.

In December 2025, we entered into a share sale agreement to acquire 100% of Pioneer Sail Holdings Pty Ltd and Latrobe Valley Power (Holdings) Pty Ltd. The proposed acquisition includes the generation and retail business of Alinta Energy and Loy Yang B coal-fired power station in Victoria, Australia. Upon completion of the proposed acquisition, the emissions data from the acquired portfolio will be accounted for and reported in the next Sustainability Report. Other sustainability metrics will be reported once a full calendar year of data becomes available, subject to data access.

For more information on our key acquisitions, divestments and concession expiry, please refer to the Company Announcements section on our News and Insights webpage.

Assurance GRI 2-5

We have engaged DNV Business Assurance Singapore Pte. Ltd. (DNV) to undertake an independent limited assurance of the sustainability performance data in our report. The Assurance Statement can be found on pages 84 to 87.

Supporting the Sustainable Development Goals

The United Nations (UN) Sustainable Development Goals (SDGs) were adopted by the UN in 2015 as a global development framework that seeks to end poverty, protect the planet and bring about peace and prosperity. The scale and ambition of the SDGs mean they cannot be achieved by governments alone, and require the collective effort of businesses, organisations and society. Sembcorp believes in playing its part to help meet these goals.

In line with our purpose to drive the energy transition, we have adopted SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) as our priority SDGs. Our strategic targets support these SDGs. We recognise that the SDGs provide a holistic framework for sustainable development and will continue to manage other relevant areas to maximise positive impacts while minimising negative impacts.

For more information on how we support SDGs 7 and 13, please refer to the Supporting UN Sustainable Development Goals section on Our Approach to Sustainability webpage.

Sustainability Governance

GRI 2-9 | 2-12 | 2-13 | 2-14

Sembcorp's Board of Directors oversees the business affairs of the Group. The board provides leadership on Sembcorp's overall strategy, which takes into consideration its material sustainability factors.

Board of Directors

Executive Committee
Supervises the Group's strategy and business affairs

Audit Committee and Risk Committee
Monitor and report key business risks

Executive Resource & Compensation Committee
Sets key performance indicators for key management executives

Investment & Divestment Committee
chaired by Group CEO
Evaluation of investments and divestments including financial, operational, legal, compliance, and environmental and social risks

Senior Leadership Council
chaired by Group CEO
Monitoring of the company's strategy, policies, guidelines, financial and operational performance, including material sustainability factors

Enterprise Risk Committee
chaired by Group CEO
Management of enterprise risks including climate-related risks

Climate Change Working Committee
chaired by Executive Vice President, Group CEO Office
supported by Corporate functions including Sustainability, Asset Performance, Finance, Portfolio Management, Risk and Strategy
Oversees and directs the management of Sembcorp's climate-related risks and opportunities

Group Human Resources

Our Approach

The following board committees provide oversight on sustainability and climate change matters:

- **Executive Committee**
  Provides oversight and supervision of the Group's strategy and business affairs, including its Climate Action Plan
- **Audit Committee (AC) and Risk Committee (RC)**
  Endorse the Group's policies, guidelines and systems to manage risks including climate-related risks. Report to the board on the adequacy and effectiveness of the Group's internal controls and risk management systems
- **Executive Resource & Compensation Committee (ERCC)**
  Assists the board in reviewing the remuneration framework and endorses key performance indicators (KPIs) of our key management executives, including ESG KPIs

For more information on the roles and responsibilities of the board, please refer to the Corporate Governance Statement on pages 91 and 92.

Board Statement
Sembcorp's Board of Directors is collectively responsible for the long-term success of the company. The board takes into consideration sustainability issues in relation to Sembcorp's business and strategy. It has determined Sembcorp's material ESG factors and exercised oversight in the management and monitoring of these material factors.

Sembcorp's Senior Leadership Council (SLC) and Enterprise Risk Committee (ERC) provide strategic direction for managing sustainability-related matters. The committees are chaired by our Group CEO and comprise senior executives who are accountable for the management of Sembcorp's material sustainability factors.

The SLC convenes twice a month, where sustainability-related performance and updates are presented regularly. The ERC convenes quarterly, and climate-related risks are monitored as part of our ERC platform. The Group Sustainability function leads the integration of sustainability matters for the company and reports to the group chief financial officer.

For more information on our governance of climate-related matters, please refer to the Energy Transition section and Climate-related Disclosures section on pages 45 and 56 respectively.

Sustainability-linked Performance Incentives

ESG KPIs are a part of the annual performance scorecard of our senior executives. These include health and safety indicators, as well as environmental indicators such as GHG emissions intensity and gross installed renewable energy capacity.

For more information on our performance against targets, please refer to the 2025 Performance highlights on page 41.

Memberships and Associations GRI 2-28

Our Group CEO serves as vice chair, Asia, World Energy Council.

Participation in sustainability rating
As of March 23, 2026, Sembcorp Industries received an MSCI ESG Rating of AAA

Sustainability Contact GRI 2-3
We welcome feedback on our sustainability factors and reporting at sustainability@sembcorp.com

Our ESG Priorities

Climate Action

Energy Transition GRI 3-3 | 305-1 | 305-2 | 305-3 | 305-4

Why this is material

The realities of the global energy system are challenging the progress towards decarbonisation. Global energy demand continues to increase, especially in Asia's rapidly developing economies, even as renewable energy deployment scales rapidly. The transition to lower-carbon energy will require countries to overcome challenges including renewable energy intermittency, grid infrastructure constraints and policy uncertainties. Diverging national priorities are shaping the scale and pace of progress towards net zero. The transformation of energy systems will reshape the global economy, and require nations to manage trade-offs across geopolitics, economics and resources.

Our approach

As an energy company with thermal and renewable assets, we are cognisant of the complexity in addressing the energy trilemma of energy security, accessibility and sustainability. Given the evolving nature and volatility of energy markets in transition, integration between financial planning and growth is closely monitored annually and calibrated as needed. Key considerations include country electricity demand drivers, renewables deployment, grid capacity, and enablers for adopting and scaling up lower-carbon energy. This includes how local policies are shaping the market's energy mix and investment risks in the transition to net zero. Reliable baseload generation continues to play an essential role in grid stability and energy accessibility.

The Group's plans are guided by a long-term view of net zero by 2050, and shorter-term plans consider specific market risks and opportunities. The board approves the Group's strategy and monitors its performance annually.

Climate Risks have been identified in our materiality assessment as a material factor; to avoid duplication, our climate risk disclosures can be found in our Climate-related Disclosures.

For more information on our climate-related risks and opportunities and how they are managed, as well as our Climate Action Plan and targets, please refer to the Climate-related Disclosures section on pages 64 to 74. Our Climate Action Plan can also be found on Our Approach to Sustainability webpage.

Emissions and plant performance parameters are integrated and tracked quarterly on various enterprise platforms, including our Integrated Assurance Framework (IAF). Emissions impact is monitored and reviewed as part of our annual strategic and financial planning exercise, investment approvals and portfolio management process. We work with partners to grow our renewable energy capacity, support reliable energy needs and explore new decarbonisation solutions. We apply digital tools and engineering excellence to operate our plants optimally, and implement measures to mitigate cyber risks and other disruptions, contributing towards energy reliability.

We recognise the interlinkage and impact of climate change on biodiversity and have established an early detection process to assess environmental and social risks. Our environmental and social risk screening process, which utilises tools such as the Integrated Biodiversity Assessment Tool, is incorporated into our investment approval process, and key risks are assessed to inform investment decisions.

Our policies and frameworks

- Climate Action Plan
- Group Health, Safety, Security and Environment (GHSSE) Policy Statement
- Group Internal Carbon Pricing Framework

Reference standards and frameworks

- GHG Protocol
- International Organisation for Standardisation (ISO) 14064-1 and -2: Greenhouse Gases
- IFRS Sustainability Disclosure Standards 1 and 2

Our governance

Sembcorp's Climate Change Working Committee (CCWC) oversees the development of plans, processes and reports that address the Group's climate-related risks and opportunities. Its role includes reviewing and developing policies and frameworks, assessing risks and opportunities, setting targets and implementing relevant initiatives, as well as facilitating reporting and performance disclosure. This committee is chaired by the Executive Vice President, Group CEO office, and supported by Group Sustainability as secretariat. The committee meets quarterly and provides updates to our ERC, as well as the board's RC.

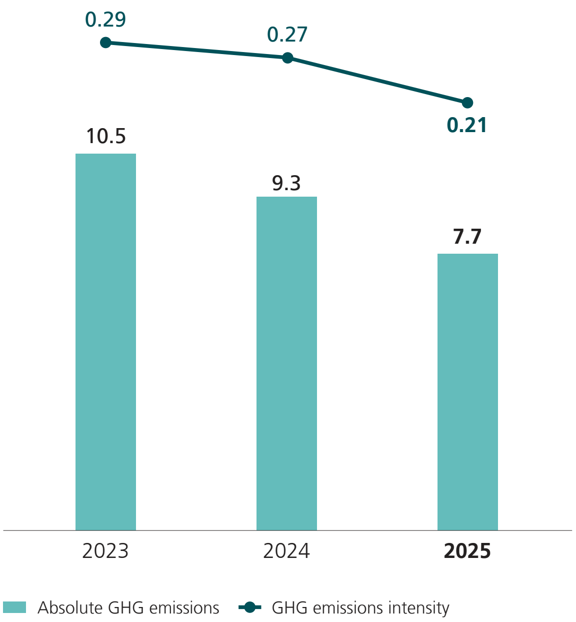
The ERC and RC meet quarterly to review and enhance the effectiveness of the Group's IAF, including its risk management plans, systems, processes and procedures. The committees regularly review group-wide risks, including climate-related risks. The ERCC supports the inclusion of ESG KPIs and targets such as GHG emissions intensity and gross installed renewable energy capacity for key management executives.

Climate Action

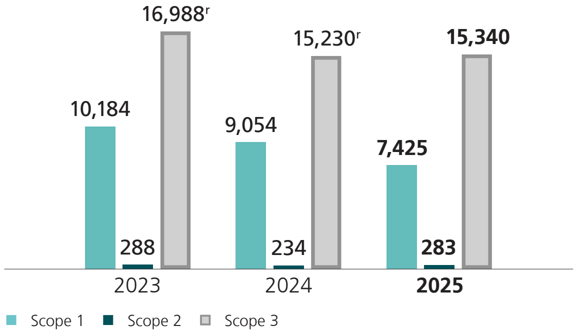
Our performance

- Absolute GHG emissions (Scope 1 and 2) reduced to 7.7 million tonnes of carbon dioxide equivalent (million tCO_2e), primarily due to the divestment of Chongqing Songzao coal-fired power plant in December 2024.
- GHG emissions intensity[1] reduced to 0.21 tonnes of carbon dioxide equivalent per megawatt-hour (tCO_2e/MWh), driven by the reduction in absolute GHG emissions and increase in our renewable energy generation.
- Scope 3 emissions[2] remained relatively stable at 15.3 million tCO_2e in 2025.
- Our gross installed renewable energy capacity[3] grew from 13.1GW in 2024 to 15.0GW in 2025. The renewable energy generated by our operating assets is equivalent to approximately 10.4 million tCO_2e emissions avoided[4]. As at December 31, 2025, our global energy portfolio mix, based on gross installed capacity, stands at 33% from Gas and Related Services and 67% from Renewable Energy. This portfolio mix supports reliable energy delivery while enabling a sustainable transition to low-carbon alternatives.
- Our gas-fired power plants delivered a reliability factor of 99.8% benchmarked against the Strategic Power Systems, Inc. (SPS)'s global Operational Reliability Analysis Program (ORAP®)[5] factor of 97.2% as at 3Q2025.
- In 2025, over 100 environmental and social risk screenings were conducted for potential investment projects.

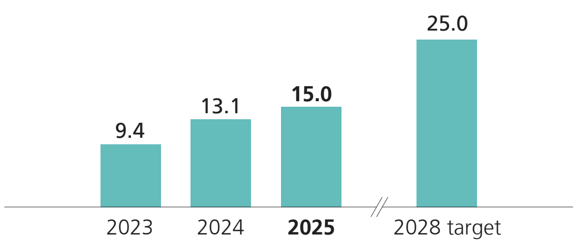
Absolute GHG Emissions (Scope 1 and 2) *(million tCO_2e)* **and Emissions Intensity** *(tCO_2e/MWh)*



Absolute Scope 1, 2 and 3 GHG Emissions *($ktCO_2e$)*



Gross Installed Renewable Energy Capacity *(GW)*



For more information on our Climate Action Plan and targets, please refer to the Climate-related Disclosures section on pages 71 to 74.

Sustainable Finance: Annual Update 2025

In August 2021, Sembcorp launched its Sustainable Financing Framework (SFF). The framework outlines three KPIs – KPI 1: GHG emissions intensity[1], KPI 2: GHG absolute emissions and KPI 3: Gross installed renewable energy capacity[3]. DNV provided a second party opinion, confirming alignment of the framework with the Sustainability-linked Bond Principles 2020 and Sustainability-linked Loan Principles 2021.

The sustainability-linked loans and sustainability-linked bond issuances cover KPI 1 and KPI 3, and the performance of both KPIs has been externally reviewed by DNV. We met the targets for KPI 1 and KPI 3 in 2023 and 2024 respectively, and these targets have also been met in 2025.

2025 marks the Sustainability Performance Targets (SPTs) observation date for the two KPIs. With KPI 1 and KPI 3 having been met, this will be the final performance update in relation to our performance against the KPIs set out in the sustainability-linked loans and sustainability-linked bond issuances.

Performance against SPTs as at December 31, 2025

KPIs	2020 Baseline	2025 SPTs	2025 Performance	SPTs Achieved
KPI 1: GHG emissions intensity[1] *(tCO_2e/MWh)*	0.54	0.40	0.21	✔
KPI 3: Gross installed renewable energy capacity[3] *(GW)*	2.6	10.0	15.0	✔

For more information on the SFF, Second Party Opinion and Independent Limited Assurance Report, please refer to the Sustainable Financing section on Creating Shareholder Value webpage.

r We restated the total Scope 3 GHG emissions for 2024 and 2023. For more information, please refer to Supplemental Information: Performance Indicators section on pages 76 to 77

1 GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations referencing the GHG Protocol. It covers subsidiaries, joint ventures and associates

2 Indirect (Scope 3) GHG emissions reported include: Fuel- and energy-related activities (Category 3), Use of sold products (Category 11), and Investments (Category 15); which together account for majority of our Scope 3 emissions

3 Gross installed renewable energy capacity refers to gross capacity of the plant at commercial operation date (in megawatt alternating current for wind, solar and hydropower, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

4 Annual avoided emissions are calculated based on the methodology set out by the UN Framework Convention on Climate Change: Clean Development Mechanism, host country's grid emission factor and the annual attributable generation. Annual attributable generation refers to equity-based generation which is calculated by multiplying electrical megawatt-hours produced by assets by Sembcorp's equity stake in the assets

5 The ORAP® is a voluntary database and benchmarking initiative covering over 3,000 turbine units globally. This Data has been obtained directly from ORAP®. All rights in and to such Data are reserved by SPS

Empowering Lives

Human Capital Management GRI 3-3 | 404-1 | 404-2

Why this is material	In the fast-evolving energy transition landscape, employees and partners equipped with the right competencies and experience enable us to capture emerging opportunities, drive operational excellence and meet the energy needs of our stakeholders securely, accessibly and sustainably.

Our approach

Our human capital management approach and practices are grounded in respect for and compliance with applicable national employment and labour laws, including those related to forced labour and child labour. We uphold the principles of non-discrimination and zero tolerance for harassment, and we support freedom of association and the right to collective bargaining in line with local regulations.

The three focus areas of our human capital management are talent management, learning and development, and digital readiness.

Talent management
Performance management discussions and reviews are requisite for all employees. The structured process supports open communication on expectations of the role and establishes accountability for outcomes. It also facilitates career and development discussions. Compensation and rewards are determined based on individual and company performance outcomes. Beyond performance-based rewards, we offer benefits and wellness programmes to enhance employee engagement and retention. Succession planning is formalised for senior executives and critical roles, with key plans reviewed by the ERCC. We promote internal mobility and review succession plans regularly to provide career growth and opportunities while strengthening our key talent management bench.

Learning and development
Our strategy focuses on four skill areas – Functional, Technical, Leadership and Essential. These skill areas are mapped to and support Sembcorp's business development cycle and workforce planning needs. Through Sembcorp Academy, our integrated learning platform, we deliver blended learning, track progress and accelerate development. We foster professional growth through job rotations, on-the-job training programmes and special project assignments to enhance depth and breadth of experience.

Key programmes include:

- The Group Leadership Programme, which seeks to equip middle managers with comprehensive knowledge of Sembcorp's businesses, enhance leadership capabilities, and nurture strategic networking for future collaborations.
- The Upgrade Programme, which supports eligible employees and partners in obtaining a formal certification. This may include qualifications through Institutes of Higher Learning (IHLs) or targeted courses developed or supported by Sembcorp. Our partnerships with IHLs include the SkillsFuture Queen Bee programme for the energy and power sector.

Digital readiness
We foster digital adoption and equip employees with tools and skills to leverage technology and artificial intelligence, driving efficiency and productivity across our operations.

For more information on the SkillsFuture Queen Bee programme, please refer to Sembcorp Solar Singapore SkillsFuture Queen Bee section on the Sembcorp in Singapore webpage.

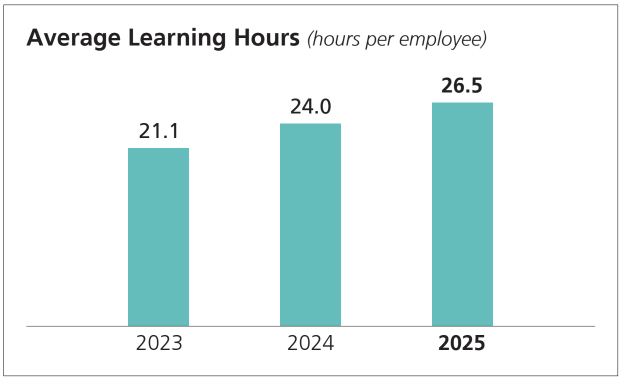
Our policies and frameworks	• Code of Conduct • Diversity and Inclusion Policy • Employee Grievance Handling Policy • Learning and Development Policy • Whistleblowing Policy • Talent Management Framework	**Reference standards and frameworks**	• International Labour Organisation Declaration on Fundamental Principles and Rights at Work • Singapore's Tripartite Guidelines on Fair Employment Practices

Our governance

The Group Human Resources (GHR) function oversees talent management and development, employee compensation and rewards, as well as employee human rights and labour standards. The Learning Council, comprising representatives from key Lines of Business (LOBs) and chaired by the Chief Corporate & Human Resource Officer (CCHRO), meets at least twice a year. The Learning Council steers the capability-building agenda to support business priorities and goals. The ERCC reviews our overall talent management and remuneration framework to support management in driving a high-performance culture.

Our performance

- In 2025, we achieved an average of 26.5 learning hours per employee.
- In 2025, a total of 1,983 employees and partners have been upgraded[1]. The significant increase was driven by enhanced HSSE programmes for contractors.



[1] Upgraded employees and partners refer to Sembcorp employees, contractors and the general public who completed eligible programmes developed or supported by Sembcorp, as well as recipients of scholarships and / or bursaries funded by Sembcorp

Empowering Lives

Community Investment GRI 3-3 | 201-1 | 413-1

Why this is material

Behind the projects we build are the communities that live and work around them. We strive to make our presence a positive one that builds trust, creates shared value and supports inclusive development.

Our approach

We aim to make the energy transition inclusive for the communities where we operate. Our community investment strategy focuses on advancing SDG 7 (Affordable and Clean Energy), prioritising investments to improve awareness and access to clean energy, and supporting long-term development through practical and scalable solutions.

Our investment focal areas are: Green Infrastructure, Green Education, Green Capability Building and Community Uplift. While our first three focal areas address specific needs that seek to advance SDG 7, such as the deployment of solar energy and promoting clean energy awareness, our Community Uplift initiatives focus on fostering social mobility through education and healthcare support. These efforts lay the groundwork for communities' awareness and access to green energy, and empower communities to progress towards a more sustainable future. Our local operations forge partnerships with stakeholders to shape community initiatives that are relevant, practical and aligned with our strategic priorities.

Green Infrastructure
Supporting charities and community organisations with solarisation and energy-efficient infrastructure solutions

Green Education
Building energy and sustainability literacy among youth and the public through experiential learning

Green Capability Building
Helping charities and communities build sustainability capabilities and green skills, enabling the adoption of ESG practices

Community Uplift
Uplifting vulnerable communities through access to essential services, while fostering self-sufficiency, resilience and well-being

Our policies and frameworks

- Code of Conduct
- Supplier Code of Conduct
- Group Anti-bribery and Corruption (ABC) Policy
- Group Community Investment and Sponsorship Compliance Policy
- Group Know-your-counterparties Policy
- Group Procurement Policy
- Group Local Community Engagement and Grievance Mechanism Procedure
- Group Community Investment Guidelines

Reference standards and frameworks

- Business for Societal Impact Framework and Guidance

Our governance

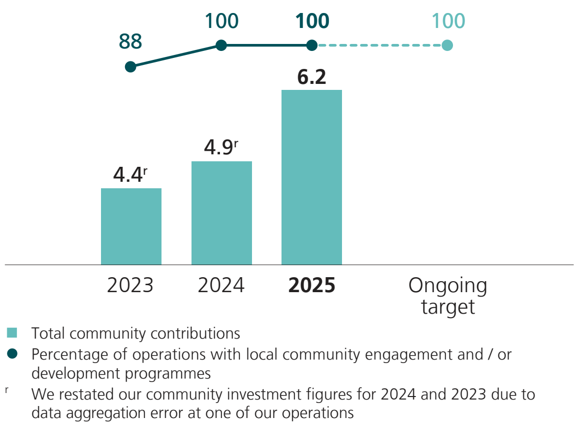
The GHR function, supported by community leads in respective LOBs, oversees community investment efforts. The Sembcorp Energy for Good Committee, consisting of the Group CEO, CCHRO and President & CEO, Gas and Related Services, reviews, approves and monitors key community investment plans.

All proposed donations undergo a counterparty due diligence assessment conducted by the Group Ethics and Compliance (GEC) function to assess bribery, corruption and fraud risks. Initiatives that involve the purchase of equipment or products are carried out in accordance with the Group Procurement Policy and Supplier Code of Conduct. Regular internal community investment meetings are held to maintain alignment of policies and execution plans across LOBs as well as the sharing of best practices.

Our performance

- In 2025, Sembcorp contributed S$6.2 million in cash donations to support community initiatives globally:
  - Over S$2.9 million were mandatory[1] contributions, of which 19% were invested in SDG 7-aligned projects.
  - Over S$3.3 million were voluntary contributions, of which 74% were invested in SDG 7-aligned projects.
  - Over S$23,000 were leveraged[2] contributions, benefitting a range of charitable causes.
- All our operations supported charities and communities through local community engagements and / or development programmes in 2025.

Community Investments *(S$ million and %)*



Focus Areas	Performance Indicators	2025 Impact	Cumulative Impact from 2022
Green Infrastructure	Renewable energy capacity deployed	Over 230kWp	Over 880kWp
	Solar energy generated	Over 545,000kWh	Over 930,000kWh
	Avoided emissions[3]	Over 368,000kgCO_2e	Over 654,000kgCO_2e
	Community facilities with solar energy systems installed	Over 30 facilities	Over 110 facilities
Green Education	Participants engaged	Over 405,000 participants	Over 604,000 participants
	Total learning hours	Over 32,000 hours	Over 70,000 hours
Green Capability Building	Participants trained	Over 2,300 participants	Over 2,400 participants
	Total learning hours	Over 284,000 hours	Over 304,000 hours
Community Uplift	People supported through education programme	Over 8,500 students	Over 21,000 students
	People aided through healthcare programme	Over 27,000 people	Over 123,000 people

[1] Mandatory contributions are community activities that we undertook in response to the requirements of law, regulation or contract

[2] Leveraged contributions are contributions raised through our employee-matched funding programmes

[3] Avoided emissions are calculated based on the methodology set out by the UN Framework Convention on Climate Change: Clean Development Mechanism, the latest available emission factors from the respective host country and the actual generation of the respective solar power systems

Resilient Business

Health and Safety GRI 3-3 | 403-1 | 403-2 | 403-9

Why this is material

The nature of our operations involves exposure to health and safety risks that can impact employees, contractors and communities. A lapse can cause serious harm and disrupt operations. Maintaining high standards in workplace safety is therefore essential to protect lives.

Our approach

We recognise the right to life, health, and safe working conditions, and are committed to reducing health and safety risks in our operations. We believe that most incidents are preventable. The processes within our management system are digitally integrated – from work planning and execution to field assurance, and strengthen our risk control and verifiability.

The Plan-Do-Check-Act approach forms the basis of our systems and practice for all employees and contractors:

- **Plan**: Identify risks and hazards, develop mitigation plans through the mandatory method statement and risk assessment process for all site and / or operations work
- **Do**: Implement safety regimes including mandatory safety training and retraining, toolbox meetings, permits-to-work (PTW) and critical controls verification
- **Check**: Review effectiveness of control measures on-site and remotely, supported by video surveillance systems. Internal assurance against the relevant Occupational Health and Safety Standards is conducted by Group Integrated Audit (GIA) and GHSSE functions
- **Act**: Strengthen controls and processes with digital tools which enable data-driven insights to trigger containment actions. Enforce consequence management, including issuing of warning notices and potential contract termination for violation of Sembcorp Safety Critical Controls. Incident notifications and investigations adhere to our Incident Management protocols, which focus on detecting the root causes and implementing appropriate improvements.

Contractor safety management

Contractors form a significant portion of our workforce. All contractors must comply with our health and safety requirements, including the use of Safety Buddy, our digitally-integrated safety management system.

Our policies and frameworks

- GHSSE Policy
- Contractor Safety Management Framework
- GHSSE Management Framework

Reference standards and frameworks

- ISO 45001: Occupational Health and Safety Management Systems[1]
- International Association of Oil and Gas Producers (IOGP) Global Safety Performance Indicators
- US National Institute for Occupational Safety and Health (NIOSH) Guidelines

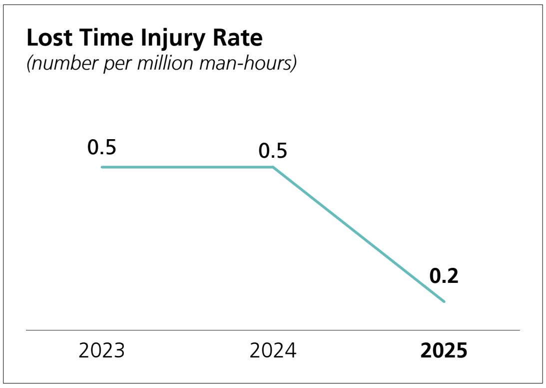
Our governance

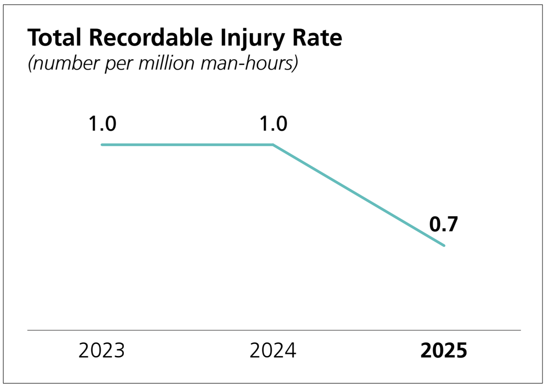
The GHSSE function oversees occupational health and safety. The management of health and safety is guided by the GHSSE Management Framework. The Group CEO convenes and chairs a monthly Group Safety Meeting with safety officers from LOBs to assess and improve safety performance. Every quarter, the board (via the RC) and the SLC receive updates that cover health and safety performance and targets, relevant health and safety incidents, as well as any regulatory updates and highlights of key initiatives.

For more information on our approach to managing HSSE risks, please refer to the Corporate Governance Statement on page 102.

Our performance

- Regrettably, one contractor fatality occurred at a site in India during the year. A stop-work order was immediately initiated at the affected site. Concurrently, an alert was issued to all operating locations across the Group to review and confirm safety measures. Thorough investigations were carried out to identify the root causes, and operations resumed after safety measures were reviewed and reinforced.
- As part of our safe operations transformation programme launched in 2024, key safety management programmes were implemented in 2025. This includes our enhanced e-PTW which requires on-site photo evidence confirming that critical safety controls for the stipulated activity have been met before work can commence. Daily site verifications are undertaken to monitor compliance with all safety requirements, and key safety indicators are tracked. These initiatives facilitated timely safety interventions.
- In 2025, there was a decrease in lost time injury rate and total recordable injury rate from 2024.





[1] For the coverage of sites certified, please refer to the Memberships, Certifications and Ratings section on Our Approach to Sustainability webpage.

Resilient Business

Risk Governance GRI 3-3 | 205-2

Why this is material

Strong corporate governance and sound risk management underpin trust and sustainable performance. As our businesses grow and the risk landscape evolves, a compliance management system supported by robust internal controls and risk accountability helps us protect our people, operations and reputation.

Our approach

The Group's principal risks, including compliance, health and safety, cybersecurity and relevant climate-related risks, are monitored and managed via the IAF. Principal risks of the Group are identified and accountability is established with the relevant risk owner and coordinator. The risk description, drivers and consequences are determined by risk owners. Key risk indicators and risk appetites are set to facilitate monitoring of risk status. Risk owners conduct a quarterly review of principal risks using a likelihood-impact matrix, and provide performance updates to the respective corporate functions. The updates are reviewed and aggregated for reporting to the RC.

Sembcorp's IAF

Reporting and Escalation to the Enterprise Risk Committee and the Board

Three Lines of Defence

1. Lines of Business	2. Corporate Functions	3. Integrated Audit
Identify and assess risks and controls *Escalate any control deficiencies*	*Design policies and procedures* *Review risks and controls* *Follow up on control deficiencies*	*Provides independent assessment on the adequacy and effectiveness of overall control environment*

We have a zero-tolerance stance towards bribery and corruption. Our enterprise-wide compliance programme is designed to drive compliance with our policies, in particular those relating to ABC, counterparty due diligence and anti-money laundering.

Education and communication programmes help employees build the knowledge, skills and mindset needed to understand and respond in line with our Code of Conduct, policies, laws, as well as broader organisational risks such as cybersecurity threats. The completion of the annual Code of Conduct and cybersecurity e-learning modules is mandatory for all employees. In addition, targeted in-person ABC training is required for employees in high-risk roles.

For disclosures on our Corporate Governance, please refer to the Corporate Governance Statement on page 90.

For more information on our principal risks, including cybersecurity risk, and our approach to managing them, please refer to the Corporate Governance Statement, on pages 101 and 102.

For disclosures on climate-related risks, please refer to the Climate-related Disclosures section on pages 64 to 68.

Our policies and frameworks	• Code of Conduct • Group ABC Policy • Group Conflict of Interest Policy • Group Cybersecurity Policy • Group Data Privacy Policy • Group Data Protection Policy • Group Gifts and Hospitality Policy • Group Investment and Divestment Policy • Group Know-your-counterparties Policy • Group Third Party Representative ABC Due Diligence Policy • Group Trade Controls Policy • Information Technology Acceptable Use Policy • Whistleblowing Policy • IAF	**Reference standards and frameworks**	• SGX Rulebook Practice Guide 9 • Singapore Code of Corporate Governance 2018 • Committee of Sponsoring Organisations of the Treadway Commission: Enterprise Risk Management Framework 2017 • ISO 31000: Risk Management • ISO 27001: Information Technology • National Institute of Standards and Technology's Cybersecurity Framework • Singapore Cybersecurity Act 2018 • Singapore Personal Data Protection Act 2012

Our governance

The Group Risk function drives the IAF process, which facilitates the quarterly reporting of the Group's principal risks. Our risk management strategy and the IAF are set in place by our Board of Directors and supported by the RC and AC. The RC reviews the effectiveness of the IAF quarterly, including its risk management plans, systems, processes and procedures. The GIA function provides independent assurance to the RC and AC on the adequacy and effectiveness of our risk management, financial reporting processes, and internal control and compliance systems.

The GEC function, led by the Chief Legal Officer, drives the enterprise compliance programme and provides a quarterly update through the IAF process to the RC.

The Group Digital function, led by the Chief Operating Officer, leads the enterprise cybersecurity strategy and provides a quarterly update on control effectiveness in managing cybersecurity risks to the RC.

For more information on the roles and responsibilities of the board, please refer to the Corporate Governance Statement on pages 91 and 92.

Our performance

- 100% of our LOBs[1] implemented the IAF.
- 100% of our employees[2] received ABC training.
- 100% of our employees[2] acknowledged compliance to the Code of Conduct.

[1] Coverage follows the reporting scope of this Sustainability Report

[2] Refers to employees as at October 31, 2025. New hires are given more time to complete ABC training and to acknowledge compliance to the Code of Conduct as part of their onboarding

Climate-related Disclosures

Reporting Standards, Frameworks and Scope

The disclosures in this report are guided by the relevant Singapore Exchange Regulation's (SGX RegCo) requirement for Straits Times Index constituents to implement climate-related disclosures issued by the International Sustainability Standards Board (ISSB) from financial year (FY) 2025[1]. SGX further requires external limited assurance for Scope 1 and 2 greenhouse gas (GHG) emissions by FY2029[2]; Sembcorp's Scope 1 and 2 emissions have been included in its Sustainability Report and have undergone external limited assurance since FY2017 and FY2019 respectively.

This report references the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards – IFRS S1 (General Requirements) and IFRS S2 (Climate-related Disclosures), and complements the information set forth in our Annual and Sustainability Reports, which cover the same reporting period. This report should be read together with the Energy Transition section of our Sustainability Report. To avoid information duplication, references to the relevant sections are provided.

The intent of the ISSB climate-related disclosure requirements is to provide issuing companies with a standard basis for the disclosure of climate-related financial information to investors.

Energy transition and climate risks have been identified as material to Sembcorp, and could reasonably be expected to affect Sembcorp's prospects.

For more information on our materiality assessment, please refer to the Materiality section on page 42.

The disclosures and coverage of this report are consistent with the reporting entities reflected in our financial statements.

Climate-related financial information has been included in Note B4 in the Notes to the Financial Statements on pages 160 and 161.

Given that the disclosures arising from the IFRS Sustainability Disclosure Standards for Climate-related Disclosures involve emerging practices in the assessment and analysis of climate-related risks and opportunities, and are based on current expectations, estimates, projections and assumptions, caution should be exercised when interpreting the information provided.

The scenarios used in this report are derived from the Network for Greening the Financial System (NGFS), Coupled Model Intercomparison Project Phase 6 (CMIP6) and a third-party risk analytics tool. These scenarios are not forecasts and should not be interpreted as predictions of future policy, market or climate conditions.

Scenario outcomes depend on multiple assumptions, including future energy demand, technology costs, carbon prices, regulatory developments and physical climate variables that involve significant uncertainty and are subject to change. Actual developments in global and regional energy systems may differ materially from those modelled. Accordingly, there is no assurance that the scenario modelling or assessments presented in this report are indicative of the actual climate-related impacts on Sembcorp's businesses.

External Assurance

We have engaged DNV Business Assurance Singapore Pte. Ltd. to undertake an independent limited assurance of our Scope 1 and 2 emissions data.

The Assurance Statement can be found on pages 84 to 87.

Governance

Sembcorp's Board of Directors oversees the business affairs of the Group. The board provides leadership on Sembcorp's overall strategy, which takes into consideration its material sustainability factors. Our approach to managing climate-related risks and opportunities is outlined in the mandates and terms of reference of the relevant governance bodies, which include both board- and management-level committees as shown in our governance structure in Figure 1.

In 2025, key updates to the board included:

- Group's strategic and financial plan
- Group's updated carbon target setting approach and transition plan
- Group's key risks including climate-related risks and opportunities for investments in the Renewables segment

For more information on our realised opportunities in 2025, please refer to the News and Insights section of our webpage.

The board approves major investments and divestments, considering risks, opportunities and trade-offs, including the emissions impact related to the transaction.

For more information on our Climate Action Plan and targets, please refer to the Strategy section on pages 71 to 74.

Sembcorp's Climate Change Working Committee (CCWC) oversees the development of plans, processes and reports that relate to the Group's climate-related risks and opportunities. The Group Sustainability function serves as the CCWC secretariat and drives climate-related workstreams across functions, including Asset Performance, Finance, Portfolio Management, Risk and Strategy.

[1] SGX Group, 'Practice Note 7.6 Sustainability Reporting Guide' (2025)
[2] SGX Group, 'Extended timelines for most climate reporting requirements to support companies' (August 2025)

For more information on the CCWC, please refer to the Energy Transition section on page 45.

Key topics discussed in our quarterly CCWC meetings during the year included:

- Approach and methodology for emissions target setting, climate scenario analysis and physical risk assessment
- Scope 3 supplier-related emissions data management system
- Climate-related Disclosures 2025

Sustainability-linked Performance Incentives

Environmental, Social and Governance key performance indicators are a part of the annual performance scorecard of our senior executives. These include GHG emissions intensity and gross installed renewable energy capacity.

Board and Management Competencies

The board's Nominating Committee evaluates potential directors, considering skills, experience, knowledge and competencies relevant to discharging their responsibilities.

In 2022, SGX mandated sustainability training for all board directors of listed companies[3]. All our directors have attended the SGX-prescribed training.

Key members of Sembcorp's leadership team hold deep leadership and management expertise in the energy sector.

For profiles of our Key Executives, please refer to Our Leadership section on our webpage.

Figure 1: Our governance structure

Board of Directors

Provides leadership on Sembcorp's overall strategy, which takes into consideration its material sustainability factors

Executive Committee

Assists the board in developing the overall strategy for the Group and provides oversight and supervision of the Group's strategy and business affairs

Risk Committee

Endorses the Group's policies, guidelines and systems to manage risks including climate-related risks. Reports to the board on the adequacy and effectiveness of the Group's internal controls and risk management systems

Executive Resource & Compensation Committee

Sets remuneration framework, reviews and endorses key performance indicators of our key management executives

Investment & Divestment Committee

chaired by Group CEO
coordinated by Group CEO Office
supported by Lines of Business & Corporate functions

Meetings → Fortnightly

- *Develops and governs procedures and requirements for the approval and monitoring of investments and divestments*
- *Provides oversight on risks in relation to investments, including environmental risks arising from physical hazards, social risks, carbon price impact risks and portfolio emissions impact on our targets*
- *Assesses that investment decisions make progress towards strategic targets, and that proper due diligence has been performed*

Senior Leadership Committee

chaired by Group CEO
coordinated by Group CEO Office
supported by Lines of Business & Corporate functions

Meetings → Fortnightly

- *Develops and monitors the Group's policies, guidelines and systems*
- *Develops the Group's strategy, plan and targets, including our climate action targets*
- *Monitors, reports and manages Group business performance. This includes sustainability updates and performance reviews*

Enterprise Risk Committee

chaired by Group CEO
coordinated by Group Risk
supported by Lines of Business & Corporate functions

Meetings → Quarterly

- *Develops and monitors the Group's policies, guidelines and systems to manage risks including climate-related risks*
- *Assesses adequacy and effectiveness of the Group's internal controls and risk management systems*
- *Assesses whether the Group's management of key risks is commensurate with risk level*
- *Monitors climate-related risks*
- *Approves the Group's material sustainability topics and factors*

Working Group

coordinated by Group Human Resources

Meetings → 3 to 4 times per year (as required)

- *Reviews and develops annual performance scorecard of our senior executives*

Climate Change Working Committee

chaired by Executive Vice President, Group CEO Office
supported by Corporate functions including Sustainability, Asset Performance, Finance, Portfolio Management, Risk and Strategy

Meetings → Quarterly

- *Reviews and develops climate-related policies and frameworks, assesses climate-related risks, implements relevant initiatives and reviews performance, reporting and disclosures*
- *Reviews and endorses climate target setting and disclosures*
- *Reviews and approves climate workstreams and / or initiatives, approaches and methodologies*

[3] SGX Group, 'SGX RegCo announces start of sustainability training for company directors' (March 2022)

Climate-related Disclosures

Risk Management

Our risk management strategy and the Integrated Assurance Framework (IAF) are set in place by our Board of Directors, with support from the Risk Committee (RC) and Audit Committee (AC). The RC reviews the effectiveness of the IAF quarterly, including its risk management plans, systems, processes and procedures. The Group Integrated Audit function provides independent assurance to the RC and AC on the adequacy and effectiveness of our risk management, financial reporting processes and internal control and compliance systems.

The Group Risk function drives the IAF process, which facilitates the quarterly reporting of the Group's principal risks. Principal risks of the Group are identified, and accountability is established with the relevant risk owner and coordinator. The risk description, drivers and consequences are determined by risk owners. Key risk indicators and risk appetites are set to facilitate monitoring of risk status. The risks are then quantified and measured against set quantitative impact parameters including financial, operational and health and safety thresholds, which inform the risk prioritisation. Risk owners conduct a quarterly review of principal risks using a likelihood-impact matrix and provide performance updates to the respective corporate functions. The updates are reviewed and aggregated for reporting to the RC.

The CCWC reviews, updates and prioritises the climate-related risks, taking into consideration the business, operational and regulatory environment. Key climate-related risks and opportunities undergo scenario analysis to assess the likelihood and magnitude of impact; these are discussed in further detail in the Strategy section that follows. The financial impact of relevant risks is then mapped against the financial materiality threshold of our IAF and subsumed under it for monitoring alongside other risks.

Currently, climate-related risks such as carbon exposure and renewable resource variability are considered in the Group's principal risks. They are assessed against quantitative thresholds for GHG emissions and generation metrics of our equity holdings.

Figure 2: Sembcorp's IAF

Reporting and Escalation to the Enterprise Risk Committee and the Board		
Three Lines of Defence		
1. Lines of Business	**2. Corporate Functions**	**3. Integrated Audit**
Identify and assess risks and controls *Escalate any control deficiencies*	*Design policies and procedures* *Review risks and controls* *Follow up on control deficiencies*	*Provides independent assessment on the adequacy and effectiveness of overall control environment*

Strategy

Sembcorp's strategy is guided by an annual review of the global market and industry outlook, which includes an assessment of macroeconomic and local industry conditions to identify portfolio risks and opportunities. This assessment underpins the Group's five-year plan, its corresponding capital allocation and Climate Action Plan. The board formally deliberates on the plan and provides stewardship on the Group's strategy and plan at the Board Strategy Retreat.

Our list of potential climate-related risks and opportunities was developed as part of our first climate strategy exercise in 2017 and is evaluated, updated and prioritised by the CCWC annually. We identified risks associated with policy, technology, market disruption and physical impact through performance analysis, internal stakeholder engagements and peer benchmarking. Key influencing factors that could reasonably be expected to affect our prospects include:

- **Climate policies and / or regulations:** Sembcorp is subject to national policies and regulations that may encourage or disincentivise decarbonisation levers. These include the application of a carbon price on its gas-fired power plants in Singapore and the United Kingdom (UK), as well as renewable energy policy reforms in Vietnam and China.

- **Climate positions and / or expectations:** There are increasing expectations from investors, customers and regulators to set and meet emissions targets and climate transition plans, while providing reliable and accessible energy supply.

- **Technology and market shifts:** Structural changes in energy systems, risks of failing to adopt new technologies in line with industry's and market's speed of adoption, or technological progress outpacing the viability of our assets. The shifts in supply and demand of energy, oil and natural gas have brought about greater uncertainty and volatility.

- **Physical hazards:** The potential impact of physical climate hazards, such as extreme weather events, and changes in wind speeds and solar irradiance that may result in operational disruption or affect the energy generation in our power plants.

Sembcorp develops, owns and operates energy, urban and water assets, and partners with governments to masterplan and develop industrial parks and related ecosystems. Its energy business constitutes 86% of its adjusted EBITDA[1]. In light of the Paris Agreement and national plans towards a net-zero future, the energy business is most exposed to climate-related risks and opportunities. This report is focused on the risks and opportunities related to our energy business, which includes gas-fired and renewable energy generation, with the exception of physical risks, for which we assess all our subsidiaries where we have control.

Charting the Course for Energy Transition in the Midst of Changing Energy Systems

The world is undergoing a profound transformation in the way energy is produced, consumed and governed. A global energy supercycle, driven by surging electricity demand and rapid adoption of renewable energy, is reshaping power systems as countries strive to decarbonise while ensuring system reliability and accessibility.

Over the past decade, the levelised costs of solar and wind technologies have fallen significantly[2], enabling unprecedented renewable energy buildout across Asia. However, deployment has accelerated faster than grid modernisation, exposing structural vulnerabilities. As more renewable energy is connected to the grid, it loses the stabilising effects that come with traditional power plants. This results in an energy system that is more sensitive to disturbances, and reinforces the importance of modern grid infrastructure and controls.

Global electricity demand rose by 4.3% in 2024, the largest recorded increase[3], pushing energy-related emissions to a new record. Asia's rapidly developing economies are at the epicentre of this growth. Expanding industrial activity, rising urbanisation, the proliferation of digital technologies, and the rapid uptake of artificial intelligence (AI) are collectively accelerating regional electricity consumption. Amid this complexity, diverging national priorities are shaping the scale and pace towards net zero. Developing economies must balance emissions reduction with energy security, accessibility and economic development. Differences in institutional capacity, resource endowments, financing availability and social contexts mean that the transition will not follow a single trajectory; rather, it will reflect country-specific realities and constraints.

Achieving a resilient and effective energy transition will require strong enabling conditions[4]. These include clear and stable policy signals, a diversified clean energy mix, and energy-efficient planning and design. Investment in modern, flexible grid infrastructure capable of integrating storage, supporting interconnection and accommodating variable generation is essential. Robust industrial strategies and high levels of investment in clean technologies are equally important.

Policy signals: Renewable energy policy changes in China and Vietnam

In China, renewable energy projects commissioned on or after June 1, 2025 no longer qualify for the previous fixed feed-in tariff (FiT) benchmarked against local coal-fired power price[5]. Instead, electricity is sold through market transactions at prevailing market prices. To provide revenue stability, a contracts-for-difference-style mechanism allows developers to secure a fixed price via provincial auctions for a portion of their output. The former FiT system drove rapid renewables growth by delivering stable and low-risk returns. With significantly lower solar and wind costs and a maturing power market, the shift to market-based pricing is intended to better reflect supply-demand realities, promote competition and efficiency. The impact on developers depends on provincial implementation rules. In the near term, new wind and solar projects face increased uncertainties, with potentially lower effective tariffs, greater auction competition and increased exposure to market price fluctuations.

1 EBITDA: Earnings before net interest expense, tax, depreciation and amortisation, where adjusted EBITDA = reported EBITDA + share of results of associates and joint ventures, net of tax

2 International Renewable Energy Agency, 'Renewable Power Generation Costs in 2024' (July 2025)

3 International Energy Agency, 'Global Energy Review (2025)' (March 2025)

4 World Economic Forum, 'Fostering Effective Energy Transition 2025' (June 2025)

5 Wood Mackenzie, 'China shifts to 'High-quality' renewable growth with new pricing mechanism following 264 GW boom in H1 2025' (November 2025)

Climate-related Disclosures

Strategy *(continued)*

Vietnam's FiT policy, launched in 2017, triggered a rapid surge in solar and wind utility capacity. In 2023, the government began reassessing FiT eligibility. Projects that achieved commercial operation before obtaining the required construction completion acceptance certificate have only received partial payments at reduced tariffs from Vietnam's state utility – Vietnam Electricity (EVN), although full FiT invoices have not been rejected. This has created regulatory risk concerns and uncertainty in Vietnam's renewable energy market. Investors are awaiting government resolution, with expectations for progress in 2026.

Supporting grid resilience: Integrating flexibility and storage

As India progresses in its urbanisation, industrialisation and digital transformation, its energy demand is also surging, with the country projected to account for 35%[1] of global energy demand growth over the next two decades. To meet this pressing need while delivering on its climate goals, India is pushing for its transition towards cleaner energy through progressive policies and ambitious renewable energy targets.

As of December 2025, India's total installed generation was almost 510GW, of which more than 260GW came from non-fossil sources, taking their share above 51% for the first time[2]. Solar capacity crossed 130GW and wind capacity reached 54GW, buoyed by record annual capacity additions, green open access reforms, grid-scale storage auctions and an accelerated transmission build-out[3]. The high penetration of renewable energy increases grid vulnerability arising from the intermittency of solar and wind output.

From February 2025, the Ministry of Power issued an advisory for co-located energy storage systems for solar tenders to enhance grid stability and cost efficiency[4]. Battery energy storage systems (BESS) support grid stability and enable dispatch of renewable energy during periods of low solar irradiance or wind speeds. Ministry of New and Renewable Energy-backed auctions from key Renewable Energy Implementing Agencies (REIA) now require hybrid and storage integration, marking a decisive shift to firm renewables[5]. In 2025, Sembcorp secured three such projects comprising around 1.1GWh of storage capacity.

National industrial strategy: Supporting Singapore's Manufacturing 2030 vision and green data centre roadmap

Singapore is strategically positioning itself as a global hub in the AI race and digital innovation, underpinned by a resilient and sustainable energy system. The government's second Data Centre – Call for Application requires applicants to source at least 50% of their power from eligible green energy pathways[6], signalling a national commitment to growth aligned with carbon accountability.

Electricity demand is projected to rise, with Energy Market Authority (EMA) forecasting a compound annual growth rate of 2.4% to 4.8% from 2025 to 2034[7]. This increase incorporates potential demand from additional investments in emerging high-demand industrial and digital sectors such as the advanced manufacturing sector and data centres – structural trends that reinforce the need for reliable low-carbon baseload capacity.

Under Singapore's new energy policy, all new combined-cycle gas turbine (CCGT) power plants must be at least 10% more carbon-efficient than current units and at least 30% hydrogen-compatible by volume[8]. Currently, four hydrogen-ready CCGT power plants are under development or planned, including Sembcorp's 600MW hydrogen-ready CCGT power plant, which is scheduled for commercial operation in 2026.

Electricity consumption has historically been strongly correlated with Gross Domestic Product growth, underscoring the challenge of sustaining economic expansion while reducing emissions.

Solar remains the only scalable domestic renewable resource, and Singapore has achieved its 2GWp target ahead of 2030. A new target of 3GWp by 2030 has been announced by the Prime Minister and Minister for Finance[9]. However, solar energy intermittency and land constraints mean that complementary strategies

1 ETEnergyWorld, 'India to drive up to 35% of global energy demand growth over next two decades: Puri at India Energy Week 2026' (January 2026)
2 Press Information Bureau (PIB), '2025 marks highest-ever renewable energy expansion in India's energy transition journey' (December 2025)
3 ETEnergyWorld, 'Driven by renewable sources, India's installed energy capacity rises by nearly 36% over 5 years' (January 2026)
4 Central Electricity Authority, 'Advisory on co-locating energy storage systems with solar power projects to enhance grid stability and cost efficiency' (February 2025)
5 PIB, 'India's renewable energy integration strategy enters next phase: government adopts nuanced, case-by-case approach to REIA bids with focus on grid strength, storage and market reform' (November 2025)
6 Infocomm Media Development Authority, 'Launch of second data centre – Call for application' (December 2025)
7 EMA, 'Electricity Demand and Supply Outlook (2025)' (November 2025)
8 Economic Development Board (EDB), 'Singapore plans to build two more hydrogen-ready natural gas power plants by 2030' (June 2024)
9 Singapore Budget 2026 Speech, 'Protect Our Security and Sustainability' (February 2026)

such as regional power imports and energy storage solutions will be critical.

Natural gas, supplying 94% of Singapore's electricity generation[10], will remain essential as a transition fuel. It will provide reliable baseload, as Singapore explores and scales hydrogen co-firing, renewable energy imports, carbon capture and other low-carbon technologies. This multi-pronged approach supports energy security, cost competitiveness and alignment with Singapore's decarbonisation pathway.

For more information on country-specific performance and outlook, please refer to the Operating and Financial Review section on pages 18 to 29.

Climate Scenario Analysis

Climate scenario analysis is a dynamic exercise that serves to envision potential future outcomes based on changes brought about by climate-related risks and opportunities. The analyses in this report contain quantification of anticipated effects developed to assess the resilience of our business and operations. We draw on data and assumptions provided by the NGFS, CMIP6 and a third-party risk analytics tool, which are subject to uncertainty.

The outputs illustrate the potential impacts of climate-related risks and opportunities across our identified climate scenarios. The outputs should be interpreted strictly as scenario-based analyses rather than forecasts or projections of future financial performance. We recognise that the resilience of our business and operations can also be affected by factors unrelated to climate change.

Time horizons for assessing the impact of our climate-related risks and opportunities are aligned with our strategic and budget planning horizons:

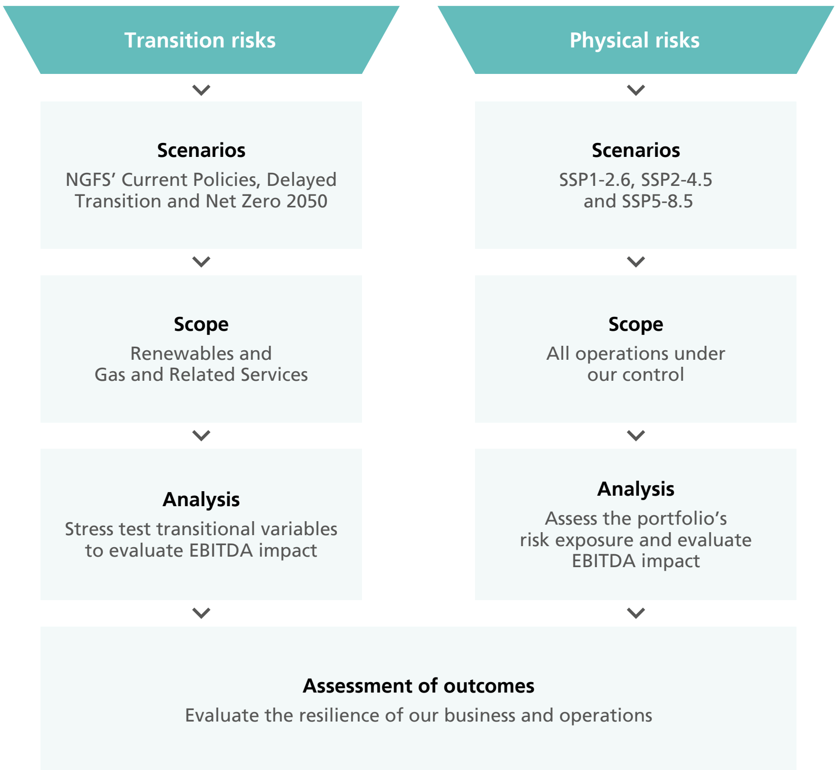
- Short term: < one year
- Medium term: one to five years
- Long term: > five years

The NGFS scenarios database is one of the most widely used global reference datasets for climate risk analysis in the financial system. It references the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6) scenarios and provides country-level forecasts of macroeconomic variables covering our countries of operation.

The Shared Socioeconomic Pathways (SSPs) scenarios describe projections of population, economic growth, technological advancements and geopolitical trends in line with the Representative Concentration Pathways (RCPs) scenarios. RCPs set out the pathways for GHG concentration and the potential amount of warming by the end of the century. For physical risk assessments, we use the RCPs and SSPs, which provide more granular projections of climate physical hazards.

In 2025, we refined our selection of transition risk scenarios to replace 'Below 2°C' with 'Delayed Transition', in line with the observed market practice[11]. We added 'Current Policies' to model a low climate ambition scenario.

Figure 3: Our approach to climate scenario analysis



[10] EMA, 'Singapore Energy Statistics 2025, Chapter 2: Energy Transformation'

[11] Financial Stability Board and NGFS, 'Climate Scenario Analysis by Jurisdictions: Initial findings and lessons' (November 2022)

Strategy *(continued)*

Table 1: Climate scenarios adopted for analyses in 2025

Ambition level	Transition risk scenarios	Physical risk scenarios
1.5°C	**NGFS – Net Zero 2050** Assumes that ambitious climate policies are introduced immediately, reaching global net zero around 2050. Physical risks are relatively low but transition risks are high	
<2°C	**NGFS – Delayed Transition** Assumes that annual emissions do not decrease until 2030. Emissions are expected to exceed carbon budget temporarily and decline more rapidly post-2030. Physical risks are low but transition risks are high	**SSP1-2.6 ("Sustainability")** Global consumption is oriented towards low material growth as well as lower resource and energy intensity. Carbon emissions would fall from current levels and reach net zero by around 2075
2.7°C		**SSP2-4.5 ("Middle-of-the-road")** Slow progress in achieving sustainable development goals. Carbon emissions would remain high until 2050, before starting to decline post-2050 but no net zero is achieved
>3.0°C	**NGFS – Current Policies** Assumes that currently implemented policies are preserved, leading to severe physical risks. Emissions grow until 2080 leading to about 3°C warming	**SSP5-8.5 ("Fossil-fueled development")** The push for economic and social development is coupled with exploitation of abundant fossil fuel sources and resource- and energy-intensive lifestyles. Carbon emissions will double from current levels by 2050 and continue to rise until the end of century

NGFS, 'Network for Greening the Financial System' (2024)
IPCC, 'Shared Socioeconomic Pathways considered in IPCC AR6'

Assessment of transition risks

Transition risks stem from uncertainties brought about by the global shift towards a low-carbon economy. These risks can arise from changes in climate-related policies and regulations, as well as technological advancements, amongst others. We conduct climate scenario analysis to stress test the resilience of our business. Our transition scenario analysis exercise is integrated into our annual strategic and financial planning exercise.

Using our 2030 and 2040 forecast data, we stress-tested key parameters to assess their influence on our adjusted EBITDA in 2030 and 2040. The results of our testing in Table 2 illustrate our business segments' performance in the stress scenarios.

In 2030, if market realities continue to be in line with the Delayed Transition Scenario (DTS), our earnings remain stable. However, under a Net Zero 2050 Scenario (NZS), we see a low downside in the Gas and Related Services (GRS) segment primarily due to a potential decline in gas-fired electricity demand, and an assumption that merchant market contracts will not accommodate carbon cost pass-through. There is a moderate upside in the Renewables segment based on the assumption that policies and other enablers are in place to support ambitious NDC commitments.

By 2040, if market realities continue to be in line with the DTS, there will be a low downside in the GRS segment and a high upside in the Renewables segment, reflecting the transition away from fossil fuels towards renewable energy.

Overall, the outcome of the analysis shows that our total adjusted EBITDA will remain stable in the medium term based on low and moderate climate ambition scenarios. In the longer term, renewable energy demand is expected to grow significantly.

Scope of stress testing	• Renewables and Gas and Related Services segments which collectively contribute to more than 86% of adjusted EBITDA • Includes subsidiaries, joint ventures and associates
Time horizon	• 2030 – Considered as medium-term time horizon • 2040 – Considered as long-term time horizon
Rationale for scenario selection	• NGFS Net Zero 2050 Scenario seeks to present a high ambition view and inform us of the impacts from stringent and ambitious climate policies • NGFS Delayed Transition Scenario provides a moderate ambition view and is reflective of the observed market trends • NGFS Current Policies Scenario provides a low ambition view and informs us of the impacts from continuing in the current path resulting in significant global warming
Financial metric	• Adjusted EBITDA is a measure of our operating performance from all our subsidiaries, joint ventures and associates
Assumptions	• Key parameters used for stress testing include regional energy demand, carbon price and electricity price • 2030 climate stress scenarios are assessed using our base case forecast in line with our strategic and financial planning exercise. It considers current and future energy demand, evolving regulatory environment and market outlook • 2040 climate stress scenarios are assessed using our forecasted data assuming renewables growth in line with market trends referenced from NGFS' NDCs outlook and end-of-life of our gas-fired power plants • Assessments include all our gas-fired power plants with merchant capacities and renewables – ongoing operations, growth projections and concession expiry

Table 2: Adjusted EBITDA simulations in climate scenarios

Adjusted EBITDA Impact *(S$ million)*

		Gas and Related Services			Renewables			Total Adjusted EBITDA		
		<200	200–500	>500	<200	200–500	>500	<200	200–500	>500
2030	Net Zero 2050 Scenario	Downside					Upside		Upside	
	Delayed Transition Scenario	Not significant			Not significant			Not significant		
	Current Policies Scenario	Not significant			Not significant			Not significant		
2040	Net Zero 2050 Scenario		Downside				Upside			Upside
	Delayed Transition Scenario	Downside					Upside			Upside
	Current Policies Scenario	Not significant				Downside			Downside	

Upside | Not significant | Downside

Navigating the energy transition is not without its challenges of balancing macroeconomic and geopolitical factors, and value creation for all our stakeholders. To drive growth, we consider various options including selective capital recycling, managing assets for value, leveraging partnerships, as well as the redeployment, repurposing and upgrading of our assets.

Climate-related Disclosures

Strategy *(continued)*

Top Climate-related Transition Risk and Impacts

Risk category: Transition risk
Climate risk driver: Policy risk – increasing carbon prices
Impact: Short-, medium- and long-term

Across our portfolio, our gas-fired power plants in Singapore and the UK are subject to carbon pricing regulations, including Singapore's carbon tax and the UK's emissions trading scheme[1] (ETS) and carbon price support[2]. Our gas-fired power plant in China is currently not subject to the China ETS.

Mitigating actions

The impact from current and emerging regulations is mitigated through the change-in-law provisions in existing utilities and electricity contracts. These provisions allow for carbon cost pass-through to customers, which mitigates the financial impact of increasing carbon prices.

Inputs for anticipated effects

- NGFS' NZS and Current Policies Scenario (CPS) for carbon prices
- For 2030, assessment includes all our gas-fired power plants with merchant capacities – ongoing operations and growth projections. For 2040, assessment includes assets still in operation.

Financial effects

In 2025, the cost of compliance under Singapore's carbon tax, as well as the UK ETS and carbon price support mechanisms, collectively amounted to S$87 million[3]. However, with the carbon cost pass-through mechanism in our existing electricity contracts, there was no impact on our financial performance in 2025.

The table below provides an illustration of anticipated effects on our adjusted EBITDA in the climate scenarios for the relevant GRS business in Singapore and the UK. In the CPS, the impact on our earnings is not significant, as the carbon prices remain the same as announced. However, in the NZS, it is assumed that the higher carbon prices will not be fully passed through in merchant market contracts. This downside is expected to be mitigated by our renewables growth.

	Current Policies Scenario			Net Zero 2050 Scenario		
(S$ million)	<50	50–100	>100	<50	50–100	>100
2030	▬				●	
2040	▬					●

▬ Not significant ● Downside

Assessment of physical risks
Sembcorp's assets may be exposed to both acute and chronic physical risks, which arise from the increasing severity and frequency of extreme weather events, such as floods and tropical cyclones. Increasingly, climate change is also causing shifts in global wind patterns and average temperatures, which may affect renewable energy generation.

In assessing physical risks, we applied asset geo-coordinates to third-party databases to evaluate potential impacts.

[1] An emissions trading scheme usually works on the 'cap-and-trade' principle where a cap is set on the total amount of certain GHGs that can be emitted by sectors covered by the scheme. Within this cap, participants receive free allowances and / or buy emission allowances at an auction or on the secondary market. These allowances can be traded with other participants as needed

[2] The carbon price floor was introduced on April 1, 2013 and is capped at £18/tCO_2 as at December 31, 2025. It affects the fossil fuel-based electricity generation market in the UK by increasing the cost they face for each tonne of carbon dioxide emitted

[3] The figure may be subject to change upon mandatory external assurance post-publication of this report

Scope of assessment	• Subsidiaries where we have control
Time horizon	• 2030 – Considered as medium-term time horizon • 2040 – Considered as long-term time horizon
Rationale for scenario selection	• SSP1-2.6 is an optimistic and low-emissions scenario which informs us of the potential impacts that may arise from low emissions • SSP2-4.5 is a "Middle-of-the-road" scenario and more reflective of the current state of affairs • SSP5-8.5 seeks to present an extreme scenario and informs us of the potential impacts that may arise from high emissions
Financial metric	• Adjusted EBITDA impact from property damage and loss of revenue
Limitations on assessment	• The third-party risk analytics tool references climate models and scenarios assumptions, which could result in underestimation or overestimation of risk exposure • Tropical cyclones are poorly represented in climate models and there is substantial uncertainty around their future evolution

1. **Identify asset exposure**
   Our climate physical risk assessment is conducted annually using a third-party risk analytics tool. By using parameters such as asset location, value and type, the assessment provided insights into the exposure of our assets to a range of physical hazards, such as floods and storm surge, wildfire, extreme wind, heat wave, drought and extreme precipitation. The results of the assessments were aggregated to reflect the overall portfolio physical risk exposure, without accounting for any mitigation measures. Table 3 illustrates the output of the assessment.

   We have observed cyclonic events in and around the locations of our operations based on available historical records. However, the third-party risk analytics tool deployed did not provide future projections due to the high uncertainty surrounding the future evolution of tropical cyclones. Given the observed regional activity, we consider tropical cyclones to be a key hazard.

   As part of our ongoing monitoring system, we observed changes in wind speeds and solar irradiance against historical trends. To assess asset-level risk exposure to these factors, we used data from CMIP6, which provides the most current global climate model data available and forms the basis for the assessments in the IPCC AR6. Given the observed trends, we consider renewable resource variability as a physical risk.

Table 3: Inherent physical risk exposure of our portfolio

Physical hazards	Gas	Solar	Wind	Storage	Urban	Water
Flood and storm surge[4]	Low	Low	Low	Low	Low	Low
Wildfire	Low	Low	Low	Low	Low	Low
Extreme wind	Moderate	Low	Low	Moderate	Low	Low
Heat wave	Low	High	High	Low	High	Moderate
Drought	High	High	High	Moderate	Moderate	High
Extreme precipitation[5]	High	High	High	High	High	High

[4] Risk of flooding from fluvial (river) and pluvial (surface) floods, typically caused by prolonged or extreme rainfall and / or from storm surge for coastal locations

[5] Risk of heavy downpours which can result in flooding even in areas outside designated flood zones

Climate-related Disclosures

Strategy *(continued)*

2. **Assess impact from physical hazards**
   After the identification, we prioritised the assets based on asset value and expected loss. Subsequently, a screening filter using hazard probability measured by return periods[1] was applied.

   For renewable resource variability, we assessed how the potential changes in wind speeds and solar irradiance, based on the CMIP6 models, might impact renewables generation and revenue from our operations.

3. **Prioritise key physical hazards**
   We corroborated the key physical hazards listed in Table 4 against historical weather event footprint records and prioritised assets that have high exposure to the top physical hazards identified – floods, tropical cyclones and renewable resource variability. The resulting impacts are summarised on pages 67 to 68.

   Drought and heat wave were not considered as top hazards as there were no significant impacts arising from historical events.

Table 4: Key physical hazards relevant for our prioritised assets

Key physical hazards	Potential impact	Mitigation measures
Flood and storm surge, extreme precipitation Tropical cyclone	• Business interruption from extreme weather events may result in revenue loss • Property damage from extreme weather events may require repairs and construction, resulting in increased expenditure	• We constructed our gas-fired power plants at an elevation higher than historical flood levels. Other measures adopted, subject to site conditions, include construction of boundary wall and storm water canal to prevent water ingress • We review and monitor risk exposure of our wind and urban assets against baseline requirements of industry standards to minimise damage from tropical cyclones
Drought	• Operation disruptions due to a lack of water may result in revenue loss and / or increased expenditure	• Our inland gas-fired power plant has not experienced any severe drought events historically. Nonetheless, such events are covered under force majeure in our contracts
Heat wave	• Increased cooling cost and reduced productivity due to heat waves may result in increased expenditure	• We monitor ambient temperature and assess its impact on our gas-fired and wind plants, as well as our urban assets
Changes in wind speeds and / or solar irradiance	• Impact on renewable energy generation due to changing wind speeds and / or solar irradiance resulting in revenue impact	• Wind speeds and solar irradiance analyses form a part of every renewable energy project investment case. Besides project-specific analysis, we also adopt geographic diversification to mitigate this risk • We conduct regular performance review of wind speeds and solar irradiance for our operational assets

[1] Return periods are statistical indicators used to describe the likelihood of a hazard event occurring within a given timeframe. They represent probabilistic estimates rather than precise predictions of when an event will happen or how severe it will be, subject to changing climatic conditions

Top Climate-related Physical Risks and Impacts

Risk category: Physical risk
Climate risk driver: Acute physical risk – extreme weather events such as floods and tropical cyclones
Impact: Short-, medium- and long-term

Floods and tropical cyclones present the most immediate concern to our priority assets. In particular, our gas-fired power plants in Bangladesh and Myanmar, industrial warehouses in Vietnam and a wind asset in China are most exposed to this risk.

Mitigating actions

Our assets are designed and constructed in line with industry standards. For the sites identified as being at risk, we implement preventive measures to safeguard our assets against potential extreme weather events. Our gas-fired power plants have been constructed at an elevation, with a surrounding boundary wall to mitigate flood risk. We will continue to assess and monitor potential risks, and we insure our assets appropriately for any extreme weather events.

Inputs for anticipated effects

- Outputs from the SSP1-2.6, SSP2-4.5, and SSP5-8.5 scenarios were used in the physical risk assessment to determine which priority assets are most exposed to physical hazards
- Country-specific inflation rates obtained from the International Monetary Fund

Financial effects

In 2025, some of our assets in India and the UK were impacted by floods. In addition, an asset in Vietnam that was affected by Typhoon Yagi in late 2024, recorded property damage and revenue loss extending into 2025. Collectively, these events did not have a material impact on our financial performance for 2025.

Outputs from a third-party risk analytics tool were used to assess anticipated effects. Our assets in Bangladesh, Myanmar, China and Vietnam were found to be most exposed to the effects of climate-related physical risks. We identified these as priority assets and quantified the anticipated effects in the form of property damage and revenue loss based on insurance deductibles. The anticipated financial effects for these identified assets in 2030 and 2040 are illustrated as follows:

	Adjusted EBITDA Impact *(S$ million)*
2030	33
2040	66

Climate-related Disclosures

Strategy *(continued)*

Risk category: Physical risk
Climate risk driver: Chronic physical risk – renewable resource variability
Impact: Short-, medium- and long-term

Renewable resource variability from changes in wind speeds and solar irradiance may impact our renewable electricity generation and, in turn, earnings from our Renewables business. This risk has the potential to result in both positive and negative financial impacts.

Mitigating actions

We assess the impact of renewable resource variability for potential investment projects and consider geographical and technological diversification as a mitigation strategy. We undertake regular performance reviews of our operational assets, utilising industry-standard weather forecasting tools and historical data.

Inputs for anticipated effects

- SSP2-4.5 and SSP5-8.5 scenarios for changes in wind speeds and solar irradiance
- 2030 and 2040 forecast assumes the generation capacity as of 2025. To isolate the impact of renewable resource variability, other influencing factors such as curtailment, operational constraints and unforeseen system disruptions are not considered

Financial effects

Using wind speeds and solar irradiance as the only variables, we quantified the impact of renewable resource variability on our 2025 electricity generation, benchmarking it against 2024 levels. This analysis is based on a like-for-like comparison, only including the assets that were operational in both years while excluding the impact of new capacity additions. Our assessment indicates a generation gain of 5% compared to 2024, which, all else being equal, would translate to an estimated 4% increase in adjusted EBITDA in 2025 versus 2024.

Our assessment of the anticipated effects of renewable resource variability on adjusted EBITDA in 2030 and 2040, compared with 2025 levels, illustrates a low impact.

	SSP2-4.5			SSP5-8.5		
(S$ million)	<50	50–100	>100	<50	50–100	>100
2030	Downside			Upside		
2040	Upside			Not significant		

Upside · Not significant · Downside

Top Climate-related Opportunities and Impacts

Products and services: Deployment of renewable energy solutions
Impact: Short-, medium- and long-term

Looking ahead, renewables growth across China, India, Middle East and Southeast Asia is expected to remain robust, with over 1,650GW of new build capacity between 2024 and 2028[1].

Performance

As at December 31, 2025, our gross installed renewable energy capacity stands at 15GW.

Target

Grow gross installed renewable energy capacity to 25GW by 2028.

Capital investment

Our capital allocation plan is under review, and an update will be provided in due course. In 2025, we utilised S$616 million[2] to grow our Renewables segment.

For more information on our key developments in the Renewables segment, please refer to the Operating and Financial Review section on pages 21 to 23.

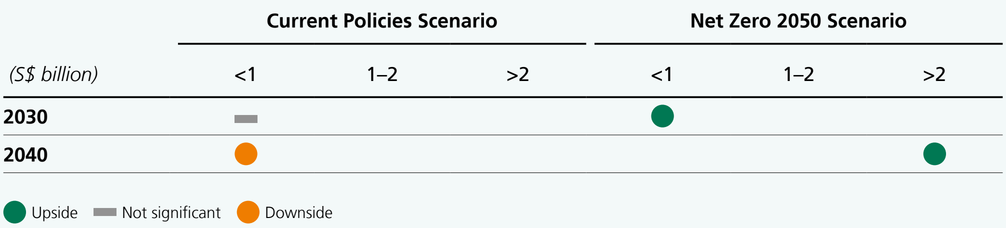
Inputs for anticipated effects

- NGFS' NZS and CPS for renewables generation and electricity prices. To isolate the impact of renewables growth in the climate scenarios, other influencing factors such as renewable resource variability, curtailment, operational constraints and unforeseen system disruptions are not considered
- Sembcorp's forecasted capacity for the renewables portfolio in 2030 and 2040

Financial effects

Adjusted EBITDA for the Renewables segment was S$723 million in 2025. The financial performance and financial position of our Renewables segment are disclosed in Note B1 in the Notes to the Financial Statements on page 142.

Our assessment of the anticipated effects of the deployment of renewable energy solutions on our adjusted EBITDA in the NZS shows upsides in earnings, mainly driven by increased renewables demand in the scenario datasets. Under the CPS, we observe a low downside in the 2040 renewables earnings growth due to reduced renewable energy demand.



[1] GlobalData (2025)
[2] S$616 million consists of S$466 million in capital expenditure and S$150 million in equity investment

Strategy *(continued)*

Products and services: Deployment of firming[1] technologies
Impact: Medium- and long-term

In markets where the grid is constrained, energy storage is a key enabler for the continued growth of renewable energy. Energy storage technology provides firming for intermittent renewables by storing the energy to help maintain grid stability and dispatching the energy when needed.

Sembcorp India is currently working on round-the-clock (RTC) and firm and dispatchable renewable energy (FDRE) projects to ensure 24/7 power supply. India's FDRE and RTC sectors are emerging as growth areas. In November 2025, Sembcorp was awarded a 150MW FDRE and 50MW RTC power project by SJVN Limited and Solar Energy Corporation of India Limited (SECI) respectively in India. Sembcorp will install approximately 1.1GW of solar and BESS to meet the contracted capacity.

Performance	As at December 31, 2025, our gross installed renewable energy capacity stands at 15GW.
Target	Grow gross installed renewable energy capacity to 25GW by 2028.
Capital investment	Our capital allocation plan is under review, and an update will be provided in due course. In 2025, we utilised S$616 million to grow our renewable energy portfolio. *For more information on our key developments in firming technologies, please refer to the News and Insights section of our webpage.*
Financial effects	Our financial effects from the Renewables segment are reflected in the 'Deployment of renewable energy solutions' opportunity on page 69.

Products and services: Deployment of decarbonisation solutions
Impact: Medium- and long-term

Over 100 countries have adopted net-zero pledges through legislation, policy documents or long-term strategies, covering approximately 82% of global emissions. Decarbonisation solutions such as green power import, green fuels, renewable energy certificates and carbon credits are expected to become increasingly relevant and in demand as the world transitions to a low-carbon economy.

Sembcorp is well-positioned to capitalise on these emerging opportunities. Biomethane, which can be blended with natural gas, has the potential to replace natural gas partially. While it is relatively more affordable compared to other low-carbon options, it continues to be priced at a premium. Sembcorp is participating in the 300MW biomethane Call for Proposal launched by Singapore's EDB. The sandbox aims to catalyse market development while testing commercial viability and operational frameworks. We are also exploring other innovations such as solid oxide fuel cells, which offer high-efficiency, low-emission power generation with the potential for carbon capture to complement the continued use of natural gas.

Capital investment	Our capital allocation plan is under review, and an update will be provided in due course. *For more information on our key developments in the Decarbonisation Solutions, please refer to the Operating and Financial Review section on pages 27 to 29.*
Financial effects	The decarbonisation solutions described are still at an early stage. Given the limited visibility on future demand of decarbonisation solutions at this point, we are unable to quantify the financial effects.

[1] Firming refers to technologies that enhance the reliability and stability of renewable energy sources to reduce its variability and intermittency

From our assessment of the listed top climate-related risks and opportunities identified for this reporting period, we have not identified any such risks or opportunities that give rise to a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the financial statements. Key estimates and judgments relevant to our operations and strategy are disclosed in the Notes to the Financial Statements 2025. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Our Climate Action Targets

We launched our climate change strategy in 2018 and unveiled our inaugural strategic plan in 2021, setting out our plans and targets for 2025. In the short span of two years, we met our 10GW gross installed renewables capacity target and achieved emissions intensity of 0.29 tonnes of carbon dioxide equivalent per megawatt-hour (tCO_2e/MWh).

In 2023, in response to the progress we made against our targets, we announced updated targets of 25GW renewables capacity and $0.15tCO_2e/MWh$ emissions intensity by 2028, maintaining the absolute emissions target of 2.7 million tCO_2e by 2030.

Following the early progress in the rapid scale-up of renewables, the energy transition has entered a more difficult and uncertain phase, requiring governments to balance grid integration with the intermittency of renewable energy, as well as energy security amid increasing energy demand. We recognise the critical role that energy companies play in providing reliable thermal baseload capacity as we continue to grow renewable energy capacity.

For more information on the challenges of the energy transition and the dependencies on which our Climate Action Plan relies, please refer to the Strategy section on pages 59 to 61.

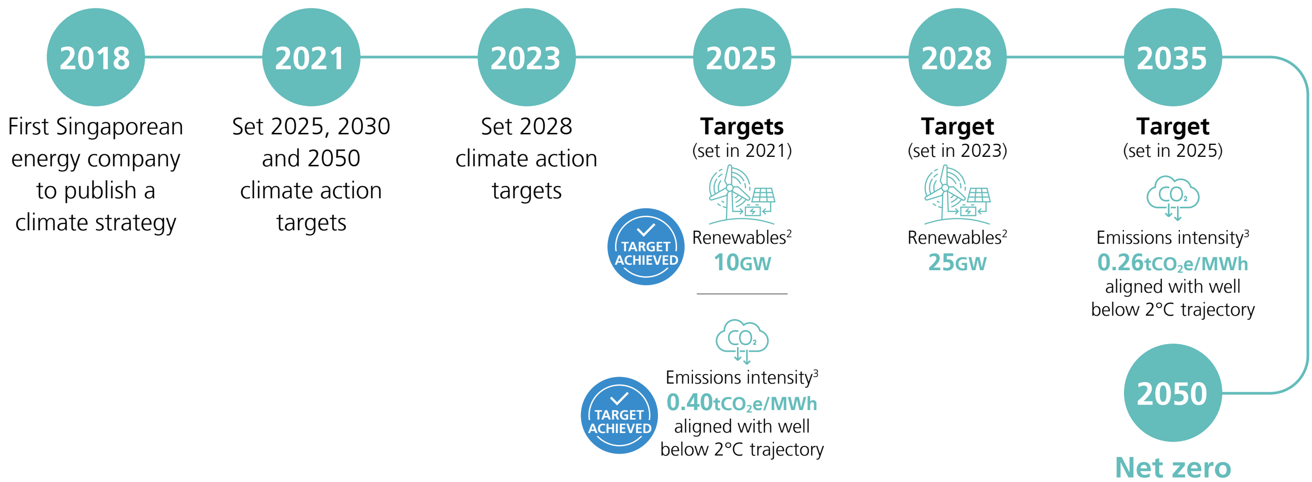
We announced the proposed acquisition of Alinta Energy in December 2025. Alinta is an integrated Australian energy player with installed and contracted generation capacity across coal, gas, wind and solar, and offers access to 10.4GW of potential development pipeline in Australia comprising renewables and firming systems. Australia's legislated net-zero mandate provides confidence in the country's commitment to decarbonisation, and we will partner with government and stakeholders to support their energy transition journey.

For more information on the proposed acquisition, please refer to the Events section on our Creating Shareholder Value webpage.

In view of this acquisition, Sembcorp expects its emissions to increase in the near-term before declining. As such, Sembcorp will not meet its 2028 emissions intensity and 2030 absolute emissions targets announced in 2023. Sembcorp is committed to not investing in any greenfield or standalone coal generation assets in the countries it operates that do not have a path for transition.

Our updated climate action targets are as follows:

- By 2028, grow gross installed renewable energy capacity[2] to 25GW
- By 2035, achieve emissions intensity[3] of $0.26tCO_2e/MWh$
- By 2050, deliver net-zero emissions (Scope 1 and 2)



[2] Gross installed renewable energy capacity refers to gross capacity of the plant at commercial operation date (in megawatt alternating current for wind, solar and hydropower, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

[3] GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations referencing the GHG Protocol. It covers subsidiaries, joint ventures and associates

Strategy *(continued)*

Sembcorp's diversified energy portfolio helps countries navigate the multi-faceted challenges of the energy transition. Renewables drive decarbonisation, while reliable thermal baseload capacity ensures security and stability for sustained growth. Alongside firm and hybrid renewables projects, Sembcorp's gas-fired generation portfolio delivers efficient and accessible energy during this transition. Our gas-fired power plants achieved industry-leading reliability of 99.8% in FY2025 – outperforming the global benchmark[1].

Since our Investor Day in 2023, there have been key changes to our portfolio including:

- Transfer of 67%-owned Phu My 3 Build-Operate-Transfer power project joint venture in Vietnam, a 0.7GW gas-fired plant, to EVN upon its concession expiry in 2024
- Divestment of 49%-owned joint venture Chongqing Songzao power plant in China, a 1.3GW coal-fired plant, previously impaired in 2021, was completed in 2024
- Increase of stake in Senoko Energy Singapore from 30% to 50% in 2025. Senoko has 2.6GW of registered generation capacity
- Proposed acquisition of 100% interest in Alinta Energy Australia in December 2025. The Alinta portfolio includes 3.4GW of installed and contracted generation capacity across coal, gas, wind and solar assets

With past and current changes to our portfolio, our base year emissions have been re-based to account for emissions arising from the proposed acquisition of Alinta Energy and other acquisitions, divestments and concession expiry. The 2023 base year emissions take into account key corporate actions with effect from 2024, referencing the GHG Protocol on base year recalculation. This updated base year data which accounts for emissions on an equity basis (including joint ventures and associates) was consequently used to set the 2035 target.

Our target setting approach

Recognising that the pace and scale of transition to net zero will depend on each country's capacities, constraints and local realities, we have adopted a country-specific lens to establish the Group's future trajectory. We used publicly available scenario datasets (including regional- or country-specific scenarios where available) published or used by the IPCC AR6 and third-party databases, such as the NGFS, BloombergNEF and Inevitable Policy Response by United Nations Principles for Responsible Investment. These scenarios and resultant trajectories reflect structural differences across countries and represent the contribution of our markets. The country-level trajectories are weighted based on Sembcorp's country concentration and aggregated to derive our group-level trajectories.

These trajectories collectively formed a range that provided a backdrop to our strategic review process, which is informed by the macroeconomic outlook and industry conditions, as well as the risks, opportunities and uncertainties we face across our markets. Based on this assessment, we set our emissions intensity target within the well below 2°C trajectory. The target and methodology have been independently assured on a limited basis[2]. Our 2050 target of net-zero emissions remains consistent with the requirements to limit global warming to 1.5°C.

Our target review approach

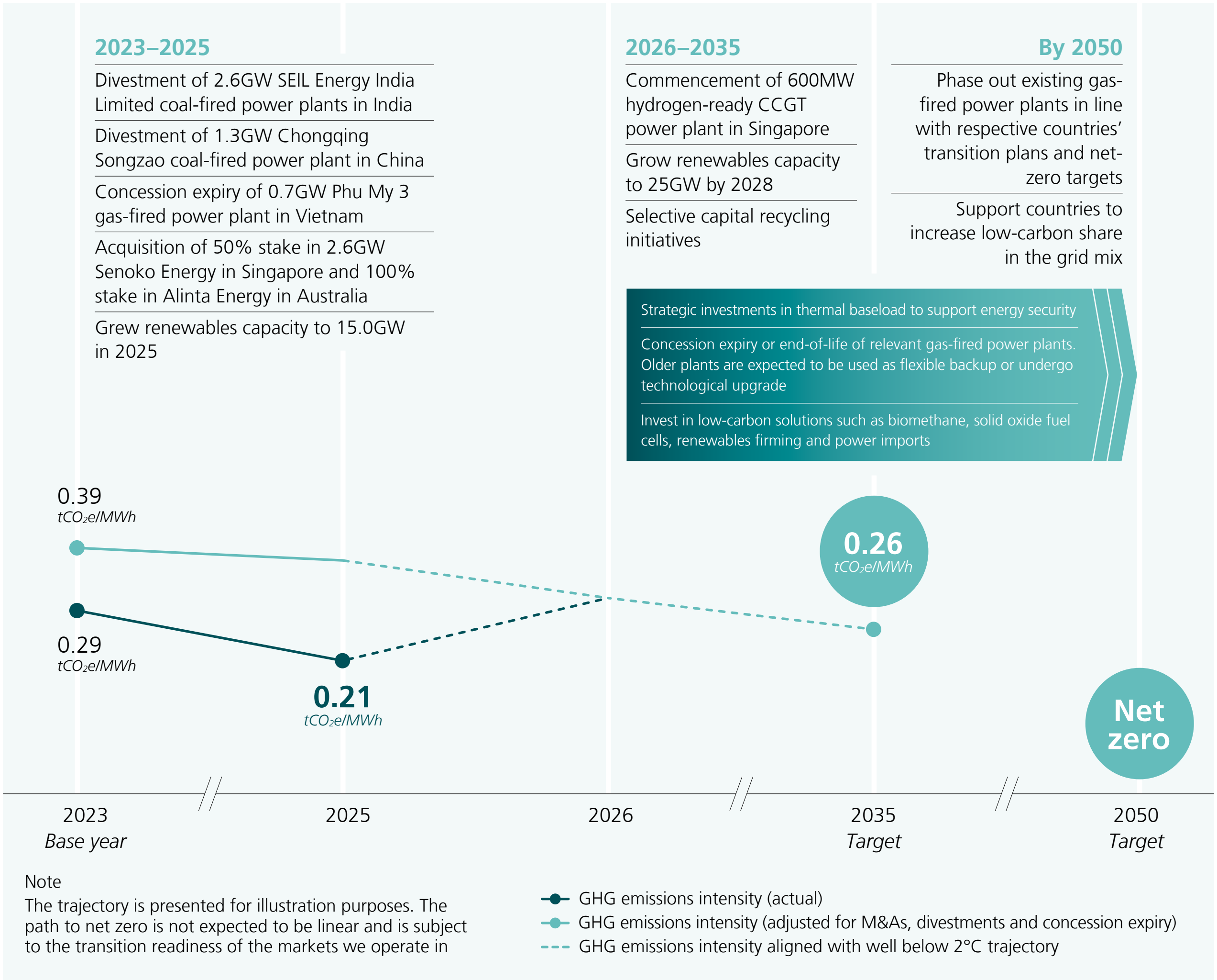
As an energy company supporting the energy transition, we are attuned to the changing facets of energy systems and technologies, as well as its risks and opportunities. We seek to be responsive to market dynamics and local realities and will review our targets as part of our strategic review cycle, or in cases of major trigger events such as mergers, acquisitions (M&A) or divestments that result in a change of more than 10% of base year emissions intensity.

Our Climate Action Plan

The path to net zero is not expected to be linear and will be dependent on numerous factors, including clear and stable policy signals and commitment, as well as modern grid infrastructure that integrates flexibility, interconnection and storage. The transition to a lower-carbon future requires transformative changes to energy sector players and systems, particularly in markets that are deeply entrenched in fossil fuel infrastructure and power purchase agreements. As the world reduces its reliance on fossil fuels, reliable and accessible renewable energy, as well as low-carbon feedstock, must be scaled up to meet the needs of industry. We believe that gas will play an important role in the transition.

[1] Benchmarked against Strategic Power Systems, Inc. (SPS)'s global Operational Reliability Analysis Program (ORAP®) factor of 97.2% as at 3Q2025. The ORAP® program is a voluntary database and benchmarking initiative covering over 3,000 turbine units globally. This Data has been obtained directly from ORAP®. All rights in and to such Data are reserved by SPS

[2] Independent Limited Assurance Report by ERM CVS Australia Pty Ltd can be found on pages 88 to 89



Sembcorp's existing gas-fired power plants remain crucial in meeting the energy demands of Asia. Our highly contracted position on these assets provides steady and predictable cash flow to fuel the growth of our Renewables business, as we manage our gas-fired generation portfolio to support Asia's energy needs.

Our decarbonisation levers

We will pursue three key levers to meet our 2035 and 2050 targets.

- **Grow renewables**
  Growing our renewable energy capacity continues to be a key lever to advance the energy transition. Increasingly, energy storage technologies will be an enabler to manage the intermittent nature of renewables and integration with the grid.

  For more information on our strategy for Renewables, please refer to the Operating and Financial Review section on pages 21 to 23.

- **Manage emissions**
  Some of our older gas-fired power plants are expected to be used as a flexible backup or undergo technological upgrades, while others will reach concession expiry or technical end-of-life.

  We will continue to manage our assets for value, including possible divestments and capital recycling. Efficiency improvements will also be pursued via optimisation projects. The use of carbon credits to meet the Group's emissions intensity target is not a consideration at this point. However, some of our plants may come under compliance carbon markets.

Strategy *(continued)*

- **Invest in low-carbon initiatives**
  Low-carbon technologies development continues to be nascent. In Singapore's First Biennial Transparency Report 2024, the Singapore government has indicated that the potential start date of implementation for low-carbon electricity import will be from 2028, and carbon capture, utilisation and storage technologies will be from 2030. We continue to take a disciplined and calculated approach to invest in low-carbon initiatives, building capabilities and networks. These projects include low-carbon electricity imports, electricity generation from solid oxide fuel cells with carbon capture, as well as biomethane; and low-carbon feedstock production such as green hydrogen and ammonia.

Table 5: 2025 progress of our key decarbonisation levers

Key decarbonisation levers	2025 progress
Grow renewables • Grow gross installed renewable energy capacity to 25GW by 2028	• Grew our gross installed renewable energy capacity from 13.1GW in 2024 to 15.0GW in 2025 • Awarded its first RTC power project of approximately 300MW of solar, wind and energy storage from SECI • Awarded a 150MW FDRE project for India's Inter-State Transmission System
Manage emissions • Expiry of concession • Manage gas-fired generation portfolio for value • Implement optimisation projects to improve efficiency	• Our global energy and water facilities undertook 15 energy optimisation projects that led to a reduction of close to 24,000MWh of electricity consumed, equivalent to over 10,000tCO_2e emissions avoided
Invest in low-carbon initiatives • Renewable energy imports and firming technologies • Low-carbon technologies for electricity generation • Low-carbon feedstock production	• Entered into a joint venture agreement with Bharat Petroleum Corporation Limited to explore renewable energy and green hydrogen projects across India • Granted conditional approval by the EMA of Singapore to import around 1GW renewable energy from Sarawak, Malaysia to Singapore • Construction of a new 600MW hydrogen-ready CCGT power plant in Singapore • Signed a Memorandum of Understanding (MoU) with India's Government of Odisha to explore the development of a production facility for green hydrogen and its derivatives, with an anticipated production capacity of 720,000 metric tonnes per annum • Signed two MOUs with V.O. Chidambaranar Port and Paradip Port Authorities in India to develop an integrated ecosystem for production and handling of green hydrogen and its derivatives in and around these ports

Financial Planning 2023–2028

Capital expenditure and allocation

In 2023, we presented our five-year investment plan which was projected to be S$14 billion. 75% was expected to be invested in renewable energy, and 10% of the investment will be allocated to exploring and expanding our decarbonisation solutions, including green hydrogen and ammonia projects, power imports and carbon management solutions. The remaining 15% was allocated for investments in the Integrated Urban Solutions business, as well as business-as-usual requirements.

Our capital allocation plan is under review, and an update will be provided in due course.

For more information on our investments in renewable energy, firming and low-carbon technologies, please refer to the Operating and Financial Review section on pages 21 to 23 and 27 to 29 respectively.

Access to capital

2021 marked Sembcorp's first foray into sustainable finance with our inaugural S$400 million green bond and S$675 million sustainability-linked bond. Proceeds from these issuances supported the Group's strategic transformation plan.

For more information, please refer to the Sustainable Finance: Annual Update 2025 on page 47.

In line with our strategic plan and targets for 2028, we updated our Green Financing Framework (2024) to include new eligible green project categories, supporting our commitment to tap on sustainable financing instruments for capital raising. Following which, we issued a S$350 million green bond under our Green Financing Framework (2024) in October 2024.

As at December 31, 2025, the borrowing facilities under our Green Financing Frameworks and Sustainable Financing Framework stood at S$5.1 billion[1], of which S$3.6 billion[1] are outstanding borrowings.

For more information on our Green and Sustainable Financing Frameworks and reports, please refer to the Fixed Income section on the Creating Shareholder Value webpage.

Acquisitions and divestments
Between 2024 and 2025, we announced a total of 659MW of renewables capacity, 2.0GW of gas-fired capacity and 1.1GW of coal-fired capacity, which include projects pending completion. We also completed the divestment of the Sembcorp Environment business.

Direct cost
In our existing operations, we have integrated a carbon budget assessment as part of our annual financial budget and forecast exercise. The output of this assessment provides country-specific GHG emissions and carbon cost forecast. This forecast forms the basis for the setting of the market's emissions intensity targets.

Metrics and Targets

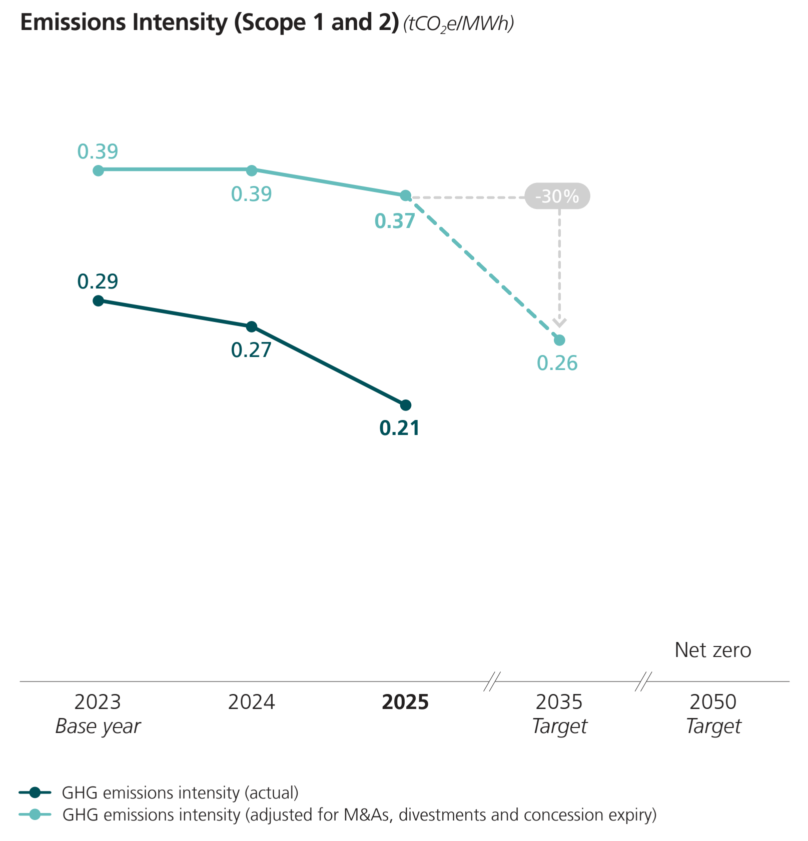
Key metrics, including disaggregated emissions, renewables capacity, capital deployment and internal carbon price, can be found in the Supplemental Information: Performance Indicators section on page 76.

Our 2028 emissions intensity target was updated in 2025. As part of this update, the 2023 base year was adjusted for changes in our portfolio, and a new target year of 2035 was set.

Figure 4 shows our emissions intensity performance. GHG emissions intensity[2] reduced to 0.21tCO_2e/MWh in 2025, driven by the reduction in absolute GHG emissions and increase in our renewable energy generation.

An illustration of the adjusted emissions intensity, accounting for the impact from M&As, divestments and concession expiry, has been provided in Figure 4.

Figure 4: Performance against emissions intensity target



[1] Values are derived using December 2025 month-end closing exchange rates

[2] GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations referencing the GHG Protocol. It covers subsidiaries, joint ventures and associates

Performance Indicators

Climate Action

	Unit	2025	2024	2023	GRI/ISSB
Energy Transition*					
GHG emissions[1]					
Scope 1 emissions[2]	$ktCO_2e$	**7,425.4**	9,054.0	10,183.9	305-1
Subsidiaries	$ktCO_2e$	**4,345.4**	–	–	S2 (29)
Joint ventures & associates	$ktCO_2e$	**3,080.0**	–	–	
Scope 2 emissions[3]	$ktCO_2e$	**282.9**	233.7	288.1	305-2
Subsidiaries	$ktCO_2e$	**193.7**	–	–	S2 (29)
Joint ventures & associates	$ktCO_2e$	**89.2**	–	–	
Scope 3 emissions[4]	$ktCO_2e$	**15,340.2**	15,230.0[r1, r2]	16,988.1[r1]	305-3
Category 3 – Fuel- and energy-related activities	$ktCO_2e$	**2,876.1**	3,107.4[r1]	2,878.2[r1]	
Category 11 – Use of sold products	$ktCO_2e$	**2,596.3**	2,429.5[r2]	3,571.8	
Category 15 – Investments	$ktCO_2e$	**9,867.8**	9,693.1	10,538.1	
Biogenic emissions[5]					
Direct biogenic emissions	$ktCO_2$	**343.0**	576.7	563.3	305-1
Indirect biogenic emissions	$ktCO_2$	**282.6**	115.0	106.5	305-3
GHG emissions intensity[6]	tCO_2e/MWh	**0.21**	0.27	0.29	305-4
Reliability factor[7]	%	**99.8**	–	–	–
Climate Risks (Climate-related Disclosures – Metrics)					
Gross installed renewable energy capacity[8]	GW	**15.0**	13.1	9.4	–
Business activities vulnerable to transition risks[9]	S$ billion | %	**1.0 | 50**	–	–	S2 (29)
Assets vulnerable to physical risks[10]	S$ billion | %	**1.9 | 13**	–	–	
Business activities aligned to climate-related opportunities[11]	S$ million | %	**723 | 36**	–	–	
Capital deployment for climate-related opportunities[12]	S$ million	**626**	–	–	
Internal carbon price (range)[13]	$S\$/tCO_2e$	**25 to 183**	–	–	
SGX Core ESG Metrics – Environmental*					
Energy[r3]					
Total energy consumption within Sembcorp[14]	PJ	**37.6**	37.0	38.7	302-1
Total energy consumption within energy generation assets	PJ	**35.9**	35.3	36.9	
Energy intensity of our energy generation assets[15]	GJ/MWh	**1.4**	1.6	1.7	302-3
Water[r3]					
Water consumption within Sembcorp					303-5
All areas (total)	ML	**12,410.8**	11,284.5	12,527.0	
Stressed areas	ML	**4,916.9**	3,711.9	4,545.1	
Freshwater consumption intensity for energy generation assets[16]	m^3/MWh	**0.24**	0.25	0.30	–
Waste					
Waste generation within Sembcorp	kt	**72.3**	150.7	141.2	306-3
Non-hazardous waste	kt	**34.2**	103.2	92.1	306-3
Ash	kt	**0.0**	63.6	56.8	
Operations and maintenance waste	kt	**0.5**	0.9	0.7	
Sludge	kt	**32.8**	34.9	29.9	
Others	kt	**0.9**	3.8	4.7	
Hazardous waste	kt	**38.2**	47.6	49.1	306-3
Operations and maintenance waste	kt	**13.2**	16.1	18.1	
Ash	kt	**11.4**	15.5	14.1	
Sludge	kt	**11.0**	14.7	15.6	
Oil and chemical waste	kt	**1.3**	1.0	0.9	
Electronic waste	kt	**0.01**	0.01	0.01	
Others	kt	**1.2**	0.3	0.5	

Empowering Lives

	Unit	2025		2024		2023		GRI
Human Capital Management[17]								
Employment								
Number of employees	*number*	**4,629**		5,347		5,063		2-7
Male	*number* | %	**3,578**	**77**	4,235	79	3,980	79	
Female	*number* | %	**1,051**	**23**	1,112	21	1,083	21	
Breakdown of employees by age group								405-1
<30 years	%	**19**		17		16		
30–49 years	%	**63**		61		60		
≥50 years	%	**18**		22		24		
Percentage of females								405-1
Senior management[18]	%	**16**		19		21		
Board of directors	%	**20**		20		20		
New employee hires	*number* | %	**874**	**19**	1,202	23	1,069	22	401-1
New hires by gender[19]								401-1
Male	%	**20**		22		21		
Female	%	**17**		24		25		
New hires by age group[19]								401-1
<30 years	%	**39**		47		43		
30–49 years	%	**15**		21		21		
≥50 years	%	**10**		8		8		

'–': Data not available / disclosed

* Any discrepancies between the total and the sum of individual amounts are due to rounding

Measurement units:

$ktCO_2e$: kilotonnes of carbon dioxide equivalent

$ktCO_2$: kilotonnes of carbon dioxide

tCO_2e/MWh: tonnes of carbon dioxide equivalent per megawatt-hour

GW: gigawatt

tCO_2e: tonnes of carbon dioxide equivalent

PJ: petajoules or 1,000,000 GJ

GJ/MWh: gigajoule per megawatt-hour

ML: megalitres or 1,000m^3

m^3/MWh: cubic metres per megawatt-hour

kt: kilotonnes

r1 We restated Category 3 emissions due to reporting methodology refinement and reclassification arising from load utilisation activities from Category 11 emissions

r2 We restated Category 11 emissions due to the exclusion of natural gas which is conveyed through our network but not owned nor sold by Sembcorp

r3 We restated our Energy and Water data for 2024 and 2023 due to refinement of reporting scope to align with financial reporting boundaries

1 GHG emissions and related targets include carbon dioxide (CO_2), methane, nitrous oxide, hydrofluorocarbons and sulphur hexafluoride. We use equity share approach for GHG emissions accounting which aligns with our financial accounting approach. Formulas and emission factors used for calculating 2025 figures are from:

- i Electricity CO_2 emission factors by China Ministry of Ecology and Environment, as well as National Bureau of Statistics of China
- ii Clean Development Mechanism – CO_2 Baseline Database by Central Electricity Authority of India
- iii Energy Market Authority, Singapore
- iv Guidelines for Accounting Methods and Reporting of GHG Emissions by Chinese chemical manufacturers
- v International Energy Agency
- vi Intergovernmental Panel on Climate Change Guidelines for National GHG Inventories
- vii United Kingdom (UK) Department for Net Zero and Security GHG Conversion Factors for Company Reporting
- viii Financed Emissions Standard by the Partnership for Carbon Accounting Financials

2 Direct (Scope 1) GHG emissions data covers entities that produce GHGs from fossil fuel combustion and fugitive emissions in our operations

3 Energy indirect (Scope 2) GHG emissions include location-based data for all our Gas and Related Services (GRS), Renewables, Integrated Urban Solutions (IUS) and Decarbonisation Solutions segments. The data for IUS includes tenants' electricity consumption under operational leases. In Singapore, our operations purchase energy from our own assets, and to avoid double counting, the emissions from these have been accounted for under Scope 1 GHG emissions

4 Indirect (Scope 3) GHG emissions reported include: Fuel- and energy-related activities (Category 3), Use of sold products (Category 11), and Investments (Category 15); which together account for majority of our Scope 3 emissions. The proportional emissions of SEIL Energy India Limited have been accounted for under Category 15 since January 2023. Category 3, 11 and 15 emissions are calculated based on average-data method, direct use-phase emissions, and investment specific method respectively. The total Scope 3 GHG emissions for 2024 and 2023 has been restated as per r1 and r2

5 Referencing the GHG protocol, direct and indirect biogenic emissions are reported separately from the combustion of biomass and not included in Scope 1 and Scope 3 respectively

6 GHG emissions intensity refers to the Group's total GHG direct emissions (Scope 1) from its activities, indirect emissions (Scope 2) from its energy consumption and biogenic emissions from bioenergy feedstocks, divided by total energy generated and purchased, as calculated using an equity share approach for all operations referencing the GHG Protocol. It covers subsidiaries, joint ventures and associates. The intensity figures for historical years do not take into account the effect of current year *pro rata* emissions

7 Calculation of reliability factor follows methodology established by the Strategic Power Systems, Inc. (SPS)'s global Operational Reliability Analysis Program (ORAP®). The ORAP® is a voluntary database and benchmarking initiative covering over 3,000 turbine units globally. This Data has been obtained directly from ORAP®. All rights in and to such Data are reserved by SPS

8 Gross installed renewable energy capacity refers to gross capacity of the plant at commercial operation date (in megawatt alternating current for wind, solar and hydropower, and in megawatt-hour for energy storage) as specified in the grid connection agreement or as permitted (assumes 100% ownership of the facility). Figure excludes acquisitions pending completion and projects secured or under construction

9 Our GRS segment is exposed to transition risk of carbon pricing. Figures reflect adjusted EBITDA of GRS segment, and its share in total adjusted EBITDA

10 Based on the outputs from a third-party risk analytics tool used to assess anticipated effects, we identified priority assets most exposed to physical risks. Figures reflect asset value of these priority assets, and their share in total value of all our assets under our control

11 Reflects the adjusted EBITDA of our Renewables segment, and its share in total adjusted EBITDA

12 Reflects capital expenditure and equity investment of Renewables and Decarbonisation Solutions segments

13 We adopt country-specific carbon prices to conduct scenario analysis and assess impacts to our GRS segment. The figures reflect the range of carbon prices used for the operations subject to carbon pricing regulations in 2025

14 Total energy consumption within Sembcorp is calculated using fuel consumption (natural gas, waste, biomass, fuel oil, diesel and petrol) + energy purchased for consumption + self-generated electricity (renewables) – total energy sold

15 Energy intensity is calculated using energy consumed (within the organisation) as the numerator (GJ), and gross energy generated (MWh) as the denominator

16 Freshwater consumption intensity for energy generating assets is calculated using total freshwater consumption as the numerator, and total energy generated as the denominator. Freshwater includes municipal water supply, surface water and groundwater; it excludes seawater

17 Human Capital Management data relates to permanent and contract employees of Sembcorp and its subsidiaries

18 Senior management is defined as employees who have the designation of senior vice president and above

19 New hires by gender and age group is the percentage of new hires by gender / age group over the total number of employees in the respective gender / age group category

Performance Indicators

Empowering Lives *(continued)*

	Unit	2025	2024	2023	GRI
Human Capital Management[17] *(continued)*					
Employment *(continued)*					
Employee turnover[20]	*number* | %	**818 | 18**	977 | 18	1,024 | 21	401-1
Turnover rate by gender[21]					401-1
Male	%	**18**	18	21	
Female	%	**17**	21	18	
Turnover rate by age group[21]					401-1
<30 years	%	**21**	16	19	
30–49 years	%	**17**	17	17	
≥50 years	%	**18**	24	29	
Training and education					
Average learning hours per employee	*hours per employee*	**26.5**	24.0	21.1	404-1
Male	*hours per employee*	**26.3**	23.0	21.6[r4]	
Female	*hours per employee*	**27.2**	27.8	19.1[r4]	
Number of employees and partners upgraded[22]	*number*	**1,983**	623	726	–
Community Investment					
Community investments	*S$ million*	**6.2**	4.9[r5]	4.4[r5]	201-1
Operations with local community engagements and / or development programmes	%	**100**	100	88	413-1

Resilient Business

	Unit	2025	2024	2023	GRI
Health and Safety[23]					
Work-related injuries and ill health					
Work-related fatalities	*number*	**1**	3	1	403-9
Employee	*number*	**0**	0	1	
Contractor	*number*	**1**	3	0	
High-consequence injury cases[24]	*number*	**0**	1	0	403-9
Employee	*number*	**0**	1	0	
Contractor	*number*	**0**	0	0	
Lost work-day cases[25]	*number*	**5**	17	15	403-9
Employee	*number*	**2**	9	9	
Contractor	*number*	**3**	8	6	
Occupational diseases	*number*	**0**	0	0	403-10
Employee	*number*	**0**	0	0	
Contractor	*number*	**0**	0	0	

Resilient Business *(continued)*

	Unit	2025	2024	2023	GRI
Health and Safety[23] *(continued)*					
Work-related injuries and ill health *(continued)*					
Fatal accident rate[26]	*per million man-hours*	**0.03**	0.09	0.04	403-9
Employee	*per million man-hours*	**0.00**	0.00	0.08	
Contractor	*per million man-hours*	**0.04**	0.14	0.00	
Lost time injury rate[27]	*per million man-hours*	**0.2**	0.5	0.5	403-9
Employee	*per million man-hours*	**0.2**	0.7	0.7	
Contractor	*per million man-hours*	**0.1**	0.4	0.4	
Total recordable injury rate[28]	*per million man-hours*	**0.7**	1.0	1.0	403-9
Employee	*per million man-hours*	**0.8**	1.4	1.3	
Contractor	*per million man-hours*	**0.6**	0.9	0.8	
Occupational disease rate	*per million man-hours*	**0.0**	0.0	0.0	403-10
Employee	*per million man-hours*	**0.0**	0.0	0.0	
Contractor	*per million man-hours*	**0.0**	0.0	0.0	
Number of man-hours worked	*million man-hours*	**33.6**	33.4	28.4	403-9
Employee	*million man-hours*	**9.8**	12.4	13.0	
Contractor	*million man-hours*	**23.8**	21.0	15.4	

Risk Governance

	Unit	2025	2024	2023	GRI
IAF implementation across LOBs[29]	%	**100**	100	100	–
Total number and monetary value of significant[30] fines paid during the reporting period	*number | S$ thousands*	**2 | 2,026[31]**	0 | 0	2 | 560[32]	2-27
Operations[29] assessed for risks related to corruption	%	**100**	100	100	205-1
Employee completion of ABC training[33]	%	**100**	100	100	205-2
Confirmed incidents of corruption	*number*	**0**	0	0	205-3

[r4] We restated our average learning hours per employee by gender for 2023 due to the figures being inadvertently interchanged

[r5] We restated our community investment figures for 2024 and 2023 due to data aggregation error at one of our operations

[20] Employee turnover covers both voluntary and involuntary turnover

[21] Rate of employee turnover by gender and age group is the percentage of employee turnover by gender / age group over the total number of employees in the respective gender / age group category

[22] Upgraded employees and partners refer to Sembcorp employees, contractors and the general public who completed eligible programmes developed or supported by Sembcorp, as well as recipients of scholarships and / or bursaries funded by Sembcorp

[23] Group Health and Safety Performance is reported and recorded in accordance with the reporting requirements defined in the GHSSE Health and Safety Performance Reporting Standards. The principles adopted in our standards are consistent with the general principles of the GRI Standards, the IOGP Reporting Standards, and guidelines by the US NIOSH. Occupational health and safety data covers employees and contractors in our operational assets, assets under construction and administrative offices

[24] High-consequence injuries refer to injuries that result in permanent disability and / or injuries that require long-term follow-up such as physiotherapy treatment and where the individual is not expected to recover fully to pre-injury health status within six months

[25] Lost work-day count begins the day after the onset of the accident. "Day" refers to calendar day. It includes high-consequence work-related injuries, which refer to injuries that result in permanent disability and / or injuries that require long-term follow up such as physiotherapy treatment and where the individual is not expected to recover fully to pre-injury health status within six months

[26] Fatal accident rate is defined as the number of fatalities per 100 million man-hours worked

[27] Lost time injury rate is defined as the number of lost work-day cases per million man-hours worked

[28] Total recordable injury rate is defined as the number of fatalities, lost work-day cases, medical treatment cases, and restricted work cases per million man-hours worked

[29] Coverage follows the reporting scope of this Sustainability Report

[30] Refers to individual fines that are equal to or above S$50,000 that are paid during the financial year

[31] Incurred by our UK renewables operations which include S$1,942,000 for a delay in delivering battery energy storage system project to the National Grid in 2024 outlined by the regulator, as well as S$84,000 for exceeding emissions targets under the GHG Emissions Trading Scheme Order 2020 in 2022

[32] Consists of a contribution of approximately S$485,000 by our UK waste-to-resource operations to a wildlife trust alongside a commitment to implement improvements in respect of certain internal procedures and processes which the company has completed. This is a settlement in relation to a 2021 investigation of the misclassification of bottom ash waste. The regulator concluded that there was no actual pollution arising from the misclassification. There was also an additional recovery cost of approximately S$6,000 paid in 2024

The remaining S$75,000 of the reported amount pertains to a fine incurred by our solid waste management operations in Singapore in 2023 due to a failure to meet contractual obligations outlined by the regulator. Remediation actions were implemented to prevent any such incident in the future

[33] Refers to employees as at October 31, 2025. New hires are given more time to complete ABC training as part of their onboarding

GRI Content Index

Sembcorp Industries has reported the information in this GRI content index for the period January 1 to December 31, 2025 with reference to the GRI Standards.

We report all sustainability data, with the exception of GHG emissions data, using an operational control approach. All operations, joint ventures, partnerships and associates where Sembcorp does not have control are excluded. We report our absolute emissions and emissions intensity using an equity share approach. Data on health and safety, as well as community investments from our assets under construction is included.

✓ Assured by KPMG as part of the review of Sembcorp's financial statements. The Independent Auditor's Report can be found on pages 118 to 122.

✓ Assured by DNV as part of the independent limited assurance of the Sustainability Report 2025. The Assurance Statement can be found on pages 84 to 87.

General Disclosures

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
GRI 1: Foundation 2021			Sustainability Report 2025	38–83	
The organisation and its reporting practices					
GRI 2: General disclosures 2021	2-1	Organisational details	Legal Name	135	✓
			Nature of Ownership and Legal Form	135	✓
			Location of Headquarters	135	✓
			Geographical Segments	146	✓
			Our Businesses		
	2-2	Entities included in the organisation's sustainability reporting	Our Approach: Reporting Scope	42	
			Notes to the Financial Statements: Our Group Structure	226–230	✓
	2-3	Reporting period, frequency and contact point	Our Approach: Reporting Scope	42	
			Annual Reporting Cycle		
			Published on 14 April 2026		
			Our Approach: Sustainability Contact	44	
			Contact Us		
	2-4	Restatements of information	Supplemental Information: Performance Indicators	76–79	
	2-5	External assurance	Our Approach: Assurance	42	
			Supplemental Information: Assurance Statement	84–87	
GRI G4 Electric utilities disclosures	EU1	Installed capacity, broken down by primary energy source and by regulatory regime	Sembcorp Industries: Power Generation Assets		
Activities and workers					
GRI 2: General disclosures 2021	2-6	Activities, value chain and other business relationships	About Us		
			Our Businesses		
			Our Portfolio	2–3	
			Acquisition and Disposal of Subsidiaries	237–243	✓
	2-7	Employees	Supplemental Information: Performance Indicators	77	✓
Governance					
GRI 2: General disclosures 2021	2-9	Governance structure and composition	Our Approach: Sustainability Governance	43–44	
			Climate-related Disclosures 2025: Governance	56–57	
			Board of Directors	30–34	
			Corporate Governance Statement	90–107	

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Governance *(continued)*					
GRI 2: General disclosures 2021	2-10	Nomination and selection of the highest governance body	Corporate Governance Statement	92–96	
	2-11	Chair of the highest governance body	Board of Directors	30–34	
	2-12	Role of the highest governance body in overseeing the management of impacts	Our Approach: Sustainability Governance	43–44	
			Climate-related Disclosures 2025: Governance	56–57	
	2-13	Delegation of responsibility for managing impacts	Our Approach: Sustainability Governance	43–44	
			Climate-related Disclosures 2025: Governance	56–57	
	2-14	Role of the highest governance body in sustainability reporting	Our Approach: Materiality	42	
			Our Approach: Sustainability Governance	43–44	
	2-16	Communication of critical concerns	Whistleblowing Policy		
	2-17	Collective knowledge of the highest governance body	Corporate Governance Statement	90–94	
	2-18	Evaluation of the performance of the highest governance body	Corporate Governance Statement	92	
	2-19	Remuneration policies	Corporate Governance Statement	96–100	
	2-20	Process to determine remuneration	Corporate Governance Statement	96–100	
	2-26	Mechanisms for seeking advice and raising concerns	Whistleblowing Policy		
Strategy, policies and practices					
GRI 2: General disclosures 2021	2-22	Statement on sustainable development strategy	Chairman and CEO's Statement	6–8	
	2-23	Policy commitments	Code of Conduct		
	2-27	Compliance with laws and regulations	Supplemental Information: Performance Indicators	79	✓
	2-28	Membership associations	Memberships, Certifications and Ratings		
			Our Approach: Memberships and Associations	44	
Stakeholder engagement					
GRI 2: General disclosures 2021	2-29	Approach to stakeholder engagement	Stakeholder Engagement		
			Corporate Governance Statement	106	
Material topics					
GRI 3: Material topics 2021	3-1	Process to determine material topics	Our Approach: Materiality	42	✓
			Sustainability Framework		
	3-2	List of material topics	Our Sustainability Framework	40–41	

GRI Content Index

Material Sustainability Factors

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Energy Transition					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Climate Action – Energy Transition	45–46	
GRI 201: Economic performance 2016	201-2	Financial implications and other risks and opportunities due to climate change	Climate Action Plan		
			Climate-related Disclosures 2025: Strategy	58–75	
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
	305-2	Energy indirect (Scope 2) GHG emissions	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
	305-3	Other indirect (Scope 3) GHG emissions	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
	305-4	GHG emissions intensity	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
Non-GRI indicator	N/A	Gross installed renewable energy capacity	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
Non-GRI indicator	N/A	Reliability factor	Our ESG Priorities: Climate Action – Energy Transition	46	
			Supplemental Information: Performance Indicators	76	✓
Human Capital Management					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Empowering Lives – Human Capital Management	48–49	
GRI 2: General disclosures 2021	2-7	Employees	Supplemental Information: Performance Indicators	77	✓
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Supplemental Information: Performance Indicators	77–78	✓
GRI 404: Training and education 2016	404-1	Average hours of training per year per employee	Our ESG Priorities: Empowering Lives – Human Capital Management	49	
			Supplemental Information: Performance Indicators	78	✓
	404-2	Programs for upgrading employee skills and transition assistance program	Our ESG Priorities: Empowering Lives – Human Capital Management	48	
Non-GRI indicator	N/A	Number of employees and partners upgraded	Our ESG Priorities: Empowering Lives – Human Capital Management	49	
			Supplemental Information: Performance Indicators	78	✓
GRI 405: Diversity and equal opportunity 2016	405-1	Diversity of governance bodies and employees	Supplemental Information: Performance Indicators	77	✓
Community Investment					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Empowering Lives – Community Investment	50–51	
GRI 201: Economic performance 2016	201-1	Direct economic value generated and distributed	Our ESG Priorities: Empowering Lives – Community Investment	51	
			Supplemental Information: Performance Indicators	78	✓
GRI 413: Local communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Our ESG Priorities: Empowering Lives – Community Investment	51	
			Supplemental Information: Performance Indicators	78	✓

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Health and Safety					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Resilient Business – Health and Safety	52–53	
GRI 403: Occupational health and safety 2018	403-1	Occupational health and safety management system	Our ESG Priorities: Resilient Business – Health and Safety	52–53	
	403-2	Hazard identification, risk assessment, and incident investigation	Our ESG Priorities: Resilient Business – Health and Safety	52–53	
	403-9	Work-related injuries	Our ESG Priorities: Resilient Business – Health and Safety	53	
			Supplemental Information: Performance Indicators	78–79	✓
	403-10	Work-related ill health	Supplemental Information: Performance Indicators	78–79	✓
Risk Governance					
GRI 3: Material topics 2021	3-3	Management of material topics	Our ESG Priorities: Resilient Business – Risk Governance	54–55	
Non-GRI indicator	N/A	Integrated Assurance Framework (IAF) implementation across LOBs	Our ESG Priorities: Resilient Business – Risk Governance	54–55	
			Supplemental Information: Performance Indicators	79	✓
GRI 2: General disclosures 2021	2-27	Compliance with laws and regulations	Supplemental Information: Performance Indicators	79	✓
GRI 205: Anti-corruption 2016	205-1	Operations assessed for risks related to corruption	Supplemental Information: Performance Indicators	79	✓
	205-2	Communication and training about anti-corruption policies and procedures	Our ESG Priorities: Resilient Business – Risk Governance	54	
			Supplemental Information: Performance Indicators	79	✓
	205-3	Confirmed incidents of corruption and actions taken	Supplemental Information: Performance Indicators	79	✓

SGX Core ESG Metrics – Environmental

GRI standard	Disclosure reference	Description title	Disclosure	Page(s)	External assurance
Energy					
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Supplemental Information: Performance Indicators	76	✓
	302-3	Energy intensity	Supplemental Information: Performance Indicators	76	✓
Water					
GRI 303: Water and effluents 2018	303-5	Water consumption	Supplemental Information: Performance Indicators	76	✓
Non-GRI indicator	N/A	Freshwater consumption intensity for energy generation assets	Supplemental Information: Performance Indicators	76	✓
Waste					
GRI 306: Waste 2020	306-3	Waste generated	Supplemental Information: Performance Indicators	76	✓

Independent Assurance Statement

Introduction

DNV Business Assurance Singapore Pte. Ltd. ('DNV') has been commissioned by the management of Sembcorp Industries Ltd ('Sembcorp', or 'the Company', a company registered with the Accounting and Corporate Regulatory Authority, Singapore (UEN: 199802418D)) to undertake a limited level of assurance in connection with selected subject matter to be included in the Company's Sustainability Report 2025 ('the Report') for the calendar year ending 31 December 2025. The Management of Sembcorp is responsible for developing the Report. The intended users of this Assurance Statement are the Management of the Company.

Scope and Boundary of Assurance

This assurance engagement has been carried out in accordance with DNV's VeriSustain™ protocol, V6.0, which is based on our professional experience and international assurance best practice including the International Standard on Assurance Engagements (ISAE) 3000 revised – 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (revised), issued by the International Auditing and Assurance Standards Board. This protocol requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance. Apart from DNV's VeriSustain™ protocol, DNV team has also followed below guidelines to evaluate indicators with regards to greenhouse gases and water disclosures respectively:

- ISO 14064-3 - Specification with guidance for the verification and validation of greenhouse gas statements;
- ISO 14046 - Environmental management - Water footprint - Principles, requirements, and guidelines

DNV carried out limited level of assurance and the scope of assurance is limited to a review of sustainability-related disclosures and performance data (as indicated under the 'External assurance' column in the GRI Content Index of the Report) and the Metrics and Targets section of the Climate-related Disclosures, specifically covering Scope 1 and 2 greenhouse gas emissions. Our assurance engagement was limited to select subject matter and carried out during the period November 2025 to March 2026.

The sustainability disclosures in this Report have been prepared based on the identified material sustainability factors and performance disclosures in relation to business activities undertaken by the Company for the calendar year 1 January 2025 to 31 December 2025.

The procedures performed in a limited assurance engagement vary in nature and timing and are less detailed than those undertaken during a reasonable assurance engagement, so the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our conclusion, so that the risk of this conclusion being in error is reduced, but not reduced completely.

We have not performed any work, and do not express any conclusion, on any other information that may be published outside of the Report and / or on Sembcorp's website for the current reporting period.

Responsibilities of the Management of Sembcorp and of the Assurance Provider

The Company's management has sole responsibility for the integrity of the Report and this responsibility includes designing, implementing, and maintaining internal controls over collection, analysis, aggregation and preparation of data, fair presentation of the information and ensuring that data is free from material misstatement. Sembcorp has stated that this Report has adopted general disclosures and selected topic-specific disclosures and company formulated disclosures related to the identified material sustainability factors.

Certificate No: C859030

In performing our assurance work, DNV's responsibility is to plan and perform the work to obtain assurance about whether the selected information has been prepared in accordance with the reporting requirements and to report to Sembcorp in the form of an independent assurance conclusion, based on the work performed and the evidence obtained.

Our statement represents our independent opinion and is intended to inform all stakeholders. DNV was not involved in the preparation of any statements or data included in the Report except for this Independent Assurance Statement.

Basis of Our Opinion

We had planned and performed our work to obtain the evidence considered necessary to provide a basis for our assurance opinion as part of the assurance engagement. We adopted a risk-based approach, i.e., we concentrated our verification efforts on the issues of high material relevance to Sembcorp and its key stakeholders. A team of sustainability assurance specialists reviewed disclosures of selected subject matter related to the headquarters in Singapore, and selected sites of Sembcorp based on DNV's sampling plan. During the audit, we conducted the site visits to Sembcorp's Headquarter (30 Hill Street) and Sakra Utilities in Singapore. We performed the following activities:

- Review of the non–financial sustainability-related disclosures in this Report;
- Desk review of selected sustainability parameters for sampled entities, and discussed findings and resolved with the Group Sustainability division;
- Conducted interviews with data owners from Sembcorp to understand the key processes and controls for reporting business units' performance data;
- Carried out physical site visit at the Sembcorp's headquarter (30 Hill Street) and Sakra Utilities in Singapore to review the processes and systems for preparing site level sustainability data and implementation of sustainability strategy;
- Review of supporting evidence for key claims and data disclosed in the Report. Our verification processes were prioritised based on risk-based approach, i.e., relevance of identified material aspects and sustainability context of the business; and
- Review of the processes for gathering and consolidating the performance data and, for a sample, checking the data consolidation at site and corporate levels.

Opinion and Observations

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the information related to the select subject matter for the Report for the year ended 31 December 2025 has not been prepared, in all material respects, with reference to the relevant GRI Standards and its reporting principles, International Financial Reporting Standards (IFRS) S1 and S2, GHG Protocol, ISO 14064-1 and other calculation methodologies declared in the Report. Without affecting our assurance opinion, we provide the following observations against the principles of VeriSustain™ and GRI Reporting Principles applicable to the disclosure of selected subject matter:

Materiality

The process of determining the factors that is most relevant to an organisation and its stakeholders.

The Report describes the Company's materiality assessment process, detailing how sustainability factors are evaluated, drawing on industry and peer inputs, prioritizing issues through engagement with identified stakeholders, and assessing their relevance based on potential business impacts. The resulting list of material topics has been prioritized, reviewed, and validated by the Company.

Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Materiality.

Independent Assurance Statement

Stakeholder inclusiveness
The participation of stakeholders in developing and achieving an accountable and strategic response to Sustainability.
The Report elucidates the stakeholder identification process in the "Materiality" section. Sembcorp has engaged key stakeholders through pertinent relationship holders within the Company to gather insights on sustainability issues, concerns, and expectations. The feedback from stakeholders was subsequently collected, consolidated, and analysed.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Stakeholder Inclusiveness.

Responsiveness
The extent to which an organisation responds to stakeholder issues.
The Report adequately brings out the Company's policies, strategies, management systems and governance mechanisms in place to respond to topics identified as material and significant concerns of key stakeholder groups.
Nothing has come to our attention to believe that the Report has not met the Principle of Responsiveness for the selected performance standards.

Reliability
The accuracy and comparability of information presented in the report, as well as the quality of underlying data management systems.
Sembcorp employs a combination of several data management systems to monitor, track, and consolidate key sustainability disclosures across its reporting boundaries. Most of the information reviewed and validated through our assessments with Sembcorp's management teams and process owners at the sampled site was found to be accurate and reliable. Minor data inaccuracies identified during the verification process of sample data sets were attributed to transcription, interpretation, and aggregation errors. These inaccuracies have been communicated for correction, and the related disclosures were reviewed for accuracy.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Reliability.

Completeness
How much of all the information that has been identified as material to the organisation and its stakeholders is reported.
The Report presents the Company's performance, governance and approaches related to the environmental, social and governance issues that it has identified as material for its business coming under the boundary of the report, for the chosen reporting period while applying and considering the requirements of Principle of Completeness.
Nothing has come to our attention to suggest that the Report does not meet the Principle of Completeness with respect to the identified scope.

Neutrality
The extent to which a report provides a balanced account of an organisation's performance, delivered in a neutral tone.
The Report explains the content and presents the disclosures related to Sembcorp's sustainability performance during the reporting period in a neutral tone considering the overall macroeconomic and industry environment.
Nothing has come to our attention to suggest that the Report does not meet the requirements related to the Principle of Neutrality.

Limitations

DNV's assurance engagements are based on the assumption that the data and information provided by Sembcorp to us as part of our review have been provided in good faith, are true, and are free from material misstatements. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. The engagement excludes the sustainability management, performance, and reporting practices of the Sembcorp's suppliers, contractors, and any third parties mentioned in the Report. We did not interview external stakeholders as part of this assurance engagement.

We understand that the reported financial data, governance and related information are based on statutory disclosures and Audited Financial Statements, which are subject to a separate independent statutory audit process. We did not review financial disclosures and data as they are not within the scope of our assurance engagement. The assessment is limited to data and information within the defined reporting period. Any data outside this period is not considered within the scope of assurance.

DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Assurance Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, which are based on the principles enclosed within ISO IEC 17029:2019 - Conformity Assessment – General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct[1] during the assurance engagement and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals.

Purpose and Restriction on Distribution and Use

This report, including our conclusion, has been prepared solely for the Company in accordance with the agreement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

For and on behalf of DNV Business Assurance Singapore Pte. Ltd.

Gangwar,
Vishal

Yun,
Chang Rok

Vishal Gangwar
Lead Verifier
Energy Systems

Digitally signed by Gangwar, Vishal
Date: 2026.03.20 13:34:35 +08'00'

Chang Rok Yun
Assurance Reviewer
Energy Systems

Digitally signed by Yun, Chang Rok
Date: 2026.03.20 14:43:33 +09'00'

Justine Louise Repalam
Verifier

Singapore
18 March 2026

[1] The DNV Code of Conduct is available on request from www.dnv.com

Independent Limited Assurance Report

ERM CVS Australia Pty Ltd ("ERM CVS") was engaged by Sembcorp Utilities Pte Ltd to provide limited assurance for Sembcorp Industries Ltd ("Sembcorp") in relation to the Selected Information set out below and presented in the 2025 Climate-related Disclosures (the "Report").

Engagement Summary

Scope of our assurance engagement	Whether the following Selected Information, as indicated in Sembcorp's 2025 Climate-related Disclosures is fairly presented in the Report, in all material respects, in accordance with the reporting criteria. Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.
Selected Information	By 2035, achieve GHG emissions intensity of 0.26 tCO_2e/MWh, aligned with a well below 2°C trajectory
Reporting period	As at 31st December 2025
Reporting criteria	Sembcorp's criteria for target setting ("Basis of Preparation"), developed with reference to publicly available scenarios published or used by the Intergovernmental Panel on Climate Change (IPCC), the Network for Greening the Financial System (NGFS), the Principles for Responsible Investment (PRI) and BloombergNEF (BNEF).
Assurance standard and level of assurance	We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and in accordance with ISAE3410 'Assurance Engagements on Greenhouse Gas Statement'. The procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.
Respective responsibilities	Sembcorp is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the Selected Information. ERM CVS' responsibility is to provide a conclusion to Sembcorp on the agreed assurance scope based on our engagement terms with Sembcorp, the assurance activities performed and exercising our professional judgement.

Our Conclusion

Based on our activities, nothing has come to our attention to indicate that the Selected Information for 2025 is not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Our Assurance Activities

Considering the level of assurance and our assessment of the risk of material misstatement of the Selected Information, a multi-disciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

- Evaluating the appropriateness of the reporting criteria for the Selected Information;
- Performing an analysis of the external environment, including a media search, to identify sustainability risks and issues in the reporting period that may be relevant to the assurance scope;
- Interviewing management representatives responsible for managing the Selected Information;
- Interviewing relevant staff to understand and evaluate the management systems and processes (including internal review and control processes) used for collecting and reporting the Selected Information;
- Reviewing of a sample of qualitative and quantitative evidence supporting the Selected Information at a corporate level;
- Reviewing the relevance and appropriateness of the methodology used in the target-setting model for the purpose of reporting the Selected Information;
- Performing recalculations within the target setting model to ensure mathematical accuracy of the calculations and to confirm that the resultant trajectories are consistent with the stated scenarios;
- Evaluating the conversion factors and assumptions used;
- Reviewing the presentation of information relevant to the assurance scope in the Report to ensure consistency with our findings.

The Limitations of Our Engagement

The reliability of the Selected Information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our Independence, Integrity and Quality Control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly, we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022).

ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of the IESBA Code relating to assurance engagements.

ERM CVS has extensive experience in conducting assurance on environmental, social, ethical and health and safety information, systems and processes, and provides no consultancy related services to Sembcorp in any respect.

ERMCVS

March 6, 2026
Sydney, Australia

ERM CVS Australia Pty Ltd
www.ermcvs.com | post@ermcvs.com

Corporate Governance Statement

Sembcorp's corporate governance framework is built on principles of integrity, accountability, transparency and sustainability, and reflects our commitment to long-term sustainable business performance.

Well-defined policies and processes are essential to enhancing corporate governance, as well as improving corporate performance and accountability. We are committed to high standards of governance to create, preserve and maximise long-term value for all our stakeholders.

This report outlines the company's corporate governance processes and activities for financial year 2025 (FY2025), aligning with the principles of the Singapore Code of Corporate Governance 2018 (the Code). The board is pleased to report that the company has complied in all material aspects with the principles and provisions under the Code's key provisions, with any deviations clearly explained.

In line with our ongoing dedication to improvement, we regularly review and adapt our processes to reflect best practices, ensuring they align with the Group's needs and evolving business landscape. At The Edge Billion Dollar Club 2025, Sembcorp received three awards: Company of the Year, Overall Sector Winner – Industrials, and Highest Growth in Profit after Tax Over Three Years – Industrials. In 2025, Sembcorp was ranked among the Top 500 Companies in Southeast Asia by Revenue in the Fortune Southeast Asia 500. The company also clinched two awards at The Asset Triple A Sustainable Infrastructure Awards, winning the Renewable Energy Deal of the Year and Power Deal of the Year.

Board Matters

The Board's Conduct of Affairs (Principle 1)

Effective board to lead and effect controls

Temasek Holdings (Temasek) is Sembcorp's substantial shareholder. As a Temasek portfolio company, Sembcorp is committed to sound corporate governance practices that include having an independent and a capable board.

Sembcorp's board, led by Chairman Mr Tow Heng Tan, combines expertise, independence and diversity to provide strategic leadership. With a majority of independent non-executive directors, including Mr Lim Ming Yan as the Lead Independent Director, the board's collective experience ensures robust oversight and direction. This strong governance foundation reflects Sembcorp's dedication to excellence and accountability, key drivers of its long-term success.

The composition of the board and its committees as at the end of FY2025 is set out in the table below.

Name	First Appointed	Last Re-elected / Re-appointed	Nature of Appointment	Board Committees				
				E ExCo	A AC	R RC	C ERCC	N NC
Tow Heng Tan	June 1, 2021	April 25, 2025	Chairman Non-executive & Non-independent	C			M	M
Lim Ming Yan*	January 18, 2021	April 23, 2024	Non-executive & Lead Independent Director	M			C	C
Yap Chee Keong	October 1, 2016	April 25, 2025	Non-executive & Independent		C	M		
Dr Josephine Kwa Lay Keng*	August 1, 2018	April 23, 2024	Non-executive & Independent		M	M		
Kunnasagaran Chinniah*	August 1, 2023	April 23, 2024	Non-executive & Independent	M		C	M	
Marina Chin Li Yuen	November 1, 2023	April 23, 2024	Non-executive & Independent		M	M		
Ong Chao Choon	November 3, 2023	April 23, 2024	Non-executive & Independent		M	M		M
Manu Bhaskaran	July 1, 2024	April 25, 2025	Non-executive & Independent					
Prof Uwe Krueger	October 1, 2024	April 25, 2025	Non-executive & Non-independent					
Wong Kim Yin*	July 1, 2020	April 23, 2024	Executive & Non-independent	M				

C: chairman M: member

* Up for retirement and seeking re-election at the upcoming annual general meeting (AGM)

Role of the Board
The board's principal duties are to:

- Provide leadership and guidance to management on the Group's overall strategy to drive value creation and innovation, while ensuring the necessary financial and human resources are in place, deployed and optimised;

- Ensure adequacy of the Group's risk management and internal control framework and standards, to meet shareholder and stakeholder obligations;

- Review management performance and oversee the Group's overall performance objectives, key operational initiatives, financial plans, annual budgets, major investments, divestments, funding proposals, financial performance reviews, corporate governance practices; and

- Provide guidance and oversight on sustainability issues, including the determination of material environmental, social and governance (ESG) factors relevant to the Group's overall business strategy.

The directors and executive officers of the company have each given an undertaking that in the exercise of their powers and duties as a director or executive officer of the company, they shall use their best endeavours to comply with the requirements of the Listing Manual of the Singapore Exchange Securities Trading (SGX-ST) that are in force from time to time, and to use their best endeavours to procure that the company shall so comply.

Delegation by the Board
The board has established the following committees with written terms of reference to assist in the efficient discharge of responsibilities and provide independent oversight of management:

- Executive Committee (ExCo)
- Audit Committee (AC)
- Risk Committee (RC)
- Executive Resource & Compensation Committee (ERCC)
- Nominating Committee (NC)

Special purpose committees are also established from time to time as dictated by business imperatives.

The composition of the board committees is structured to ensure an equitable distribution of responsibilities among board members, maximise the effectiveness of the board, as well as foster active participation and contribution. Considerations include diversity of experience, relevant skills, and the need to maintain appropriate checks and balances among the different board committees.

The Group has internal controls and guidelines that set out financial authorisation and approval limits for borrowings, including off-balance sheet commitments, investments, acquisitions, disposals, capital and operating expenditures, as well as requisitions and expenses. Decision-making for significant transactions or investments above certain thresholds rests with the board, while the ExCo and management oversee day-to-day approvals, ensuring operational efficiency.

Detailed activities and responsibilities of each committee are outlined in this statement. The structured approach strengthens accountability, fosters active participation and supports the Group's commitment to sound governance and sustainable growth. The current composition of these board committees is set out in the table on the left.

For more information on board members, please refer to pages 30 to 34.

Executive Committee E
The ExCo supports the board in ensuring that the Group's business and affairs are conducted in line with the strategic direction set by the board. In pursuing the objective, the ExCo assists in developing the overall strategy for the Group and supervising the management of the Group's business and affairs, including its material sustainability factors. The ExCo's principal responsibilities are to:

- Review and approve business opportunities, major contracts, strategic investments and divestments of the Group that fall within the financial authority limits delegated by the board;

- Review the status of the Group's projects from development through to completion; and

- Review and endorse post-investment review reports to ensure alignment with strategic objectives and lessons for future initiatives.

Audit Committee A
All members of the AC are non-executive and independent directors. Its main responsibilities are to:

- Review and report to the board, at least annually, the Group's financial and accounting matters, as well as the adequacy and effectiveness of the Group's internal controls encompassing financial, operational, compliance, information technology (IT) and risk management systems (including sustainability). This includes ensuring the adequacy and accuracy of the half-yearly results and annual financial statements prior to submission to the board;

- Approve respective audit work plans, review the evaluation and reports from external and internal auditors and ensure that audit resources allocated are in line with key business, operational and financial risk areas;
- Review management support for auditors and discuss issues or concerns (if any) arising, and conduct discussions with external and internal auditors, without management present, if necessary;
- Review and approve the Group's whistleblowing programme and policy, ensuring independent investigations are conducted by internal auditors and management for any suspected fraud, irregularity or suspected infringement of rules, regulations and laws, which may have material impact on the operations and financial position of the Group;
- Monitor and oversee external auditors' independence, objectivity, scope, effectiveness, appointment and re-appointment annually;
- Review and approve interested person transactions according to Chapter 9 of the SGX-ST Listing Rules; and
- Undertake any reviews as requested by the board and other duties as required by statutes and the SGX-ST Listing Rules or recommended by the Code and by such amendments made thereto from time to time.

Risk Committee R

The principal functions of the RC, comprising non-executive and independent directors, are to:

- Review and approve the Group's risk appetite and risk tolerance, along with risk policies, guidelines, limits and key risk indicators;
- Review and report to the board on the adequacy and effectiveness of the risk management systems and internal controls, processes and procedures of the Group, in consultation with the AC;
- Review the Group's Integrated Assurance Framework (IAF) reports, which are established for management reporting to the board and RC; and
- Ensure the adequacy of resources to support the management of risks effectively across the Group.

Executive Resource & Compensation Committee C

The ERCC is responsible for developing, reviewing and recommending the remuneration framework for the board and key management personnel as defined in the Code, as well as reviewing succession plans for key management personnel. Its principal responsibilities are to:

- Assist the board to ensure that the Group's remuneration framework remains competitive and aligned with prevailing economic environment, industry practices, and compensation norms;
- Review the Directors' Fee Framework and make recommendations on the remuneration packages of the Group CEO and key management personnel for the board's consideration;
- Review and recommend guidelines on share-based and other long-term incentive plans to the board, and approve grants of these incentives for key management personnel; and
- Review succession planning for key management personnel and the leadership pipeline for the organisation.

Nominating Committee N

The NC comprises non-executive directors, with a majority, including the chairman, being independent. It ensures a well-balanced and independent board that supports the company's success. Its principal responsibilities are to:

- Ensure that the board has the right mix of skills, knowledge and experience in business, finance and related industries, along with other aspects of diversity and management expertise critical to the company's business;
- Recommend targets to achieve board diversity while maintaining the meritocracy principle in appointing qualified directors;
- Review the composition and size of the board and its committees, and recommend appointments, re-appointments or re-elections as appropriate;
- Review and endorse the directors' independence and succession plans for the board;
- Develop an evaluation process and criteria for the board and board committees' performance; and
- Review and recommend training and professional development programmes for the directors.

Board Orientation and Training

The company has a formal and structured orientation framework and programme for all directors. All new directors receive formal letters of appointment outlining the Group's governance policies and practices, as well as their duties and obligations. They also receive an information pack that acts as an *aide-memoire* for information covered in the induction programme. This includes briefings on board policies, processes, senior management presentations about Sembcorp, overall strategic plans and direction, financial performance and business activities in various markets, along with facility visits.

An online database centralises all essential company information and corporate documents for directors' easy access. Newly appointed directors without prior listed company experience receive training on their roles and responsibilities as required by SGX-ST.

The company ensures that directors stay updated on regulatory changes, guidelines, accounting standards and relevant trends including market outlooks, global macro views, sustainability, cybersecurity, health and safety, and updates to the Code. These are done through board meetings, committee sessions or external training seminars funded by the company. Directors also undergo mandatory sustainability training as prescribed by SGX-ST.

Relevant articles and reports are also circulated to the directors for information. Furthermore, directors regularly visit the Group's operations in key markets to enhance their understanding of the company's business, promoting active engagement and strengthening relationships with stakeholders.

Meetings and Attendance
The board meets regularly to review and approve the company's financial results, discuss business strategies and address key business issues. It also approves the Group's annual budget.

During these meetings, the Group CEO provides updates on the company's development and business prospects, while each board committee reports on its activities. Time is allocated for non-executive directors to discuss management performance, during which the Group CEO and members of management will recuse themselves. Minutes of key deliberations and decisions are circulated to all board members for acknowledgement and information.

Ad hoc board meetings are convened as needed for specific matters. Annual strategic review meetings facilitate in-depth discussions between the board and management on the Group's strategy and other key issues. In 2025, the annual strategic review meeting was held in Singapore over two days with participation from the board and senior management.

Board and board committee meetings, as well as the AGM, are scheduled in consultation with the directors before the start of each year to ensure full attendance. Directors who are unable to attend in person can participate remotely via voice calls or video conferencing. If a director is absent, they receive discussion papers tabled and can convey their views to the Chairman for further consideration. Separate sessions may be arranged for management to brief the director and seek their input or approval. Decisions by the board and board committees may be made at meetings or through circular resolutions. Directors' attendance at board and board committee meetings during FY2025 is set out below.

To prevent conflict of interests, directors disclose personal interests in transactions and recuse themselves from discussions and decisions on such matters.

Mr Chinniah sits on the board of Greenko Energy Holdings (a member of the Greenko Group), as a nominee director of GIC which is a major shareholder of the Greenko Group. The Greenko Group owns and operates renewable energy business in India.

Mr Chinniah will abstain from participating in discussions or decisions where a conflict of interest might arise between Sembcorp and Greenko Energy Holdings, Greenko Group or GIC.

Complete, Adequate and Timely Information
Complete, adequate and timely information is essential for directors to make informed decisions and effectively discharge their duties. They are kept informed of the Group's operational and financial performance, key issues, challenges and opportunities. Financial highlights of the Group's performance and key developments are presented at board meetings on a quarterly basis. The Group CEO, Group Chief Financial Officer (CFO) and senior management members attend board and board committee meetings to provide insight into matters under discussion and address queries from the board.

Board member	Board	E ExCo	A AC	R RC	C ERCC	N NC	AGM
Total number of meetings held in FY2025	**9**	**0**	**4**	**4**	**3**	**2**	**1**
Tow Heng Tan	9	–	–	–	3	2	1
Lim Ming Yan	9	–	–	–	3	2	1
Yap Chee Keong	9	–	4	4	–	–	1
Dr Josephine Kwa Lay Keng	9	–	4	4	–	–	1
Kunnasagaran Chinniah[1]	9	–	4	4	3	1	1
Marina Chin Li Yuen	9	–	4	4	–	–	1
Ong Chao Choon	9	–	4	4	–	2	1
Manu Bhaskaran	9	–	–	–	–	–	1
Prof Uwe Krueger	9	–	–	–	–	–	1
Wong Kim Yin	9	–	–	–	–	–	1
Nagi Hamiyeh[2]	–[3]	–	–	–	–	–	–

1 Mr Chinniah attended AC and NC meetings as an invited attendee
2 Mr Hamiyeh stepped down as a director and a member of ExCo with effect from April 25, 2025
3 Could not attend and conveyed his views / comments for consideration prior to meeting

Board and board committee papers are provided electronically and can be accessed via tablet devices. As a general rule, all relevant board and board committee papers are made available to directors a week before meetings, allowing sufficient time for review. Should additional information or consultation be needed, the board has direct access to the Group CEO, Group CFO, senior management, company secretary, internal and external auditors, as well as legal counsel.

Independent Professional Advice
In the furtherance of its duties, the board has full discretion to seek independent professional advice at the company's expense, where necessary.

Company Secretary
The appointment and removal of the company secretary are subject to board approval. The company secretary assists the Chairman by ensuring smooth flow of information within the board, its committees, and between the board and senior management. The company secretary also manages corporate and administrative matters, including facilitating orientations for new directors and supporting their professional development as required. In consultation with the Chairman and Group CEO, the company secretary helps schedule board and board committee meetings, prepare meeting agendas, and administer board proceedings, including taking minutes.

The company secretary ensures the Group's compliance with the company's constitution and applicable regulations including requirements of the Companies Act 1967, Securities & Futures Act 2001 and the SGX-ST Listing Manual. The company secretary also acts on behalf of the company to liaise with SGX-ST, Accounting and Corporate Regulatory Authority (ACRA) and shareholders, when necessary.

Board Composition and Guidance (Principle 2)

Independence and diversity of the board

Board Composition and Diversity
The company has a Board Diversity Policy, outlining principles to maintain diversity in board composition, and to ensure effective decision-making and governance.

The board believes that its directors collectively provide an appropriate balance and mix of skills, knowledge and experience as well as other aspects of diversity including gender, age and ethnicity.

Our board members holding office as at the end of FY2025 comprise business leaders and professionals from diverse sectors, including accountancy and audit, banking and finance, engineering, legal, power and utilities, renewables, real estate, technology research and development sectors. In addition to contributing their valuable expertise and insights to board deliberations, the directors work to bring independent and objective viewpoints, ensuring balanced and well-considered decisions.

Sembcorp is committed to ensuring and enhancing board diversity and will continue to consider the benefits of all aspects of diversity, including skills, experience, background, gender, age, ethnicity and other relevant factors. The NC ensures that board appointments are made based on merit, while considering these diversity attributes.

Review of Directors' Independence
The board conducts an annual assessment of each director's independence, focusing on their ability to exercise independent judgment in board decisions. Directors are required to complete a Director's Independence Checklist, aligned with the provisions of the Code. This checklist also

Director Experience / Skills Matrix as at the end of FY2025

Experience / Skills	Industry Experience	Renewables / Power Experience	Senior Management Experience	Strategic Planning	Audit / Accounting & Finance	Legal	Information Technology	Risk Management	Human Resource Management
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	✓	✓	✓	✓	✓		✓	✓	✓

prompts directors to assess their own independence, even in cases where they may have relationships identified in the Code. The completed checklists are reviewed by the NC, which then makes recommendations to the board.

As at the end of FY2025, the board is composed of 10 members, seven of whom are independent directors. Apart from the Group CEO, all directors are non-executive and independent of management, ensuring objectivity in decision-making.

In 2025, all directors except Mr Tow, Prof Krueger, and Mr Wong declared themselves independent. Following these disclosures, the board reviewed and confirmed the independence of all members of Sembcorp's board for FY2025 save for the aforementioned directors. The independence of Mr Chinniah was also assessed, as set out below.

Mr Tow is a board member of Temasek Trust and National Healthcare Group. Prof Krueger is senior executive at Temasek, serving as its vice chairman, European Partnerships. Mr Wong is the Group CEO and an executive director of Sembcorp.

Mr Chinniah is a member of the Investment Committee of Pavilion Capital International, an advisor to Azalea Investment Management and a non-executive director of Astrea VI, all of which are subsidiaries of Temasek. He is also a non-executive independent director of CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT), where Temasek is a substantial shareholder.

His roles in the above companies are non-executive in nature and he is not involved in their day-to-day business activities. He is not under any obligation, whether formal or informal, to act in accordance with Temasek's directions, instructions or wishes regarding Sembcorp's affairs. The board believes Mr Chinniah has acted and will continue to act in the best interests of Sembcorp.

Mr Yap's tenure as a director reached nine years on September 30, 2025. He is considered to be independent until the conclusion of the 2026 AGM in accordance with SGX-ST Listing Rule 210(5)(d)(iv).

Changes to the Board and Board Committees after December 31, 2025

The following changes to the board and board committees took place, or will take place, after December 31, 2025:

- As part of the board Chairman succession plan, Mr Tow Heng Tan will retire as Chairman and step down as director on June 1, 2026. Mr Andreas Sohmen-Pao, who was appointed as a non-executive and independent director, and as Chairman Designate, with effect from March 27, 2026, will (subject to his re-election at the 2026 AGM) succeed Mr Tow as non-executive and independent Chairman with effect from June 1, 2026. Mr Sohmen-Pao will retire and seek re-election at the 2026 AGM.
- As part of the AC chairman succession plan, Mr Yap Chee Keong, currently the chairman of the AC, will step down from the board at the conclusion of the upcoming 2026 AGM. Mr Yap will also cease to be chairman of the AC and member of the RC after the 2026 AGM. Mr Steven Phan Swee Kim, who was appointed as a non-executive and independent director with effect from March 27, 2026, will (subject to his re-election at the 2026 AGM) be appointed as a member and as chairman of the AC, with effect from the conclusion of the 2026 AGM. Mr Phan will retire and seek re-election at the 2026 AGM.
- Mr Dinesh Khanna was appointed as an alternate director to Prof Uwe Krueger with effect from February 25, 2026, as they will be complementary to each other in contributing to the board.

Chairman and Chief Executive Officer (Principle 3)

Clear division of responsibilities between the board and management

The Chairman and the Group CEO are not related. Their roles are kept separate to ensure clear division of responsibilities, greater accountability and enhanced independent decision-making.

The Chairman helms the board and ExCo, chairs all general meetings and plays a key role in fostering constructive dialogue between shareholders, the board and management. He provides leadership and guidance to management, particularly in areas of global growth strategies and project investments. He ensures that board and board committee meetings are conducted in a manner that promotes open communication, active participation and effective decision-making. He also advises management and monitors follow-up actions, ensuring that board decisions are implemented.

The Group CEO presents strategic proposals to the board. He develops and manages the company's business in accordance with board approved strategies, policies, budgets and business plans, and ensures accountability while providing guidance and leadership to key management personnel.

Lead Independent Director

The Lead Independent Director provides leadership to the board and chairs board meetings in the Chairman's absence or when conflicts arise. He facilitates communication between the board and shareholders or other stakeholders as needed. He may convene meetings with independent directors, and provide feedback to the Chairman where appropriate.

As chairman of the NC and ERCC, the Lead Independent Director oversees the annual performance evaluation and development of succession plans for the board and key management personnel.

Board Membership (Principle 4)

Formal and transparent process for the appointment and re-appointment of directors

Succession Planning, Appointment and Re-appointment of Directors
The NC ensures the board membership is refreshed progressively to maintain continuity and uphold governance standards. All appointments to the board are based on merit, measured against objective criteria while considering skills, experience, knowledge and competencies. They must also be able to discharge their responsibilities while upholding the highest standards of governance.

The board recognises the contributions of directors who have over time, developed deep insights into the Group's business. It exercises discretion to retain the services of such directors where appropriate, to avoid an abrupt loss of experienced directors.

When appointing new directors, the NC consults the board and management and identifies potential candidates sourced through a network of contacts and appropriate external databases. They are evaluated based on skills, experience, age, gender, race, ethnicity, nationality, educational and professional background, length of service and other relevant personal attributes, cognitive skills and lateral thinking. The NC interviews candidates and makes its recommendations for board approval.

The company subscribes to the principle that all directors, including the Group CEO, should retire and submit themselves for re-election at regular intervals, subject to their continued satisfactory performance. The company's constitution requires a third of its directors to retire and seek re-election by shareholders at every AGM under the one-third rotation rule.

Newly appointed directors must retire and seek re-election at the AGM immediately following their appointment, after which they are subject to the rotation rule.

At the upcoming AGM on April 29, 2026, Mr Lim, Dr Kwa, Mr Chinniah and Mr Wong will retire by rotation and have offered themselves for re-election under the rotation rule.

Review of Directors' Time Commitments
While reviewing the re-appointment and re-election of directors, the NC also considers the directors' other board roles and principal commitments to ensure they can dedicate adequate time to their responsibilities at Sembcorp. The board has implemented a guiding principle that seeks to address competing time commitments that may be faced when a director holds multiple directorships. As a general rule, Sembcorp limits directors to holding no more than five listed company directorships. However, it recognises that individual circumstances may warrant exceptions.

After reviewing the commitments of each director, the NC concluded, and the board concurred, that all directors have effectively devoted sufficient time and focus to the company's affairs during FY2025.

Board Performance (Principle 5)

Active participation and valuable contributions are key to the overall effectiveness of the board

Board Evaluation Process and Performance Criteria
The board recognises that its performance is closely tied to the Group's long-term success. Each year, the board, in consultation with the NC, assesses its performance to identify key areas for improvement and ensure follow-up actions are taken. This assessment aims to help directors stay focused on their responsibilities and enhance overall board effectiveness.

To facilitate this process, each director completes a questionnaire assessing the effectiveness of the board, its committees and individual directors' contribution and performance. The evaluation considers factors including the size, composition, development and effectiveness of the board and its committees, processes and accountability, information and technology management, decision-making processes, risk and crisis management, succession planning, communication with senior management and stakeholder management. Assessments and feedback are consolidated for collective discussion and review by the board. The NC periodically reviews and refines the directors' questionnaire to enhance the evaluation process.

The FY2025 evaluation confirmed that the board and its committees continued to perform effectively, supporting Sembcorp's objectives.

Remuneration Matters

Procedures for Developing Remuneration Policies (Principle 6)

Formal and transparent procedure for developing policies on director and executive remuneration

The board, supported by the ERCC, ensures a formal policy and transparent process are in place for determining executive and director remuneration. This approach upholds governance standards and ensures fairness.

As a guiding principle, the Group CEO or any executive or board member will recuse themselves from discussions relating to their own remuneration, performance reviews, and terms and conditions of service.

The ERCC engages expert advice on human resource matters when required. In 2025, WTW was engaged to provide such advice, including the validation of pay levels and compensation structure for the Group CEO against the industry and market, ensuring rigorous design and application of the executive compensation framework. The ERCC has reviewed the independence and objectivity of WTW, and confirmed that the firm had no relationship with the Group that would affect its independence.

The ERCC reviews the development and performance of management and senior staff, assessing their strengths and development needs against the Group's leadership competencies framework. Annual reviews of succession plans are conducted for the Group CEO, key direct reports and other selected key positions in the company. Potential internal and external candidates for succession are reviewed according to immediate, medium- and long-term needs. Additionally, the ERCC reviews termination clauses in service contracts of the Group CEO and key management personnel, to ensure they are fair and reasonable.

Level and Mix of Remuneration (Principle 7)

A competitive reward system ensures the highest performance and retention of directors and key management personnel

Sembcorp's competitive remuneration and reward system is designed to attract, retain and incentivise the best talent.

This approach aligns with the company's long-term interests and its risk and return policies.

Non-Executive Directors' Fees
The Directors' Fee Framework, reviewed by our external consultant WTW in 2025, aligns with the current market practices. It includes basic retainer fees, attendance fees and allowances for board committee service.

Non-executive directors are remunerated in cash and in share awards under the restricted share plan. Up to 30% of the aggregate directors' fees approved by shareholders for a particular financial year may be paid in the form of restricted share awards. The payment of directors' fees (both cash and share components) is contingent on shareholders' approval. Directors and their associates also abstain from voting on any resolution(s) relating to their remuneration. The company does not have a retirement remuneration plan for non-executive directors.

Share awards granted to non-executive directors under the restricted share plan as part of directors' fees are fully paid shares with no performance and vesting conditions, but subject to a selling moratorium. Each non-executive director must hold these shares in the company, including those obtained by other means, with an aggregate value equivalent to their annual basic retainer fee (currently S$100,000). Any excess exceeding this threshold may be disposed of as desired, in compliance with SGX-ST Listing Rules. A non-executive director may only dispose of all of his shares one year after leaving the board. The cash component of the directors' fees for financial year 2026 (FY2026), subject to shareholders' approval at the upcoming AGM, is intended to be paid half-yearly in arrears.

The actual number of shares to be awarded to each non-executive director will be calculated based on the volume-weighted average price of a share on SGX-ST over 14 trading days. This period begins from (and includes) the day the shares are first quoted ex-dividend after the AGM or, if the final dividend resolution is not passed, over the 14 trading days immediately following the date of the AGM. The number of shares to be awarded will be rounded down to the nearest hundred, with any remaining balance settled in cash. The share component of the directors' fees for FY2026 is intended to be paid in 2027 after the AGM has been held.

Directors' Fee Framework for FY2025*

	S$
Retainer fee (per annum)	
Chairman (all-in fee)[1]	750,000
Lead Independent Director (all-in fee)[1]	270,000
Director's basic retainer	100,000
Chairman, ExCo	60,000
Chairman, AC	60,000
Chairman, RC	40,000
Chairman, ERCC	40,000
Chairman, NC	40,000
Member, ExCo	33,000
Member, AC	33,000
Member, RC	24,000
Member, ERCC	24,000
Member, NC	24,000
Attendance fee (per meeting)	
Board meeting (local)[2]	2,500
Board meeting (overseas)[2]	5,000
Board Committee / General meeting (local)[2]	1,500
Board Committee / General meeting (overseas)[2]	3,000
Board Committee / General meeting (flat fee)[3]	1,000
Teleconference (per meeting)	
Board meeting	1,500
Board Committee / General meeting	1,000

Notes

* The Directors' Fee Framework applies to all directors except the Group CEO, who is an executive director and does not receive any directors' fees

1 The Chairman and the Lead Independent Director will each receive an all-in retainer fee. They will not receive any retainer fee for serving on board committees, nor attendance fee for attending board and board committee meetings

2 Local – home country of the directors
Overseas – outside home country of the directors

3 Attendance fee for attending a board committee meeting or general meeting is payable if such meetings are held on separate days from the board meeting. In the event such meetings are held on the same day as the board meeting, only a flat fee of S$1,000 is payable for such meetings

Corporate Governance Statement

Remuneration for Key Management Personnel
Sembcorp's remuneration and reward system for key management personnel is designed to ensure competitive compensation that attracts, retains and motivates key senior management and senior executives, to drive superior performance and sustainable growth, which is aligned with shareholder interests. The correlation between pay and performance has been validated through a pay-for-performance assessment conducted by WTW in 2025.

- **Fixed Remuneration**
  Fixed remuneration includes an annual basic salary and, where applicable, fixed allowances, an annual wage supplement and other emoluments. Base salaries take into consideration the scope, criticality and complexity of each role, equity against peers with similar responsibilities, experience and competencies, individual performance and market competitiveness.

- **Annual Performance Bonus**
  The annual performance bonus recognises the outcome and contributions of the individual, while driving the achievement of key business results for the Group and their respective markets. It consists of two components: achievement of pre-agreed targets as well as individual performance, and economic value added (EVA) of the Group.

  Performance target bonus is linked to the achievement of the balanced scorecard, which comprises financial and non-financial performance targets comprising strategy, business processes and organisation, and people development. The performance target bonus is subject to the actual achievement of the balanced scorecard of the Group, business unit and individual performance assessment.

  An EVA-linked 'bonus bank' is created for each key management personnel. Typically, one-third of the bonus bank balance is paid out in cash each year and the remainder is carried forward. The carried forward balances may be reduced (claw-back) or increased in future, based on the Group's yearly EVA performance. There are provisions in the EVA incentive plan to allow for forfeiture of the outstanding balances in the bonus bank in exceptional circumstances of misstatement of financial results or misconduct resulting in financial loss to the Group.

- **Share-Based Incentives**
  The Sembcorp Industries Performance Share Plan 2020 (SCI PSP) and Sembcorp Industries Restricted Share Plan 2020 (SCI RSP) are designed to motivate key management personnel to keep striving for the Group's long-term shareholder value. In addition, our share-based incentive plans aim to align the interests of participants and shareholders, to improve performance and achieve sustainable growth for the company.

  The performance share award and restricted share award are granted to the Group CEO, key management personnel and selected business leaders of the Group. The number of performance and restricted shares awarded is determined using a valuation of the shares based on a Monte Carlo simulation. The share awards are conditional upon the achievement of pre-determined performance targets over the performance period. The performance conditions and targets are approved by the ERCC at the beginning of the performance period and the final number of shares vested to the recipient will depend on the level of achievement of these targets over the performance period, subject to the approval of the ERCC. Under the SCI PSP and SCI RSP, the Group CEO and senior management are required to hold shares in the company and in the aggregate equivalent to at least 200% and 100% of their annual base salaries respectively.

  In 2021, the board approved a five-year Transformation Incentive plan (PSP-TI) under the SCI PSP, to further strengthen the alignment of long-term incentives for the Group CEO and key management personnel with the Group's strategic brown to green transformation goals. The PSP-TI is linked to specific long-term ESG transformation targets, including Greenhouse Gas Emissions Intensity Reduction, Gross Installed Renewable Energy (RE) Capacity, Sustainable Solutions' Profit and Sustainable Land Banking and Land Sales.

  The size of the restricted share awards granted in 2025 is based on the achievement of stretched financial and non-financial targets. These awards will vest in three equal annual tranches, subject to continued employment with the Group.

For more information on the share-based incentives and performance targets, please refer to Directors' Statement on pages 115 and 116 and Note B6 in the Notes to the Financial Statements on pages 163 to 166.

Pay-for-performance
A pay-for-performance assessment was conducted in 2025 by our external consultants, WTW, to review the alignment between the Group's executive pay programme and business results. To do this, WTW benchmarked the Group's pay levels and performance against a peer group consisting of comparable-sized Singapore-listed companies, as well as regional and global competitors in the energy industry.

The study examined fixed remuneration, total cash and total remuneration including earned bonuses and long-term incentives of the Group CEO and key management personnel, against that of peer companies as disclosed in the latest annual reports. Concurrently, the study also examined the Group's performance relative to peers as measured by operating income growth and total shareholder return.

Overall, the study demonstrated a sound correlation between the Group's executive pay, key financial results, shareholder returns and peer company performance, thus reinforcing the strong pay-for-performance features underpinning our executive pay programme.

	Directors' fees	
Name of Director	Cash-based (70%) S$'000	Share-based (30%) S$'000
Payable by Company		
Tow Heng Tan	525	225
Lim Ming Yan	189	81
Yap Chee Keong	153	66
Dr Josephine Kwa Lay Keng	135	58
Kunnasagaran Chinniah[1]	167	71
Marina Chin Li Yuen	134	57
Ong Chao Choon	153	66
Manu Bhaskaran	87	37
Prof Uwe Krueger[2]	–	–
Nagi Hamiyeh[3]	–	–

Notes
1 Mr Chinniah attended AC and NC meetings as an invited attendee
2 Prof Krueger has waived any director's fees payable to him with effect from October 1, 2024, being the date of his appointment as a director
3 Mr Hamiyeh stepped down as a director and a member of ExCo with effect from April 25, 2025 and has waived any director's fees payable to him with effect from September 1, 2024

Disclosure on Remuneration (Principle 8)

The company is transparent on its remuneration policies, which cover the level and mix of remuneration, procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Directors' Remuneration
Based on the Directors' Fee Framework, the computation of non-executive directors' fees totalled S$2,204,000 in 2025 (2024: S$2,293,544), as detailed above.

For more information on the performance shares and restricted shares granted to the directors, please refer to the Share-based Incentive Plans section in the Directors' Statement on pages 115 and 116.

Group CEO
The Group CEO, as an executive director, does not receive directors' fees from Sembcorp. As a lead member of management, his compensation comprises his salary, allowances, bonuses and share-based incentives conditional upon meeting certain performance targets.

Name of Group CEO	Fixed Pay[1] S$'000	FY2025 Cash Bonus Earned[2] S$'000	FY2025 EVA Bonus Declared and Subject to Deferral and Claw-back[3] S$'000	Fair Value of FY2025 RSP Grant[4] S$'000	Fair Value of FY2025 PSP Grant[5] S$'000	FY2025 Total Remuneration based on Grant Fair Value S$'000
Payable by Company						
Wong Kim Yin	1,367 (20%)	2,331 (34%)	554 (8%)	1,289 (19%)	1,267 (19%)	6,808 (100%)

1 The amounts shown are inclusive of base salary, fixed allowances, annual wage supplement and other emoluments
2 Cash Bonus Earned is based on the achievement of FY2025 Group Balanced Scorecard Key Performance Indicators (KPIs) (including Net Profit, Return on Equity (ROE), RE Capacity, Carbon Intensity, Health, Safety, Security and Environment (HSSE), Cybersecurity and ESG-related KPIs), and is payable by April 2026
3 EVA Bonus is based on achievement of FY2025 Group Economic Profit above the target weighted average cost of capital (WACC); one-third of the FY2025 EVA Bonus Declared is payable by April 2026 and the balance is subject to EVA banking mechanism, which typically pays out one-third of the banking balance in future years and subject to negative EVA claw-back
4 The contingent grant of FY2025 RSP is based on the achievement of FY2025 Group Balanced Scorecard KPIs. One-third of the FY2025 RSP grant (or 71,300 restricted shares) will vest by April 2026 with the remaining deferred and subject to meeting vesting conditions in 2027 and 2028. The fair value per share is S$6.03, based on the volume-weighted average price (VWAP) between February 26, 2026 and March 2, 2026 (total fair value of the contingent grant of FY2025 RSP is S$1,289,000; estimated fair value of the FY2025 RSP to vest in 2026 is S$429,700)
5 The contingent grant of FY2025 PSP will only vest upon the achievement of the three-year long-term performance conditions (Absolute Total Shareholders' Return above targets set against Cost of Equity (COE), Relative Total Shareholders' Return against performance of the Straits Times Index (STI), and KPIs aligned with shareholders' value creation) between 2025 to 2027. None of the FY2025 PSP contingent grant has vested in 2025 and if the long-term performance conditions are not met, part or all of the FY2025 PSP contingent grant may lapse after 2027. The fair value per share is S$3.79 based on a consistent fair valuation model and Monte Carlo simulation and calculated by an external consultant (total fair value of the contingent grant of FY2025 PSP is S$1,267,000; none of the FY2025 PSP grant has vested in 2025)

Key Management Personnel
In 2025, the key management personnel (who are not directors or the Group CEO), in alphabetical order of their last names, are Eugene Cheng, Robert Chong, Koh Chiap Khiong, Alex Tan and Vipul Tuli.

After carefully considering the recommendations outlined in Provision 8.1(b) of the Code, taking into account the highly competitive conditions for talent in the industry, the board is of the view that the Group's key management personnel's remuneration shall be disclosed in bands without naming specific individuals within each band, as laid out in the table below. Notwithstanding the deviation from Provision 8.1(b), the remuneration disclosures offer a clear understanding of the company's key management remuneration, policies, level and mix of remuneration, procedures for setting remuneration, and the relationships between remuneration, performance and value creation.

Remuneration of employees who are immediate family members of a director or the Group CEO
In 2025, the company had no employees who were immediate family members of a director or the Group CEO.

Accountability and Audit

The board is accountable to shareholders

Sembcorp is committed to maintaining open and honest communication with shareholders at all times. The company presents a balanced and clear assessment of the Group's performance, position and prospects to shareholders through the timely release of our financial results.

Strict compliance with statutory reporting requirements is imperative to maintaining shareholders' confidence and trust in the company. In line with SGX-ST requirements, negative assurance statements are issued by the board to accompany the Group's half-yearly results announcements, confirming that to the best of its knowledge, nothing had come to its attention which would render the half-yearly results false nor misleading.

The management provides the board with regular updates, including management reports, operational insights and financial statements, ensuring access to accurate and timely information.

Risk Management and Internal Controls (Principle 9)

The board has overall responsibility for the governance of the Group's risk management and internal controls. It determines the company's risk appetite and tolerance levels, and oversees management in the design and implementation, as well as monitoring of risk management and internal controls.

Adequate and Effective System of Internal Controls
The Group has implemented the IAF where key risks identified are deliberated by management, supported by Group Risk division and regularly reported to the RC.

Remuneration Band	Number of Employees	Fixed Pay[1] %	FY2025 Cash Bonus Earned[2] %	FY2025 EVA Bonus Declared and Subject to Deferral and Claw-back[3] %	Fair Value of FY2025 RSP Grant[4] %	Fair Value of FY2025 PSP Grant[5] %	FY2025 Total Remuneration based on Grant Fair Value %
$4,500,001 to $4,750,000	1	17%	39%	4%	31%	9%	100%
$3,500,001 to $3,750,000	1	21%	40%	5%	25%	9%	100%
$2,750,001 to $3,000,000	1	21%	43%	5%	21%	10%	100%
$2,500,001 to $2,750,000	2	29%	35%	6%	19%	11%	100%

Total Aggregated Compensation of 5 KMPs based on Grant Fair Value ($'000)	**16,460**

1 The amounts shown are inclusive of base salary, fixed allowances, annual wage supplement and other emoluments

2 Cash Bonus Earned is based on the achievement of FY2025 Group Balanced Scorecard KPIs (including Net Profit, ROE, RE Capacity, Carbon Intensity, HSSE, Cybersecurity and ESG-related KPIs), and is payable by April 2026

3 EVA Bonus is based on achievement of FY2025 Group Economic Profit above the target WACC; one-third of the FY2025 EVA Bonus Declared is payable by April 2026 and the balance is subject to EVA banking mechanism, which typically pays out one-third of the banking balance in future years and subject to negative EVA claw-back

4 The contingent grant of FY2025 RSP is based on the achievement of FY2025 Group Balanced Scorecard KPIs. One-third of the FY2025 RSP grant will vest by April 2026 with the remaining deferred and subject to meeting vesting conditions in 2027 and 2028. The fair value per share is S$6.03, based on the VWAP between February 26, 2026 and March 2, 2026 (the aggregated fair value of the contingent grant of FY2025 RSP for the five key management personnel is S$3,978,000; fair value of the FY2025 RSP to vest in 2026 is S$1,326,000)

5 The contingent grant of FY2025 PSP will only vest upon the achievement of the three-year long-term performance conditions (Absolute Total Shareholders' Return above targets set against COE, Relative Total Shareholders' Return against performance of STI, and KPIs aligned with shareholders' value creation) between 2025 to 2027. None of the FY2025 PSP contingent grant has vested in 2025 and if the long-term performance conditions are not met, part or all of the FY2025 PSP contingent grant may lapse after 2027. The fair value per share is S$3.79 based on a consistent fair valuation model and Monte Carlo simulation and calculated by an external consultant (the aggregated fair value of the contingent grant of FY2025 PSP for the five key management personnel is S$1,618,000; none of the FY2025 PSP grant has vested in 2025)

The below section and on the following page outline the Group's Principal Risks, without a specific order of significance. Details of our climate-related risks managed through IAF are available in the Climate-related Disclosures on pages 58 and 59.

Principal Risks	Management Approach
Financial / Operational / Compliance Risks: *Geopolitical uncertainty* **Financial / Operational Risks:** *Economic slowdown*	Sembcorp's business, operations, financials and / or prospects may be adversely impacted by developments in global, regional and country level geopolitical environment including those in connection with the following: 1. Global trade tensions, driven by the US government's announced 2025 tariffs on imports and the imposition of higher tariffs targeting selected trading partners, could adversely affect international trade flows and global growth. 2. Continued elevated geopolitical tensions, including the Ukraine and Middle East conflicts, could negatively impact economic growth and inflation through factors such as weaker trade and higher energy prices. 3. Evolving geopolitical competition could disrupt trade and supply chains across industries, shifting national focus on controlling critical minerals, technology and clean energy infrastructure, that could lead to countries imposing export restrictions, trade tensions, higher capital costs and technological bottlenecks to scale advanced technology. The impact of the above developments is particularly acute in the developing countries that are highly dependent on US dollar-denominated imports, as they place additional strain on these countries' US dollar foreign reserves. In addition, geopolitical developments in countries where Sembcorp operate may adversely impact the country's economic conditions, which could in turn, negatively impact our business, operations, financials and prospects. We have conducted scenario analysis and stress-testing of our existing operations to identify potential risks and opportunities under a range of geopolitical and macroeconomic scenarios. Contingencies have been incorporated in our existing operations, and we will continue to closely monitor developments in line with these scenarios.
Financial Risks: *Interest rate exposure*	The Group is exposed to interest rate risks arising from changes in interest rates affecting total interest expense which may result in higher funding costs in a rising interest rate environment. These exposures are managed using (i) fixed rate borrowings and (ii) interest rate swaps.
Financial Risks: *Commodity volatility*	The Group is subject to fluctuations in commodity prices such as energy, oil and natural gas for its Gas and Related Services business, as well as raw material prices, such as steel and polysilicon, which are essential for manufacturing wind and solar assets for its renewables business. We manage this risk by incorporating pricing formulas for the materials that allow costs to be passed on to customers. In line with the Group's risk management policy, we also hedge the residual risks from price fluctuation of these items. Management regularly monitors exposure positions to ensure effective oversight.
Financial Risks: *Counterparty risks*	The Group faces default and counterparty credit risks arising from customers, vendors, joint venture partners and financial institutions that may fail to meet their payment or contractual obligations. We conduct periodic credit reviews and monitor credit exposures to detect potential credit deterioration. Banker's guarantees, standby letters of credit, parental corporate guarantee, deposit securities and / or collateral may be requested for further credit enhancement on a case-by-case basis from customers, vendors and joint venture partners. For financial institutions, we screen for material concentrations to ensure the Group does not have excessive credit exposure to a single counterparty or group of related counterparties that may result in a material impact on the Group.

Principal Risks	Management Approach
Operational Risks: *Health, Safety, Security and Environment*	Group HSSE management system provides a framework for managing health, safety, security and environment across Sembcorp's global operations. It provides guidance for our business to comply with HSSE regulations, and mitigate HSSE risks linked to our activities and services. Under the lead of the Chief Operating Officer, the Group works closely with the global operations, projects secured and under construction, guiding the implementation of the safe and secure operations requirements set out in the Group HSSE management system. Functional level assurance checks are scheduled and implemented to ensure compliance and continuous improvements in the management of key operational risks.
Compliance Risks: *Bribery and corruption*	*For more information on our management approach on bribery and corruption risks, please refer to the Risk Governance section on page 54.*
Information Technology Risks: *Cybersecurity*	Cybersecurity risks include data breaches or national / state-wide cyberattacks that could compromise our control systems, potentially causing regulatory non-compliance or service disruptions. Our cybersecurity policies adopt the US National Institute of Standards and Technology Cybersecurity Framework, as well as local regulatory requirements to manage cybersecurity-related risks, and enhance the protection and resilience of our digital tools and systems. Our Cyber Incident Response Plan establishes roles, responsibilities, controls and processes for the management of cyber incidents. Our cybersecurity strategy employs early defensive tools and a robust three-layer framework for inspection, verification, and validation. Led by our Chief Operating Officer, the Group works closely with our technology suppliers, Group Integrated Audit (GIA), and the AC to implement effective controls, and report cybersecurity-related issues and trends. We regularly test our defences through change control processes and vulnerability assessments. In addition, we undertake penetration testing exercises conducted by an independent third party. These initiatives promote an optimal and secure digital environment.
Climate-related Risks	*For more information on our management approach on climate-related risks, please refer to the Climate-related Disclosures section on pages 64 to 68.*

The Group's system of internal controls, which supports the Integrated Assurance Framework (IAF), encompasses the Code of Conduct (CoC), group-wide governance and internal control policies, procedures and guidelines that ensure segregation of duties, approval authorities and limits, as well as embedded checks and balances across business processes.

The IAF adopts the three lines of defence (LoD) model, fostering a collaborative and consistent approach to reviewing and testing key financial, operational, compliance and IT risks.

External audits evaluate internal controls relevant to the preparation of financial statements to ensure accuracy and fairness.

Embedded in the IAF is the Management Control Assessment which is submitted by each business unit, providing assurance that the risk management and internal control systems are adequate and effective. This is supported by key risk indicators, which are monitored and reported to the RC regularly.

For FY2025, the board (comprising directors holding office as at December 31, 2025) received assurance from the Group CEO and Group CFO that the Group's financial records are properly maintained, its financial statements present a true and fair view of the Group's financial position, operations, and performance, and its risk management and internal control systems are adequate and effective.

The board (comprising directors holding office as at December 31, 2025) reviewed and concurred with the AC's evaluation that, as at December 31, 2025, the company's internal controls and risk management systems (including sustainability) are adequate and effective in addressing the Group's financial, operational, compliance and IT risks. This assessment is based on the risk management and internal controls established and maintained by the Group, work performed by internal and external auditors, and reviews performed by senior management. While internal controls inherently provide reasonable but not absolute assurance of achieving their intended objectives, the board remains committed to ensuring necessary remedial actions are promptly taken to address any significant weaknesses or failures that may arise.

Audit Committee (Principle 10)

The AC does not include anyone who was a former partner or director of the company's external auditors, KPMG, within the last two years, or who holds any financial interest in KPMG.

The AC has explicit authority to investigate any matter within its terms of reference. It has full access to management and their cooperation, as well as full discretion to invite any director or executive officer to attend its meetings. The AC is also provided with necessary resources to enable it to discharge its functions properly.

Where relevant, the AC is guided by the recommended best practice for audit committees, outlined in the Code.

Key Audit Matters

The AC reviews the key audit matters with management and external auditors on a quarterly basis to ensure that they are appropriately addressed. The AC concurred with the basis and conclusions included in the auditors' report for FY2025 regarding key audit matters.

For more information on key audit matters, please refer to pages 118 to 122.

External Auditors

Each year, the AC reviews the independence of the company's external auditors and makes recommendations to the board on their re-appointment. During the year, the AC reviewed the performance of the external auditors based on the Audit Quality Indicators Disclosure Framework published by ACRA. Mr Chiang Yong Torng has been the audit partner since financial year 2024, in accordance with SGX-ST Listing Rule 713(1).

The AC reviews and approves the external audit plan to ensure its adequacy. It also reviews the external auditors' management letter and monitors the timely implementation of required corrective or improvement measures. The AC meets with external and internal auditors at least once a year without the presence of management to discuss any issues of concern. It has reviewed the nature and extent of non-audit services provided by the external auditors to the Group for the year. Based on these reviews, the AC has recommended the re-appointment of the external auditors at the forthcoming AGM.

For more information on non-audit fees payable to the external auditors, please refer to Note B4a in the Notes to the Financial Statements on page 161.

Whistleblowing Policy

The whistleblowing policy was established to strengthen corporate governance and ethical business practices across all markets, business lines and functional units. The company has zero tolerance to fraud and corruption. Whistleblowing reports and information received are treated confidentially, with measures in place to protect the identity and interests of whistleblowers. Employees, vendors, contractors, sub-contractors and members of the public can access various channels of communication to report suspected fraud, corruption, dishonest practices or other misdemeanour anonymously. The reports are received and investigated by GIA, with significant matters being escalated to the AC. The AC oversees the outcome of independent investigations and ensures that appropriate follow-up actions are taken.

For more information on the whistleblowing policy, please refer to the Codes and Policies section under Our Commitment to Corporate Governance webpage.

Group Integrated Audit (GIA)

Independent integrated audit function

GIA is an important LoD for the Group and is a core component in the Group's assurance framework and governance process.

GIA provides assurance to management and the AC on the adequacy and effectiveness of the Group's internal control and risk management systems (including sustainability), to govern financial, operational, compliance and IT risks.

The AC reviews GIA's independence, adequacy and effectiveness, ensuring that it is sufficiently resourced and effective. The AC is satisfied that GIA is effective, independent, adequately resourced, and has appropriate standing within the company.

An independent Quality Assurance Review (QAR) is performed at least once every five years by qualified professionals from an external organisation. The most current QAR was completed in 2024, and it was assessed that GIA generally conforms with the Institute of Internal Auditors Standards.

Corporate Governance Statement

The Head of GIA, Mr Wong Kiew Kwong, reports directly to the AC and administratively to the Group CEO. The Head of GIA will confirm to the AC annually the organisational independence of the integrated audit function. The AC is also involved in the appointment, replacement, dismissal, performance evaluation and compensation of the Head of GIA.

GIA adopts a risk-based approach in developing the Group's annual audit plan, which covers the key risks and controls identified through the Group's IAF. The risk-based approach ensures that the key controls are covered systematically over the relevant audit cycle, with annual audits of top risks. GIA's scope extends to all areas of the company and its controlled entities.

The AC reviews and agrees on the scope of the Group's annual audit plan, the frequency of audits for each entity or area, and the effective deployment of internal audit resources during the year.

Significant internal control gaps, lapses and recommendations for improvement are communicated to management and reported to the AC quarterly. The AC reviews the actions taken by management to address significant audit findings and seek responses from management if the risk-mitigating actions have not been adequately implemented.

The AC meets with GIA regularly, without management present, to discuss any issues of concern.

Professional Standards, Authority and Competency
The purpose, authority and responsibility of GIA are formally defined in a charter approved by the AC. The charter defines GIA's position within the organisation, including its functional reporting relationship with the AC, authorises access to records, personnel and physical properties relevant to the performance of engagements, and sets the scope of the internal audit activities.

The charter mandates a quality assurance and improvement programme that covers all aspects of internal audit activity. This includes assessing GIA's conformance with professional standards and Code of Ethics, as well as ensuring that internal auditors adhere to the Institute of Internal Auditors' Code of Ethics.

GIA has unrestricted access to all personnel, documents, accounts, records, property, and any other data of the company deemed necessary for it to effectively perform its duties.

The GIA team comprises auditors with relevant qualifications and experience. The audits performed are in accordance with the standards set by professional bodies including the Standards for Professional Practice of Internal Auditing by the Institute of Internal Auditors. The team also performs an annual declaration of independence and confirms their adherence to the Group's CoC.

Shareholder Rights and Engagement

Shareholder Rights and Conduct of General Meetings (Principle 11)

Fair and equitable treatment of shareholders

Sembcorp is committed to treating all shareholders fairly and equitably. The company is committed to safeguarding and facilitating the exercise of shareholders' rights, continuously reviewing and updating its governance practices to maintain transparency.

The company is committed to ensuring that all shareholders have easy access to clear, reliable and meaningful information in order to make informed investment decisions. The company regularly communicates major developments in its business operations via announcements, press releases, circulars to shareholders and other appropriate channels. The company also encourages shareholder participation and voting at general meetings.

Conduct of General Meetings
All shareholders are invited to participate in the company's general meetings.

Notices of general meetings are disseminated via SGXNet, published in local newspapers and posted on the company website at www.sembcorp.com ahead of the meetings. Annual reports, letters to shareholders and circulars are also available on SGXNet and the company website. Shareholders who prefer to receive a physical copy of such documents may request for one.

At each AGM, the Group CEO provides an update to shareholders on the company's performance. Every matter requiring approval is proposed as a separate resolution. Shareholders can clarify or ask questions on the proposed resolutions before voting. The board, with management's assistance, will address any shareholder feedback or concerns. External auditors, legal advisors and relevant external consultants are also present to assist the board when necessary.

Shareholders are encouraged to submit their questions in advance to the company, and the company's responses to substantial and relevant questions are published on the company website and disseminated via SGXNet prior to the commencement of the AGM.

The company's constitution allows shareholders who are not relevant intermediaries, to appoint up to two proxies to attend, speak and vote on their behalf at general meetings. Shareholders who are relevant intermediaries such as banks, capital markets services licence holders that provide custodial services for securities and the Central Provident Fund (CPF) Board, may appoint more than two proxies to attend, speak and vote at general meetings. This enables indirect investors, including CPF investors, to be appointed as proxies to participate at general meetings.

Provision 11.4 of the Code provides for a company's constitution to allow for absentia voting at general meetings of shareholders. Voting in absentia by mail, email or other electronic means is, however, currently not allowed, but will be carefully evaluated for feasibility to ensure integrity of information and authenticity of shareholders' identities are not compromised. Shareholders have the opportunity to exercise their rights and communicate their views on matters affecting the company even when they are not in attendance at general meetings as shareholders are able to appoint proxies to attend, speak and vote on their behalf at the meeting through proxy forms sent in advance.

Electronic poll voting is conducted at general meetings for greater transparency. An independent scrutineer is engaged to review the electronic poll voting system and proxy verification process, to ensure accuracy and adherence to procedures. The total number of votes cast for or against each resolution is tallied and displayed during the meetings. Voting results will also be announced after the meetings via SGXNet.

The company secretary records minutes of the general meetings, including shareholder comments or queries and responses from the board and management. The minutes are published on the company website and SGXNet within one month after the general meetings.

Dividend Policy

Sembcorp is committed to achieving sustainable income and growth to enhance total shareholder return. The company has outlined its strategic plan to transform its portfolio and drive energy transition responsibly. Its dividend policy aims to balance cash return to shareholders with investments for sustaining growth while ensuring an efficient capital structure. Sembcorp strives to provide consistent and sustainable ordinary dividend payments to our shareholders, and the practice is to consider declaring dividends on a biannual basis. As Sembcorp's cash flow visibility improves supported by a strong portfolio underpinned by long-term offtake contracts, Sembcorp has the ability to potentially increase returns to shareholders through a growing dividend. In the event of a material variation in declared dividends compared to the previous corresponding period, or any decision not to declare a dividend, the reasons for such will be disclosed in accordance with SGX-ST Listing Rule 704(24).

Engagement with Shareholders (Principle 12)

Regular, effective and fair communication with shareholders

Sembcorp is committed to upholding high standards of corporate transparency and disclosure. The Group has an investor relations policy which adheres to fair disclosure principles and emphasises active dialogue and engagement with shareholders, investors and analysts.

A dedicated investor relations team supports management in maintaining an active dialogue with the investment community.

Timely Disclosures

Sembcorp is committed to providing meaningful, timely and consistent disclosure of material information, ensuring that the investment community can make informed investment decisions. All price-sensitive and material information is disseminated via SGXNet on a non-selective, timely and consistent basis. The company's announcements are also uploaded on the company website after dissemination on SGXNet.

The financial results release date is disclosed one month prior to the announcement date via SGXNet. The company conducts analysts and media briefings upon the release of its financial results. The results briefings are conducted in a hybrid format enabling in-person and online attendees via a 'live' webcast. Sembcorp's investor relations officers are available by email or telephone to answer questions from the investment community, provided the information requested does not conflict with the SGX-ST's rules on fair disclosure.

Establishing and Maintaining Regular Dialogue with Shareholders
In addition to the results briefings, the company maintains regular and active dialogue with shareholders through investor-targeted events, such as AGMs, extraordinary general meetings, non-deal roadshows and conferences, site visits, as well as group and one-on-one meetings. These platforms provide opportunities for the board and senior management to interact directly with shareholders, understand their views, gather feedback and address concerns.

The company maintains a dedicated investor relations section on our company website, located under the *Creating Shareholder Value* as well as the *News and Insights* webpage, to cater to specific information needs of investors and capital market participants. Shareholders can also contact the investor relations team via email. The contact information for investor relations is available on the company website and in the annual report.

To keep the board and senior management abreast of market perception and concerns, the investor relations team provides regular updates on analysts' consensus estimates and views. A comprehensive report is presented quarterly and includes updates and analysis of the shareholder register, highlights of key shareholder engagements as well as market feedback.

For more information on Sembcorp's communications with its shareholders, please refer to the Investor Relations section on page 108.

Managing Stakeholders Relationships

Engagement with Stakeholders (Principle 13)

Considering the needs and interests of material stakeholders

Sembcorp's key stakeholders include customers, employees, financial institutions, governments and regulators, shareholders and the investment community, local communities, contractors, suppliers, trade unions and industry partners. These stakeholders are managed by various divisions at the corporate and market levels.

The company takes an inclusive approach to stakeholder management, actively considering and addressing the needs and interests of its material stakeholders. Meaningful engagement enables Sembcorp to identify issues critical to its business, gain valuable insights into stakeholder perspectives and prioritise areas of mutual importance within its partnerships.

To support effective communication and collaboration, Sembcorp maintains an up-to-date website as a central platform for sharing information, gathering feedback and fostering engagement.

Dealings in Securities
A Policy on Prevention of Insider Trading has been implemented to prohibit dealings in the company's securities by the board of directors and senior management within one month prior to the announcement of the company's half-year and full-year financial results. The board and employees are also advised to adhere to insider trading laws at all times, including when dealing in the company's securities outside the prohibited trading period, and reminded not to deal in the company's securities on short-term considerations.

The foregoing also applies to the company in respect of its purchase or acquisition of shares conducted under the share purchase mandate.

Interested Person Transactions
Shareholders have adopted an interested person transaction mandate (IPT Mandate) in respect to interested person transactions (IPTs) of the Group, which defines the levels and procedures to obtain approvals for such transactions. Information regarding the IPT Mandate is available on the company's intranet, and the company has an internal policy and procedure to manage and capture any IPTs. All markets, business lines and functional units are required to be familiar with the IPT Mandate as well as the internal policy and procedure, reporting IPTs to the company for review and approval by the AC. The Group maintains a register of IPTs in accordance with Chapter 9 of the SGX-ST Listing Manual.

For more information on the IPTs for FY2025, please refer to page 252.

For more information on the IPT Mandate, please refer to the Letter to Shareholders.

Code of Conduct
The Group's CoC aims to ensure effective governance and decision-making framework, with employees required to refer and apply its principles. The Group CEO and senior management actively refer to the CoC in addressing key issues, and to reinforce its importance among management. All employees of the Group must complete annual training on the CoC and its key policies, and to declare that they are in compliance with the CoC and key policies annually.

Summary of Governance Disclosures

The Summary of Disclosures that describes our corporate governance practices with specific reference to disclosure requirements in the principles and provisions of the Code, which can be found at SGX's website at rulebook.sgx.com, is set out below.

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Managing Stakeholders Relationships

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Investor Relations

Sembcorp is committed to ensuring the investment community receives accurate and timely updates to support informed decision-making.

Sembcorp's 2026 Extraordinary General Meeting convened for shareholders' approval of the proposed acquisition of Alinta Energy

Our dedicated investor relations team works closely with senior management to proactively engage with the investment community. We strive to provide investors with an accurate and balanced account of the Group's performance and prospects.

Beyond biannual financial results briefings for analysts, we conduct one-on-one and group meetings with shareholders, analysts and investors. We also participate in key conferences and organise facility tours to offer insights into our operations.

Proactive Engagement with the Investment Community

In 2025, senior management and the investor relations team continued to strengthen engagement with the investment community. We participated in nine major conferences, including the BofA ASEAN Conference, Citi Pan-Asia Investor Conference, HSBC Global Investment Summit, Macquarie ASEAN Conference and Morgan Stanley 24th Annual Asia Pacific Summit. In addition, we conducted non-deal roadshows across key financial centres including Hong Kong, Kuala Lumpur, Tokyo, Dublin, London, Paris, Boston, New York and Canada, to broaden outreach and deepen dialogues with global investors. During the year, senior management and the investor relations team engaged with over 240 unique members of the investment community through one-on-one and group meetings.

To enhance investors' understanding of our operations, we hosted site visits to the Sembcorp Tengeh Floating Solar Farm in Singapore, providing insights into Singapore's first inland floating solar farm.

In December 2025, we announced the proposed acquisition of Alinta Energy, a leading integrated energy player in Australia. This marked our strategic entry into an AAA-rated OECD (Organisation for Economic Co-operation and Development) country, with strong fundamentals and significant growth opportunities. Following the announcement, management conducted an analyst briefing and held group and individual meetings with key media and institutional investors. A replay of the analyst briefing was made available on the company website to ensure fair and broad access to the transaction information.

We also continued our dialogue with retail shareholders. In partnership with the Securities Investors Association (Singapore), a moderated session was held to present the merits of the acquisition, during which senior management addressed retail shareholders' questions. On January 30, 2026, an Extraordinary General Meeting was held for the purpose of obtaining shareholders' approval and the acquisition was duly approved. Completion of the acquisition is expected to complete by the end of the first half of 2026, subject to regulatory approvals and other customary closing conditions.

Total Shareholder Return

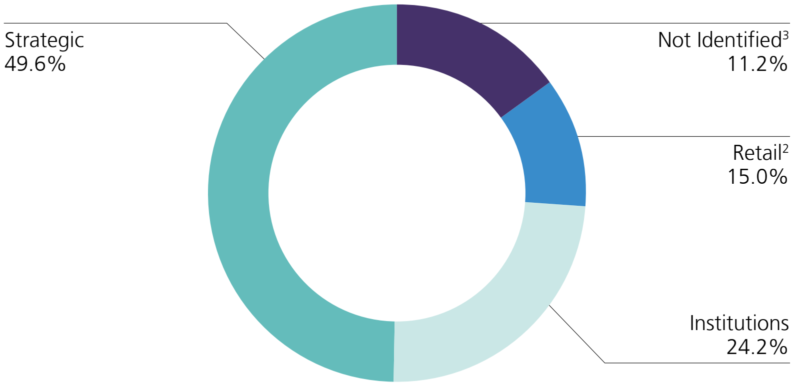
Sembcorp's last traded share price in 2025 was S$6.02, representing a market capitalisation of S$10.7 billion.

Based on closing prices, the company's share price averaged S$6.34 during the year, with a high of S$7.85 in July and a low of S$5.27 in February. Daily turnover averaged 4.2 million shares.

Sembcorp delivered a one-year total shareholder return (TSR)[1] of 14% in 2025, compared to the one-year TSR of 29% registered by the Straits Times Index (STI), which was driven mainly by the strong performance of two of Singapore's local banks and other key constituents. Over a five-year period from 2021 to 2025, Sembcorp achieved a TSR of 307%, nearly triple the STI's TSR of 105%. This underscores Sembcorp's strong business fundamentals driving long-term value creation for shareholders.

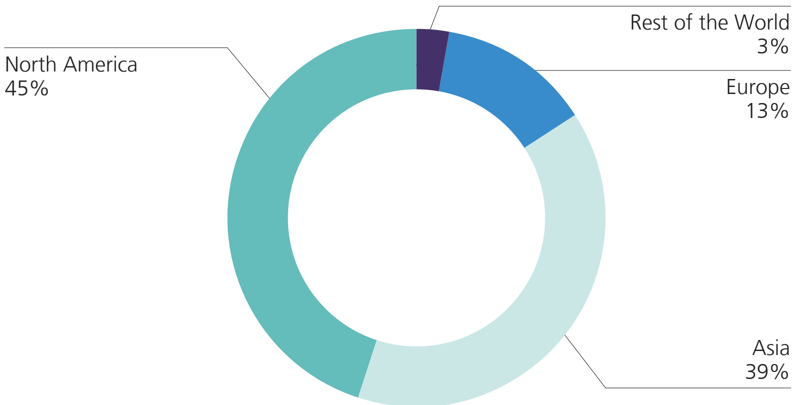
For the financial year 2025 (FY2025), an interim dividend of 9.0 cents per ordinary share was declared and paid to shareholders in August 2025. A final dividend of 16.0 cents per ordinary share has been proposed, subject to approval by shareholders at the upcoming Annual General Meeting in April 2026. Together with the interim dividend, total dividend for FY2025 will amount to 25.0 cents per ordinary share. The increase in dividend reflects our confidence in the company's future performance and ability to generate sustainable returns. As our earning base strengthens and the recurring cash flows broaden, we are committed to delivering sustainable and growing dividends over time.

Share Ownership by Investor Category*



Share Ownership by Geographical Distribution*

Excluding shares held by major shareholder Temasek Holdings and shareholders not identified



* As at December 31, 2025

Awards and Accolades

At The Edge Singapore Billion Dollar Club Awards 2025, Sembcorp was named Company of the Year – Billion Dollar Club. We were also recognised as the top company in the Industrials sector with the Highest Growth in Profit after Tax over three years and Overall Sector Winner. These recognitions are a testament to our unwavering commitment to driving sustainable growth.

Shareholder Information

Institutional shareholdings in 2025 decreased to 24.2% from 27.9% in 2024, while retail shareholdings[2] increased to 15.0% from 11.5% in 2024. Temasek Holdings, our major shareholder, held 49.6% of our shares as of end 2025. Unidentified shareholders[3] accounted for 11.2% of issued share capital. Institutional shareholders represented 47.9% of free float while retail shareholders[2] accounted for 29.8%. Excluding the stake held by Temasek Holdings and unidentified shareholders, North America represented the largest geographical shareholding base at 45%, followed by Asia at 39% and Europe at 13%.

[1] Source: Bloomberg

[2] Retail shareholders include private investors, brokers, custodians and corporates

[3] Shareholders not identified mainly include investors whose holdings fall below the threshold of 250,000 shares

Consolidated Financial Statements

Sembcorp and SDIC's wind energy assets in Yunnan, China

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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:

a. 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

b. 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:

	Direct interest			Deemed interest		
Name of director and corporation in which interests held	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
Ordinary shares of the Company						
Tow Heng Tan[1]	55,600	89,800	89,800	22,715	22,715	22,715
Lim Ming Yan	48,900	61,200	61,200	–	–	–
Yap Chee Keong[2]	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	–	–	–

1 Deemed interest in the shares registered in the name of his wife
2 All shares are registered in the name of DBS Nominees Pte Ltd

Name of director and corporation in which interests held	Direct interest: At beginning of the year	Direct interest: At end of the year	Direct interest: At 21/01/2026	Deemed interest: At beginning of the year	Deemed interest: At end of the year	Deemed interest: At 21/01/2026
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						
Kunnasagaran Chinniah	S$250,000	S$250,000	S$250,000	–	–	–
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						
Yap Chee Keong[3]	S$250,000	S$250,000	S$250,000	–	–	–
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						
Yap Chee Keong[3]	S$250,000	S$250,000	S$250,000	–	–	–

[3] The Series 004 Notes and Series 001 Notes are registered in the name of DBS Nominees Pte Ltd

	Direct interest: At beginning of the year	Direct interest: At end of the year	Deemed interest: At beginning of the year	Deemed interest: At end of the year
Conditional share award				
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' 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:

a. 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)

b. Period from 2023 to 2025 (PSP 2023-2025)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

c. Period from 2024 to 2026 (PSP 2024-2026)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

d. Period from 2025 to 2027 (PSP 2025-2027)
For this period, 0% to 200% of the conditional performance shares awarded may be delivered

e. 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

f. 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)

g. 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.

a. 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).

b. RSP 2023
In FY2025, 107,900 SCI shares were vested on April 1, 2025. The remaining shares will be vested in Year 2026.

c. 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:

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

[1] 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.

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:

	Movements during the year				
Restricted shares participants	At January 1	Conditional restricted shares awarded	Conditional restricted shares released	Conditional restricted shares lapsed	At December 31
2025					
Non-executive directors of the Company:					
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	–	–	–	–	–
Employees of the Group[1]	2,007,400	1,499,900	(2,041,900)	(70,600)	1,394,800
	2,007,400	**1,596,800**	**(2,138,800)**	**(70,600)**	**1,394,800**

[1] 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	**Wong Kim Yin**
Chairman	Director

Singapore
February 24, 2026

Independent Auditors' Report

Members of the Company
Sembcorp Industries Ltd

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Sembcorp Industries Ltd (the Company) and its subsidiaries (the Group), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at December 31, 2025, the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group for the year then ended, and notes to the financial statements, including material accounting policy information as set out on pages 124 to 251.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act), Singapore Financial Reporting Standards (International) (SFRS(I)s) and International Financial Reporting Standards (IFRSs) as issued by International Accounting Standards Board (IFRS Accounting Standards) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at December 31, 2025 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entitie*s (ACRA Code), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of property, plant and equipment, intangible assets and interests in associates and joint ventures (collectively, the Group's non-financial assets)

(Refer to Note D1, D3 and G3 to the financial statements: Property, plant and equipment of S$8,714,000,000, intangible assets of S$952,000,000 and associates and joint ventures of S$3,027,000,000)

Each Cash Generating Unit (CGU) was tested for presence of indicators of impairment. When impairment indicators exist, management determines the recoverable amount of the relevant CGU, being the higher of the fair value less cost of disposal and value in use.

Management performs annual impairment assessment for material CGUs with goodwill in Singapore, India and China for impairment as well as CGUs in China and United Kingdom. In particular, certain CGUs in India and China were identified for further assessment due to challenging business and regulatory environment.

The determination of the recoverable amounts involves significant estimation uncertainties as small changes in these key assumptions applied can have a material impact on the recoverable amount, particularly relating to:

- Gross margin forecasts which depend on customer demand and tariff rates that are subject to political and regulatory developments; and
- Discount rates which reflect the risks specific to each CGU and current market assessments of the time value of money.

Our response:

Our procedures included evaluating the Group's process for identifying CGUs subject to impairment testing.

We assessed the key significant assumptions used in the impairment model as follows:

- Compared gross margin forecasts against historical performance, contracted power price agreements (PPAs), approved generation capacity and, where relevant, reports prepared by management's experts; and
- Compared the discount rates used with market observable data of peer companies and applicable risk premiums.

We evaluated the independence, objectivity and competency of management's expert engaged to support the development of key assumptions. We also assessed the methodology applied by the expert and reasonableness of the assumptions used.

We performed sensitivity analysis on key assumptions to determine whether a reasonable possible change would result in impairment.

We also assessed the adequacy of Group's disclosures relating to impairment, including the description of estimation uncertainties and key assumptions in the financial statements.

Our findings:

We found that the Group has an established process for identifying the CGUs requiring impairment testing. The key assumptions used in determining recoverable amounts were reasonable and within supportable range. The disclosures relating to impairment and the estimation uncertainties were appropriate.

Valuation of trade and service concession receivables

(Refer to Note E1 to the financial statements: Trade and other receivables of S$2,229,000,000)

Risk:

Management estimates loss allowance based on ageing of overdue balances, repayment histories of individual debtors, existing customer-specific, market conditions and forward-looking information. This assessment of expected credit losses is inherently subjective and involves estimation uncertainty.

In particular, determination of expected credit losses of certain overseas subsidiaries involves significant estimation uncertainties as (1) these subsidiaries may be operating in jurisdiction facing political instability; or (2) the receivables are subject to regulatory review and approval.

Our response:

We evaluated the Group's process for estimation the loss allowance on these receivables.

We assessed the collection history of trade and other receivables to evaluate the identification of credit-impaired balances and reviewed the expected credit loss (ECL) methodology applied to non-credit-impaired balances.

We reviewed credit ratings reports issued by rating agencies, which incorporated macro-economic conditions, to assess the appropriateness of the probabilities of default rate to be applied.

We evaluated adjustments made for forward-looking information, including current economic conditions, forecasts of future economic developments and relevant government policies and regulations available as at the reporting date, to determine whether such adjustments were reasonable and supportable.

We also assessed the adequacy of disclosures in the financial statements related to management's evaluation of recoverability of these receivables.

Our findings:

The Group has an established process for assessing credit risk and determining loss allowance for trade and service concession receivables.

Management incorporated both qualitative and quantitative factors, including reasonable forward-looking information, in determining the appropriate loss allowance.

The disclosures relating to credit risk assessment and estimation uncertainty were found to be adequate.

Report on the audit of the financial statements *(cont'd)*

Key audit matters *(cont'd)*

Fair valuation of Deferred Payment Note (DPN) receivable

(Refer to Note H1 to the financial statements: DPN receivable of S$1,291,000,000)

Risk:

As part of the Group's divestment of Sembcorp Energy India Limited and its subsidiaries, now known as SEIL Energy India Limited (SEIL EIL), the Group provided vendor financing to the purchaser (Tanweer Infrastructure Pte. Ltd.) (Tanweer) through a deferred payment note (DPN). The DPN is accounted as financial asset measured at fair value through profit or loss, as it does not satisfy the solely payment of principal and interest (SPPI) criteria under SFRS(I) 9 Financial Instruments.

The fair value of DPN is determined based on expected repayments by Tanweer from distributions (including dividends) received from SEIL EIL. Any outstanding balances that remain unpaid at the end of repayment period will be waived off. Management performed a discounted cashflow valuation using the forecasted distributable reserves of SEIL EIL, which takes into account (i) secured cash flows from existing power purchase agreements (PPA) and (ii) unsecured cash flows from contract renewals and / or new contracts.

The valuation incorporates a discount rate reflecting risks associated with the underlying cash flow and the credit-default risk of the purchaser.

Determining the fair value of DPN involves significant estimation.

Our response:

We evaluated the forecast cash flows used by management by performing a retrospective review of collections during the year to assess the reasonableness of assumptions used in the valuation model.

We engaged our valuation specialist to review the valuation methodology and benchmark discount rate against market-observable data, including credit ratings of bonds issued by Indian public energy companies and other relevant market information.

We assessed the adequacy of financial statement disclosures relating to the DPN, including the key assumptions and estimation uncertainties.

Our findings:

Amounts received by the Group during the year were in line with management's forecast and the assumptions used in the valuation model appears to be reasonable.

The discount rate applied by management appropriately reflected the risks associated with the cash flows and credit risk under prevailing market conditions. Any changes in market conditions and circumstances could impact the subsequent measurement value of DPN, affecting future periods' profit or loss.

We found the disclosures relating to the DPN to be adequate.

Other Information

Management is responsible for the other information contained in the annual report. Other information is defined as all information in the annual report other than the financial statements and our auditors' report thereon.

We have obtained the following items prior to the date of this auditors' report:

- Investor Relations
- Corporate Information
- Group FY2025 Highlights
- Chairman and CEO's Statement
- Business Review – Performance Scorecard
- Gas and Related Services Review
- Renewables Review

- Integrated Urban Solutions Review
- Decarbonisation Solutions Review
- Directors' Statement

The following items (the Reports) are expected to be made available to us after that date:

- Our Leadership
- Group Financial Review
- Environmental, Social and Governance Review
- Shareholding Statistics
- Additional Information on Directors Seeking Re-election

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of management and directors for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act, SFRS(I)s and IFRS Accounting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Report on the audit of the financial statements *(cont'd)*

Auditors' responsibilities for the audit of the financial statements *(cont'd)*

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditors' report is Chiang Yong Torng.

KPMG LLP

KPMG LLP

Public Accountants and
Chartered Accountants

Singapore
February 24, 2026

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Balance Sheets

As at December 31, 2025

Following the revision of the Group's accounting policy on the subsequent measurement of investment properties, the comparative figures for prior periods have been restated (see Note A2i).

		Group			Company	
(S$ million)	Note	2025	2024 Restated	Jan 1, 2024 Restated	2025	2024
Property, plant and equipment	D1	8,714	8,304	6,465	427	389
Investment properties	D2	356	260	197	–	–
Intangible assets	D3	952	977	952	30	33
Investments in subsidiaries	G1	–	–	–	2,238	2,234
Associates and joint ventures	G3	3,027	2,789	2,444	–	–
Trade and other receivables	E1	785	802	811	*	*
DPN receivable	H1	1,291	1,581	1,816	–	–
Other investments and derivative assets	H1	133	136	132	*	*
Deferred tax assets	B3c	82	69	66	–	–
Non-current assets		**15,340**	**14,918**	**12,883**	**2,695**	**2,656**
Inventories	E2	130	135	135	6	6
Trade and other receivables	E1	1,689	1,813	1,675	165	133
Contract assets	B2(c)	31	37	15	–	–
Other investments and derivative assets	H1	113	114	114	3	*
Cash and cash equivalents	E4	1,109	871	767	164	201
Current assets		3,072	2,970	2,706	338	340
Assets held for sale	G6	**17**	**392**	**–**	**–**	**268**
Total assets		**18,429**	**18,280**	**15,589**	**3,033**	**3,264**
Trade and other payables	E3	1,411	1,585	1,630	144	172
Contract liabilities	B2c	161	197	171	2	2
Derivative liabilities	H1	53	36	63	*	1
Provisions	H2	62	65	77	38	39
Current tax payable		149	182	236	26	19
Lease liabilities	D1.1	59	27	18	6	5
Loans and borrowings	C5	1,057	671	1,281	–	–
Current liabilities		**2,952**	**2,763**	**3,476**	**216**	**238**
Liabilities held for sale	G6	2	148	–	–	–
Net current assets / (liabilities)		**135**	**451**	**(770)**	**122**	**370**

The accompanying notes form an integral part of these financial statements.

		Group			Company	
(S$ million)	Note	2025	2024 Restated	Jan 1, 2024 Restated	2025	2024
Other long-term payables	E3	97	99	121	1,375	1,416
Contract liabilities	B2c	78	79	80	32	35
Derivative liabilities	H1	117	30	20	–	–
Provisions	H2	75	69	65	20	16
Deferred tax liabilities	B3c	655	639	607	23	24
Lease liabilities	D1.1	688	702	292	107	103
Loans and borrowings	C5	7,899	8,000	5,973	–	–
Non-current liabilities		**9,609**	**9,618**	**7,158**	**1,557**	**1,594**
Total liabilities		**12,563**	**12,529**	**10,634**	**1,773**	**1,832**
Net assets		**5,866**	**5,751**	**4,955**	**1,260**	**1,432**
Equity attributable to owners of the Company:						
Share capital	C2	566	566	566	566	566
Reserve for own shares	C3	(56)	(24)	(40)	(56)	(24)
Other reserves	C3	(934)	(651)	(665)	(62)	(32)
Revenue reserve		5,967	5,550	4,800	812	922
Total		**5,543**	**5,441**	**4,661**	**1,260**	**1,432**
Non-controlling interests	G2	323	310	294	–	–
Total equity		**5,866**	**5,751**	**4,955**	**1,260**	**1,432**

Consolidated Statement of Profit or Loss

Year ended December 31, 2025

(S$ million)	Note	Group 2025	Group 2024 Restated
Continuing operations			
Turnover	B1, B2	5,799	6,417
Cost of sales		(4,501)	(4,908)
Gross profit		1,298	1,509
General and administrative expenses		(443)	(476)
Other operating income, net		105	82
Non-operating income		119	186
Non-operating expenses		(35)	(13)
Finance income	C6	28	27
Finance costs	C6	(392)	(372)
Share of results of associates and joint ventures, net of tax		496	316
Profit before tax		1,176	1,259
Tax expense	B3	(156)	(207)
Profit from continuing operations	B4	1,020	1,052
Discontinued operation			
Loss from discontinued operation, net of tax	G6	–	(9)
Profit for the year		1,020	1,043
Profit attributable to:			
Owners of the Company		984	1,016
Non-controlling interests		36	27
Profit for the year		1,020	1,043
Earnings per share (cents):	B5		
Basic		55.33	57.00
Diluted		54.71	56.10
Earnings per share (cents) – Continuing operations:	B5		
Basic		55.33	57.51
Diluted		54.71	56.60

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Comprehensive Income

Year ended December 31, 2025

		Group	
(S$ million)	Note	2025	2024 Restated
Profit for the year		1,020	1,043
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Foreign currency translation differences for foreign operations		(301)	35
Exchange differences on monetary items forming part of net investment in foreign operation		1	1
Net change in fair value of cash flow hedges		(85)	13
Net change in fair value of cash flow hedges reclassified to profit or loss		(16)	(35)
Realisation of reserves upon disposal / liquidation of investments and assets held for sale		20	(2)
Share of other comprehensive income of associates and joint ventures		(18)	18
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	F2	–	5
Income tax relating to these items	B3d	15	4
		(384)	39
Items that may not be reclassified subsequently to profit or loss:			
Defined benefit plan actuarial gains and losses		3	(9)
Change in fair value of financial assets at fair value through other comprehensive income		5	1
Income tax relating to these items	B3d	*	2
		8	(6)
Other comprehensive income for the year, net of tax		(376)	33
Total comprehensive income for the year		644	1,076
Total comprehensive income attributable to:			
Owners of the Company		629	1,046
Non-controlling interests		15	30
Total comprehensive income for the year		644	1,076
Total comprehensive income attributable to owners of the Company:			
Continuing operations		629	1,046
Discontinued operation		–	–
		629	1,046

Consolidated Statement of Changes in Equity

Year ended December 31, 2025

(S$ million)	Share capital	Reserve for own shares	Foreign currency translation reserve
Group			
At January 1, 2025, as previously stated	566	(24)	(634)
Impact of change in accounting policy	–	–	1
At January 1, 2025, as restated	566	(24)	(633)
Total comprehensive income for the year			
Profit for the year	–	–	–
Other comprehensive income			
Foreign currency translation differences for foreign operations	–	–	(284)
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	1
Net change in fair value of cash flow hedges	–	–	–
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–
Realisation of reserves upon disposal / liquidation of investments	–	–	21
Transfer of reserves	–	–	–
Defined benefit plan actuarial gains and losses	–	–	–
Share of other comprehensive income of associates and joint ventures	–	–	–
Total other comprehensive income for the year	–	–	(262)
Total comprehensive income for the year	–	–	(262)
Transactions with owners of the Company, recognised directly in equity			
Share issuance	–	–	–
Acquisition of subsidiaries	–	–	–
Acquisition of non-controlling interests	–	–	*
Share-based payments	–	–	–
Purchase of treasury shares	–	(70)	–
Treasury shares transferred to employees	–	38	–
Cash settlement of PSP and RSP (Note B6) at the discretion of the Company	–	–	–
Dividend paid / payable to owners (Note C4)	–	–	–
Dividend paid / payable to non-controlling interests	–	–	–
Total transactions with owners	–	(32)	*
At December 31, 2025	566	(56)	(895)

The accompanying notes form an integral part of these financial statements.

Attributable to owners of the Company								
Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
(97)	29	(37)	37	50	5,471	5,361	298	5,659
–	–	–	–	–	79	80	12	92
(97)	29	(37)	37	50	5,550	5,441	310	5,751
–	–	–	–	–	984	984	36	1,020
–	–	–	–	–	–	(284)	(17)	(301)
–	–	–	–	–	–	1	–	1
–	–	–	–	(69)	–	(69)	(2)	(71)
–	–	–	–	(15)	–	(15)	–	(15)
–	–	–	5	–	–	5	–	5
112	–	(1)	–	–	(110)	22	(2)	20
(1)	–	1	–	–	*	–	–	–
–	–	–	–	–	3	3	*	3
*	–	–	*	(18)	–	(18)	–	(18)
111	–	–	5	(102)	(107)	(355)	(21)	(376)
111	–	–	5	(102)	877	629	15	644
–	–	–	–	–	–	–	5	5
–	–	–	–	–	–	–	9	9
1	–	–	–	*	2	3	(3)	–
–	–	26	–	–	–	26	–	26
–	–	–	–	–	–	(70)	–	(70)
–	–	(38)	–	–	–	–	–	–
–	–	(24)	–	–	–	(24)	–	(24)
–	–	–	–	–	(462)	(462)	–	(462)
–	–	–	–	–	–	–	(13)	(13)
1	–	(36)	–	–	(460)	(527)	(2)	(529)
15	29	(73)	42	(52)	5,967	5,543	323	5,866

Consolidated Statement of Changes in Equity

Year ended December 31, 2025

(S$ million)	Share capital	Reserve for own shares	Foreign currency translation reserve
Group			
At January 1, 2024, as previously stated	566	(40)	(672)
Impact of change in accounting policy	–	–	(1)
At January 1, 2024, as restated	566	(40)	(673)
Total comprehensive income for the year			
Profit for the year, restated	–	–	–
Other comprehensive income			
Foreign currency translation differences for foreign operations	–	–	32
Exchange differences on monetary items forming part of net investment in foreign operations	–	–	1
Net change in fair value of cash flow hedges	–	–	–
Net change in fair value of cash flow hedges reclassified to profit or loss	–	–	–
Net change in fair value of financial assets at fair value through other comprehensive income	–	–	–
Realisation of reserves upon disposal of associates	–	–	7
Transfer of reserves	–	–	–
Net change in fair value of cash flow hedges reclassified to cost of investment of / loan to a subsidiary	–	–	–
Defined benefit plan actuarial gains and losses	–	–	–
Share of other comprehensive income of associates and joint ventures	–	–	–
Total other comprehensive income for the year	–	–	40
Total comprehensive income for the year, restated	–	–	40
Transactions with owners of the Company, recognised directly in equity			
Share issuance	–	–	–
Share-based payments	–	–	–
Purchase of treasury shares	–	(19)	–
Treasury shares transferred to employees	–	35	–
Cash settlement of PSP and RSP (Note B6) at the discretion of the Company	–	–	–
Acquisition of non-controlling interests	–	–	–
Dividend paid / payable to owners (Note C4)	–	–	–
Dividend paid / payable to non-controlling interests	–	–	–
Total transactions with owners	–	16	–
At December 31, 2024, as restated	566	(24)	(633)

The accompanying notes form an integral part of these financial statements.

Attributable to owners of the Company								
Capital reserve	Merger reserve	Share-based payments reserve	Fair value reserve	Hedging reserve	Revenue reserve	Total	Non-controlling interests	Total equity
(93)	29	(9)	36	45	4,726	4,588	284	4,872
–	–	–	–	–	74	73	10	83
(93)	29	(9)	36	45	4,800	4,661	294	4,955
–	–	–	–	–	1,016	1,016	27	1,043
–	–	–	–	–	–	32	3	35
–	–	–	–	–	–	1	–	1
–	–	–	–	12	–	12	*	12
–	–	–	–	(30)	–	(30)	–	(30)
–	–	–	1	–	–	1	–	1
(1)	–	–	–	–	(8)	(2)	–	(2)
(1)	–	–	–	–	1	–	–	–
–	–	–	–	5	–	5	–	5
–	–	–	–	–	(7)	(7)	–	(7)
*	–	–	*	18	–	18	–	18
(2)	–	–	1	5	(14)	30	3	33
(2)	–	–	1	5	1,002	1,046	30	1,076
–	–	–	–	–	–	–	9	9
–	–	24	–	–	–	24	–	24
–	–	–	–	–	–	(19)	–	(19)
–	–	(35)	–	–	–	–	–	–
–	–	(17)	–	–	–	(17)	–	(17)
(2)	–	–	–	–	(2)	(4)	(6)	(10)
–	–	–	–	–	(250)	(250)	–	(250)
–	–	–	–	–	–	–	(17)	(17)
(2)	–	(28)	–	–	(252)	(266)	(14)	(280)
(97)	29	(37)	37	50	5,550	5,441	310	5,751

Consolidated Statement of Cash Flows

Year ended December 31, 2025

(S$ million)	Group 2025	Group 2024
Cash flows from operating activities		
Profit for the year:		
– Continuing operations	1,020	1,052
– Discontinued operation	–	(9)
Adjustments for:		
Dividend income	(1)	(1)
Finance income	(28)	(27)
Finance costs	392	372
DPN expense / (income)	35	(169)
Depreciation and amortisation	476	446
Share of results of associates and joint ventures, net of tax	(496)	(316)
Gain on disposal of:		
– property, plant and equipment, intangible assets and other financial assets	(5)	(5)
– subsidiaries, associate and joint ventures	(143)	(1)
– assets held for sale	(1)	–
Loss / (Gain) on liquidation of subsidiaries and joint venture	19	(2)
Changes in fair value of investment properties	(5)	(5)
Equity settled share-based compensation expenses	26	24
Allowance for inventory obsolescence, net	5	2
Impairment and write-off of assets	25	7
Gain on bargain purchase	(2)	(8)
Write-down of other investments	11	2
Impairment of joint ventures	2	4
Tax expense	156	207
Operating profit before working capital changes	1,486	1,573
Changes in:		
Inventories	(12)	(7)
Receivables	77	(97)
Payables	(185)	140
Contract assets	5	(22)
Contract liabilities	(36)	25
	1,335	1,612
Tax paid	(165)	(200)
Net cash from operating activities	**1,170**	**1,412**

The accompanying notes form an integral part of these financial statements.

(S$ million)	Group 2025	Group 2024
Cash flows from investing activities		
Dividend received	307	173
Interest received	29	29
Proceeds from:		
– capital repatriation / disposal of joint ventures and associates#	86	39
– disposal group held for sale	383	–
– disposal of interest in subsidiaries	23	(6)
– sale of property, plant and equipment	6	17
– sale of intangible assets	*	*
– disposal of other financial assets and business	728	660
Proceeds from deferred payment note	255	404
Repayment of loans by joint venture	61	–
Acquisition of subsidiaries, net of cash acquired	(116)	(244)
Acquisition of investments in joint ventures and associates#	(207)	(229)
Acquisition of other financial assets	(750)	(673)
Acquisition of long-term assets	(29)	–
Purchase of property, plant and equipment and investment properties	(956)	(1,592)
Purchase of intangible assets	(6)	(16)
Net cash used in investing activities	**(186)**	**(1,438)**
Cash flows from financing activities		
Proceeds from share issued to non-controlling interests of subsidiaries	5	9
Purchase of treasury shares	(70)	(19)
Repayment of lease liabilities	(58)	(25)
Proceeds from borrowings	2,640	5,259
Repayment of borrowings	(2,318)	(4,310)
Dividends paid to owners of the Company	(462)	(250)
Dividends paid to non-controlling interests of subsidiaries	(13)	(17)
Receipts in restricted cash held as collateral	3	14
Payment on deferred and contingent considerations	(54)	(152)
Acquisition of non-controlling interest	–	(10)
Interest paid	(402)	(345)
Net cash (used in) / from financing activities	**(729)**	**154**

The acquisition of investments in joint ventures and associates includes the additional interest acquired in Senoko, amounting to S$72 million, before deducting the S$3 million capital repatriation, which is presented under "Proceeds from capital repatriation" in the Statement of Cash Flows (Note G3).

Consolidated Statement of Cash Flows

Year ended December 31, 2025

(S$ million)	Note	Group 2025	Group 2024
Net increase in cash and cash equivalents		255	128
Cash and cash equivalents at beginning of the year		850	732
Cash balance transferred from held for sale at beginning of the period		24	–
Effect of exchange rate changes on balances held in foreign currency		(38)	14
Cash and cash equivalents at end of the year, including held for sale (less pledge for security)		1,091	874
Cash balance transferred to held for sale		–	(24)
Cash and cash equivalents at end of the year	E4	**1,091**	**850**

Significant non-cash transactions

During the year, the Group entered new lease arrangements recognising right-of-use assets of S$77 million (Note D1.1), with a corresponding increase in lease liabilities.

During the year, the Group acquired an associate and a joint venture. The unpaid portion of the purchase consideration, amounting to S$19 million, was recognised as trade and other payables.

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

A. About These Financial Statements

Sembcorp Industries Ltd (the Company) is domiciled and incorporated in Singapore and is listed on the Singapore Exchange Securities Trading Limited. The address of its registered office is at 30 Hill Street, #05-04, Singapore 179360.

The Company's immediate and ultimate holding company is Temasek Holdings (Private) Limited, a company incorporated in Singapore which holds a 49.61% ownership stake in the Company.

The financial statements of the Group as at and for the year ended December 31, 2025 comprise the Company and its subsidiaries (together referred to as the Group and individually as Group entities) and the Group's interests in associates and joint ventures.

The financial statements were authorised for issue by the Board of Directors on February 24, 2026.

A1. Basis of Preparation

The financial statements have been prepared in accordance with the provisions of the Companies Act 1967, Singapore Financial Reporting Standards (International) (SFRS(I)) and International Financial Reporting Standards (IFRS). SFRS(I) comprises standards and interpretations that are equivalent to IFRS. All references to SFRS(I) and IFRS are subsequently referred to as SFRS(I) in these financial statements unless otherwise specified.

The financial statements have been prepared on a historical cost basis except as otherwise described in the accounting policies.

The preparation of the financial statements in conformity with SFRS(I) requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions, which are based on historical experience and various other factors believed to be reasonable under the circumstances, form the basis of judgement about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about key management judgements and estimates that are considered material to the financial statements is incorporated in respective notes to the financial statements.

The financial statements are presented in Singapore dollar which is the Company's functional currency. All financial information presented in Singapore dollars has been rounded to the nearest million unless otherwise stated. '*' denotes financial value that is less than S$1 million.

Information is only being included in the financial report to the extent it is considered material and relevant to the understanding of the financial statements. A disclosure is considered material and relevant if:

- dollar amount is significant in value
- dollar amount is significant by nature
- financial results cannot be understood without specific disclosure
- critical to allow user to understand significant changes in group businesses

A2. Change in Accounting Policy

(i) Accounting for investment properties

In June 2025, the Group changed its accounting policy relating to the subsequent measurement of investment properties from the cost model to the fair value model, with changes in fair value recognised in profit or loss. The Group believes that subsequent measurement using the fair value model provides more relevant information about the financial performance of these assets, assists users to better understand the risks associated with these assets and is consistent with industry practice in relation to these types of assets. This change in accounting policy was applied retrospectively.

The Group has restated the balance sheets as at January 1, 2024, and December 31, 2024, along with the comparative figures for the statements of profit or loss, changes in equity, and cash flows for the year ended December 31, 2024.

A. About These Financial Statements *(cont'd)*

A2. Change in Accounting Policy *(cont'd)*

(i) Accounting for investment properties *(cont'd)*

Summary of quantitative impact

The tables summarise the material impacts on the Group's financial statements, primarily from the Integrated Urban Solutions segment. There is no material impact on the Group's basic or diluted earnings per share, net assets value and no impact on the total operating, investing, or financing cash flows for the year ended December 31, 2025, and December 31, 2024.

Balance Sheets As at January 1, 2024	Impact of change in accounting policy		
(S$ million)	As previously reported	Adjustments	As restated
Investment properties	153	44	197
Associates and joint ventures*	2,396	48	2,444
Other assets	12,948	–	12,948
Total assets	**15,497**	**92**	**15,589**
Deferred tax liabilities	598	9	607
Other liabilities	10,027	–	10,027
Total liabilities	**10,625**	**9**	**10,634**
Share capital	566	–	566
Other reserves	(704)	(1)	(705)
Revenue reserve	4,726	74	4,800
Non-controlling interests	284	10	294
Total equity	**4,872**	**83**	**4,955**

Balance Sheets As at December 31, 2024	Impact of change in accounting policy		
(S$ million)	As previously reported	Adjustments	As restated
Investment properties	207	53	260
Associates and joint ventures*	2,740	49	2,789
Other assets	15,231	–	15,231
Total assets	**18,178**	**102**	**18,280**
Deferred tax liabilities	629	10	639
Other liabilities	11,890	–	11,890
Total liabilities	**12,519**	**10**	**12,529**
Share capital	566	–	566
Other reserves	(676)	1	(675)
Revenue reserve	5,471	79	5,550
Non-controlling interests	298	12	310
Total equity	**5,659**	**92**	**5,751**

* Includes the share of fair value changes in the investment properties of the associates and joint ventures

Balance Sheets As at December 31, 2025 *(S$ million)*	Impact of change in accounting policy
Investment properties	61
Associates and joint ventures*	77
Other assets	–
Total assets	**138**
Deferred tax liabilities	11
Other liabilities	–
Total liabilities	**11**
Share capital	–
Other reserves	(3)
Revenue reserve	116
Non-controlling interests	14
Total equity	**127**

* Includes the share of fair value changes in the investment properties of the associates and joint ventures

Consolidated Statement of Profit or Loss Year ended December 31, 2024	Impact of change in accounting policy		
(S$ million)	As previously reported	Adjustments	As restated
Cost of sales	(4,912)	4	(4,908)
Other operating income, net	77	5	82
Share of results of associates and joint ventures, net of tax	317	(1)	316
Tax expense	(206)	(1)	(207)
Others	5,760	–	5,760
Profit for the period	**1,036**	**7**	**1,043**
Profit attributable to:			
– Owners of the Company	1,011	5	1,016
– Non-controlling interests	25	2	27
Profit for the period	**1,036**	**7**	**1,043**

Consolidated Statement of Profit or Loss Year ended December 31, 2025 *(S$ million)*	Impact of change in accounting policy
Decrease in cost of sales	4
Increase in other operating income, net	5
Increase in share of results of associates and joint ventures, net of tax	31
Increase in tax expense	(1)
Increase in profit for the period	**39**
Increase in profit attributable to owners of the Company	**36**

A. About These Financial Statements *(cont'd)*

A3. Material Accounting Policy Information

In addition to the accounting polices described below, other material accounting policies are included in the respective notes to the financial statements.

(i) Foreign currencies

Foreign currency transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of Group entities using exchange rates at the dates of the transactions. At each balance sheet date, foreign currency monetary assets and liabilities are translated to the functional currency using foreign exchange rates at that date.

Non-monetary assets and liabilities in a foreign currency that are measured in terms of historical cost are translated using exchange rates at the date of the transaction while those measured at fair value are translated to the functional currency using exchange rates at the date the fair value was determined.

Foreign currency differences are recognised in profit or loss, except when arising from the translation of the following items, in which case the differences are recognised in other comprehensive income:

- Equity instruments designated as fair value through other comprehensive income (FVOCI). (However, upon impairment, the foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss);
- A financial liability designated as a hedge of a net investment in a foreign operation to the extent that the hedge is effective; or
- Qualifying cash flow hedges to the extent the hedge is effective.

Foreign operations

For the purpose of presenting consolidated financial statements, the assets and liabilities of entities with a functional currency other than Singapore dollar are expressed in Singapore dollar using exchange rates prevailing at the balance sheet date. Income and expense items and cash flows are translated at the average exchange rates for each month and exchange differences arising are recognised directly in other comprehensive income.

On disposal of a foreign entity, the cumulative amount previously recognised in the consolidated statement of comprehensive income relating to that particular foreign operation is recognised in profit or loss.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated accordingly.

Net investment in a foreign operation

Exchange differences arising from monetary items that in substance form part of the Company's net investment in a foreign operation are recognised in the Company's profit or loss. Such exchange differences are reclassified to the foreign currency translation reserve in the consolidated statement of comprehensive income and are released to the consolidated statement of profit or loss upon disposal of the investment as part of the gain or loss on disposal.

(ii) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company and its subsidiaries.

The financial statements of subsidiaries acquired or disposed during the financial year are included or excluded from the consolidated financial statements from their respective dates of obtaining control or ceasing control. Where necessary, adjustments are made to the financial statements of subsidiaries to ensure consistency of accounting policies with those of the Group. All intercompany transactions, balances and unrealised gains on transactions between Group entities are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment indicator of the transferred asset.

Acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition includes fair values of any contingent or deferred consideration arrangement and any pre-existing equity interest in the subsidiary. Subsequent changes to the fair value of the contingent consideration are recognised in profit or loss. From January 1, 2017, acquisition related costs are recognised in the profit or loss as incurred whereas prior to this date, acquisition related costs formed part of the cost of acquisition. The unwinding of any interest element of deferred consideration is recognised in profit or loss.

Any excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of business combination is recognised in the profit or loss as gain on bargain purchase on the date of acquisition.

Business combinations that involve entities under common control are excluded from the scope of SFRS(I) 3. Such combinations are accounted at historical costs in a manner similar to the pooling-of-interest method, in the preparation of the consolidated financial statements. Under this method of accounting, the difference between the value of the share capital issued and the value of shares received is taken to the merger reserve.

Upon the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interest and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value at the date that control is lost. Subsequently, it is accounted for as an equity-accounted investee or financial assets at FVOCI depending on the level of influence retained.

From January 1, 2010, changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as transactions with owners and therefore no adjustments are made to goodwill and no gain or loss is recognised in profit or loss. The difference between the change in the carrying amounts of the non-controlling interests (NCI) and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company. Prior to January 1, 2010, any excess of the cost of acquisition of NCI over the carrying amount of the interest in the net assets acquired at the date of acquisition was recognised as goodwill.

On a transaction-by-transaction basis, the measurement of NCI is either at fair value or at the NCI's share of the fair value of the identifiable net assets of the acquiree.

A. About These Financial Statements *(cont'd)*

A3. Material Accounting Policy Information *(cont'd)*

(ii) Basis of consolidation *(cont'd)*

Non-controlling interest

NCI comprise the portion of a subsidiary's net results of operations and its net assets, which is attributable to the interests that are not owned directly or indirectly by the owners of the Company. They are shown separately in the consolidated statements of comprehensive income, statement of changes in equity and balance sheet. Total comprehensive income is attributed to the NCI based on their respective interest in a subsidiary, even if this results in the NCI having a deficit balance.

Adjustments to NCI arising from transactions that do not involve the loss of control are based on a proportionate amount of net assets of the subsidiary.

Associates and joint ventures

Associates and joint ventures are accounted for using the equity method of accounting from the date that significant influence commences until the date that significant influence ceases and are recognised initially at cost. The cost of investments includes transaction costs. When the Group's share of losses exceeds its interest in the associate or joint venture, the carrying amount of the investment (including any other unsecured receivables, that in substance, form part of the Group's net investment) is reduced to zero, and the recognition of further losses is discontinued unless it has legal or constructive obligations to make, or has made, payments on behalf of the associate or joint venture. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is credited to profit or loss in the period of the acquisition. Where the audited financial statements are not yet available for the purpose of statutory filing, the share of results is arrived at from management financial statements.

Impairment for associates and joint ventures

An impairment loss in respect of an associate or joint venture shall be recognised if, and only if, the recoverable amount of the investment is less than the carrying amount. An impairment loss is recognised in the profit or loss. An impairment loss is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

New standards and amendments

The Group has applied Amendments to SFRS(I) 1-21 *Lack of Exchangeability* for the first time for the annual period beginning on January 1, 2025. The adoption of these amendments to accounting standards and interpretations does not have a material effect on the financial statements.

B. OUR PERFORMANCE

B1. Segments Information

The Group has categorised its business segments based on the internal reports that are reviewed and used by the executive management team in determining the allocation of resources and in assessing performance of the operating segments. The Group's businesses are categorised into the five main segments, namely Gas and Related Services, Renewables, Integrated Urban Solutions, Decarbonisation Solutions, and Other Businesses and Corporate.

The principal activities of key subsidiaries under the five main segments are as follows:

i. Gas and Related Services

The Gas and Related Services segment's principal activities include the sale of energy molecules (including natural gas, steam and electricity from a diversity of fossil fuels such as natural gas). This segment also includes sale of water products from its integrated assets.

ii. Renewables

The Renewables segment's principal activities are the provision of self-generated electricity from solar and wind resources, energy storage, as well as provision of system services that support integration of renewables into grid. This segment also includes the development and provision of installation, operation and maintenance of solar, wind and energy storage assets.

iii. Integrated Urban Solutions

The Integrated Urban Solutions segment supports sustainable development through its suite of urban, water as well as waste and waste-to-resource solutions. The segment's businesses comprise the development of large-scale integrated urban developments and integrated townships such as industrial parks, business, commercial and residential spaces, production and reclamation of water and industrial wastewater treatment as well as solid waste management and waste-to-resource solutions.

iv. Decarbonisation Solutions

The Decarbonisation Solutions segment includes the trading of Environmental Attributes, low-carbon feedstock (green hydrogen and ammonia), power imports and carbon capture, utilisation and storage (CCUS) business.

v. Other Businesses and Corporate

The Other Businesses and Corporate segment comprise businesses mainly relating to specialised construction, minting, the Group's captive insurance and financial services, as well as corporate costs.

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments

Information regarding the continuing operations' results of each reportable segment is included below.

(S$ million)	Gas and Related Services	Renewables
2025		
Turnover		
External sales	4,088	856
Inter-segment sales	13	76
Total	**4,101**	**932**
Results		
Earnings before interest, taxes, depreciation and amortisation[1] (EBITDA)	719	673
Share of results of associates and joint ventures, net of tax	287	50
Adjusted EBITDA	**1,006**	**723**
Depreciation and amortisation	(133)	(303)
Finance income	24	13
Finance costs	(60)	(204)
Profit / (Loss) before tax	**837**	**229**
Tax (expense) / credit	(86)	(46)
Non-controlling interests	(13)	(9)
Profit / (Loss) attributable to owners of the Company	**738**	**174**
Assets		
Segment assets	4,946	8,502
Associates and joint ventures	744	1,167
Tax assets	22	74
	5,712	**9,743**
Assets held for sale	–	17
Total assets	**5,712**	**9,760**
Liabilities		
Segment liabilities	2,480	6,466
Tax liabilities	321	398
	2,801	**6,864**
Liabilities held for sale	–	2
Total liabilities	**2,801**	**6,866**
Capital expenditure[2]	**373**	**466**

[1] EBITDA refers to earnings before net interest expense, tax, depreciation and amortisation.

[2] Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill and carbon allowances.

The EBITDA elimination amount relates to unrealised profits on the sale of Environmental Attributes across the segments with corresponding adjustment in segment assets.

Other Businesses and Corporate's segment assets include DPN receivable (Note H1).

Continuing operations				
Integrated Urban Solutions	**Decarbonisation Solutions**	**Other Businesses and Corporate**	**Elimination**	**Total**
242	42	571	–	5,799
7	26	15	(137)	–
249	**68**	**586**	**(137)**	**5,799**
88	(25)	73	(8)	1,520
159	*	–	–	496
247	**(25)**	**73**	**(8)**	**2,016**
(27)	*	(13)	–	(476)
11	*	47	(67)	28
(11)	*	(184)	67	(392)
220	**(25)**	**(77)**	**(8)**	**1,176**
(21)	2	(5)	–	(156)
(14)	–	*	–	(36)
185	**(23)**	**(82)**	**(8)**	**984**
1,374	89	3,664	(3,331)	15,244
1,115	1	–	–	3,027
17	*	28	–	141
2,506	**90**	**3,692**	**(3,331)**	**18,412**
–	–	–	–	17
2,506	**90**	**3,692**	**(3,331)**	**18,429**
506	72	5,556	(3,323)	11,757
14	*	71	–	804
520	**72**	**5,627**	**(3,323)**	**12,561**
–	–	–	–	2
520	**72**	**5,627**	**(3,323)**	**12,563**
14	**8**	**8**	**–**	**869**

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

a. Operating Segments *(cont'd)*

(S$ million)	Gas and Related Services	Renewables
2024 (Restated)		
Turnover		
External sales	4,637	746
Inter-segment sales	57	18
Total	**4,694**	**764**
Results		
EBITDA	911	568
Share of results of associates and joint ventures, net of tax	132	58
Adjusted EBITDA	**1,043**	**626**
Depreciation and amortisation	(142)	(235)
Finance income	39	9
Finance costs	(73)	(174)
Profit / (Loss) before tax	**867**	**226**
Tax (expense) / credit	(127)	(36)
Non-controlling interests	(12)	(4)
Profit / (Loss) from continuing operations attributable to owners of the Company	**728**	**186**
Loss from discontinued operation, net of tax		
Profit attributable to owners of the Company		
Assets		
Segment assets	4,549	8,237
Associates and joint ventures	648	1,160
Tax assets	33	67
	5,230	**9,464**
Assets held for sale	–	3
Total assets	**5,230**	**9,467**
Liabilities		
Segment liabilities	2,495	6,614
Tax liabilities	343	367
	2,838	**6,981**
Liabilities held for sale	–	–
Total liabilities	**2,838**	**6,981**
Capital expenditure	**384**	**1,072**

Continuing operations				
Integrated Urban Solutions	Decarbonisation Solutions	Other Businesses and Corporate	Elimination	Total
431	53	550	–	6,417
44	8	12	(139)	–
475	**61**	**562**	**(139)**	**6,417**
143	(19)	136	(5)	1,734
126	*	*	–	316
269	**(19)**	**136**	**(5)**	**2,050**
(57)	*	(12)	–	(446)
17	1	53	(92)	27
(11)	*	(206)	92	(372)
218	**(18)**	**(29)**	**(5)**	**1,259**
(31)	2	(15)	–	(207)
(11)	–	*	–	(27)
176	**(16)**	**(44)**	**(5)**	**1,025**
				(9)
				1,016
1,405	48	3,908	(3,188)	14,959
981	*	–	–	2,789
19	*	21	–	140
2,405	**48**	**3,929**	**(3,188)**	**17,888**
389	–	–	–	392
2,794	**48**	**3,929**	**(3,188)**	**18,280**
372	18	5,244	(3,183)	11,560
18	*	93	–	821
390	**18**	**5,337**	**(3,183)**	**12,381**
148	–	–	–	148
538	**18**	**5,337**	**(3,183)**	**12,529**
21	**3**	**11**	**–**	**1,491**

B. Our Performance *(cont'd)*

B1. Segments Information *(cont'd)*

b. Geographical Segments

The Group's geographical segments comprise eight principal areas: Singapore, China, India, Vietnam, United Kingdom (UK), Oman, Rest of Middle East and Rest of Asia. In presenting these segments, segment revenue is based on the geographical location of customers, while segment assets and total assets are based on the geographical location of the assets.

Continuing operations

	Turnover		Capital Expenditure	
(S$ million)	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Singapore	4,122	4,754	511	533
UK	496	561	47	82
India	391	366	243	586
China[1]	377	383	17	18
Vietnam	60	44	2	*
Oman	67	34	45	266
Rest of Middle East	15	14	–	–
Rest of Asia	262	243	4	6
Other Countries	9	18	–	–
Total	**5,799**	**6,417**	**869**	**1,491**

	Non-current Assets		Total Assets	
(S$ million)	December 31, 2025	December 31, 2024 Restated	December 31, 2025	December 31, 2024 Restated
Singapore	4,824	4,523	5,868	6,043
China[1]	3,728	3,709	4,632	4,609
India	3,181	3,143	3,531	3,397
Vietnam	1,239	1,124	1,359	1,219
UK	836	833	1,023	988
Oman	703	696	745	729
Rest of Middle East	123	127	133	136
Rest of Asia	688	744	1,059	1,137
Other Countries	18	19	79	22
Total	**15,340**	**14,918**	**18,429**	**18,280**

[1] The China businesses within the Renewables and Integrated Urban Solutions segments consist of associates and joint ventures accounted for under the equity method.

Majority of the Group's revenue from continuing operations is from Singapore and UK which contributed to 71% (2024: 74%) and 9% (2024: 9%) respectively.

B2. Turnover

This note explains how the Group's revenue from contracts with customers are measured and recognised.

Accounting policies

Revenue is measured based on consideration specified in a contract with customer. The Group recognises revenue when it transfers control over a good or service to a customer.

For all revenue contracts with customers, the Group accounts for modifications to the scope or price (or both) of a contract, as separate contracts, if the modifications add distinct goods or services at their stand-alone selling prices. For contract modifications that add distinct goods or services but not at their stand-alone selling prices, the Group applies a new transaction price, combining the remaining consideration with the consideration promised on the modification, to all remaining performance obligations. For contract modifications that do not add distinct goods or services, the Group accounts for the modification as continuation of the original contract and recognises a cumulative adjustment to revenue at the date of the modification.

Revenue from Contracts with Customers

a. Sale of Electricity, Utilities and Gas and Related Services

The sale of electricity, utilities and gas and related services are determined to be a series of distinct goods satisfied over time. This is because the customers simultaneously receive and consume the benefits provided by the Group. Invoices are generated monthly based on the output delivered to the customers. No significant element of financing is deemed present as the sales are typically made with a credit term of 30 days, consistent with market practice.

Revenue from these sales is recognised based on price (including variable considerations) specified in the contracts. Variable considerations such as off specification delivery are reviewed and estimated monthly. A refund liability is recognised in provisions for off specification delivery and outage, if any.

When the period between the satisfaction of a performance obligation and payment by the customer exceeds one year, the Group adjusts the consideration for time value of money and recognises a financing component.

b. Service Concession Revenue

The Group has entered into service concession contracts with local governments or governing agencies (the grantor) to design, build and operate (including maintenance) water treatment plants or power generation plants over an agreed period ranging from 22 to 30 years. At the end of the concession period, these assets are to be transferred to the grantor and any extension will be based on mutual agreements. These contractual arrangements fall within the scope of SFRS(I) INT 12.

The Group recognises and measures revenue for building (construction services) and operating these assets as specified in the contracts in accordance with SFRS(I) 15 for the services performed. Revenue relating to construction services under a service concession arrangement is recognised over time when the performance obligations are satisfied.

Operation or service revenue is recognised in the period in which the services are provided by the Group, consistent with the Group's accounting policy on recognising revenue on sale of electricity, utilities and gas and related services (see Note B2(a) above). When the Group provides more than one service in a service concession arrangement, the consideration received is allocated with reference to the relative stand-alone selling prices of the services delivered.

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Accounting policies *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. Construction of Infrastructure and Related Engineering Services

The Group builds specialised assets for customers for which the Group does not have an alternative use. Revenue is recognised when control over the specialised asset has been transferred to customers.

Contracts with Enforceable Right to Payment

For contracts where the Group has contractual enforceable rights to payment, revenue is recognised over time with reference to the Group's progress towards completing the construction of the specialised asset. The stage of completion is typically assessed either by surveys of work performed (output method), or the cost incurred to date relative to total estimated cost (input method), depending on which method commensurate with the pattern of transfer of control to customers. Costs incurred that are not related to the contract or that do not contribute towards satisfying a performance obligation are excluded from the measure of progress and instead are expensed as incurred.

The Group recognises a financing component using discount rates at contract inception if the delivery of goods and payment by customers exceed one year. If the period between the delivery and payment is one year or less, the Group applies the practical expedient not to adjust for significant financing component.

For contracts with standard warranty terms on the performance of the asset, a warranty provision is estimated based on historical data, from known and expected warranty work as well as contractual obligations to be performed after completion. The warranty expense incurred could be higher or lower than the provision made.

d. Sales of Development Properties

The Group develops and sells residential projects to customers through fixed price contracts. For such contracts, the Group does not have enforceable rights to payment in accordance with the contractual terms. Revenue is recognised at a point in time when the control over the residential project has been transferred to customers and customers' acceptance has been obtained, which is also when the rights to payment become enforceable.

e. Sales of Other Goods

Revenue is recognised at a point in time when the goods are transferred to customers and the criteria for acceptance have been satisfied.

Rental Income

Rental income receivable under operating lease is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of total rental income, over the term of the lease.

Contingent rentals are recognised as income in the accounting period in which they are earned.

Key estimates and judgements

The Group has applied judgement and estimates in recognising revenue from long-term contracts. Any increases or decreases in estimated revenue or costs due to change in circumstances are reflected in the profit or loss in the period in which the changes become known to management. The key estimates and judgements applied are:

Performance Obligation

Significant judgement is required in determining whether the performance obligations are distinct. The Group's assessment includes considerations of whether customers can benefit from the good or service either on its own or together with other resources that are readily available to the customers and whether the Group's promise to transfer the good or service to the customers is separately identifiable from other promises in the contracts. The Group has assessed that long-term contracts with customers have a single performance obligation in view that the services in the contracts are not distinct.

Variable Considerations

For contracts with variable considerations (i.e. liquidated damages, or where customers can contractually rescind the delivery of utilities and gas which do not meet the specifications), the Group has applied judgement in determining the transaction price, based on evaluation of any potential risks and factors which may affect the completion or delivery of the contracts, in accordance with the contractual obligations.

Percentage of Completion

For revenue recognised over time, the percentage of completion for certain contracts is assessed by reference to the contract costs incurred to date in proportion to the total estimated contract costs for each contract. In making these estimates, the Group has relied on the expertise of surveying engineers and management's past experiences from completed projects. The estimated total costs are reviewed every reporting period and adjusted where necessary, with the corresponding effect of change being recognised prospectively from the date of change.

Onerous Contracts

The Group conducts critical review of all its long-term construction contracts regularly. Allowance is made to account for onerous contracts. The Group monitors and reviews the progress of all long-term land development and construction contracts, taking into consideration inputs from internal project managers and external customers in estimating the total contract costs to complete as well as evaluating any potential risks and factors which may affect contract prices, costs and timely completion of these contracts. The review also encompasses the cost analysis process whereby both actual costs incurred and future costs to complete are critically examined.

Cost Allocation Method on Long-term Land Development Contracts

Land development costs incurred are capitalised as work-in-progress and allocated to the respective parcels of land based on the relative sales method.

Fulfilment Costs

Significant judgement is required to determine if the contract costs recognised are expected to be recovered. Such judgement includes assessment of any potential risks and factors which may affect customers' ability to take delivery of the construction. The assessment also encompasses the analysis of the industry outlook and customers' financial health.

Information regarding the turnover for continuing operations is included below:

(S$ million)	Note	2025	2024
Revenue from contracts with customers	a	5,789	6,408
Rental income		10	9
		5,799	6,417

There was no revenue from performance obligations satisfied or partially satisfied in previous periods due to change in estimate of the transaction price in 2025 and 2024.

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers

a. Disaggregation of Revenue from Contracts with Customers

The table below disaggregates revenue from contracts with customers by primary geographical markets, major product / service lines, and timing of revenue recognition. It also provides a reconciliation of the disaggregated revenue with the Group's reportable segments.

	Reportable segments					
(S$ million)	Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2025						
Primary geographical markets						
Singapore	3,355	170	47	5	545	4,122
UK	448	17	–	31	*	496
China	–	190	184	*	*	374
India	–	389	–	*	2	391
Vietnam	–	53	–	*	–	53
Oman	31	36	–	–	–	67
Rest of Middle East	15	–	–	–	–	15
Rest of Asia	239	1	1	1	20	262
Other countries	–	–	–	5	4	9
Total	**4,088**	**856**	**232**	**42**	**571**	**5,789**
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	3,605	833	–	–	*	4,438
Provision of water products, reclamation of water and industrial wastewater treatment	133	1	175	–	–	309
Solid waste management	8	–	33	–	–	41
Service concession revenue	239	–	10	–	–	249
Construction and engineering related activities	–	–	2	–	505	507
Sale of environmental attributes	–	22	–	42	–	64
Others	103	*	12	–	66	181
Total	**4,088**	**856**	**232**	**42**	**571**	**5,789**
Timing of revenue recognition						
Over time	4,088	834	229	–	507	5,658
At a point in time	–	22	3	42	64	131
Total	**4,088**	**856**	**232**	**42**	**571**	**5,789**

(S$ million)	Reportable segments: Gas and Related Services	Renewables	Integrated Urban Solutions	Decarbon-isation Solutions	Other Businesses and Corporate	Total
2024						
Primary geographical markets						
Singapore	3,842	148	225	6	533	4,754
UK	518	15	–	28	*	561
China	–	183	196	–	*	379
India	–	359	–	*	7	366
Vietnam	–	38	1	*	*	39
Oman	31	3	–	–	–	34
Rest of Middle East	14	–	–	–	–	14
Rest of Asia	232	*	*	3	8	243
Other countries	–	–	–	16	2	18
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**
Major product / service lines						
Provision of energy products and related services (including electricity, gas and steam)	4,150	740	–	–	*	4,890
Provision of water products, reclamation of water and industrial wastewater treatment	136	–	182	–	–	318
Solid waste management	5	–	211	–	–	216
Service concession revenue	232	–	10	–	–	242
Construction and engineering related activities	–	–	–	–	511	511
Sale of environmental attributes	–	5	–	53	–	58
Others	114	1	19	–	39	173
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**
Timing of revenue recognition						
Over time	4,634	741	409	–	518	6,302
At a point in time	3	5	13	53	32	106
Total	**4,637**	**746**	**422**	**53**	**550**	**6,408**

i. Service concession revenue included interest revenue of S$50 million (2024: S$56 million).

ii. The lower turnover in FY2025 was mainly attributed to lower contributions from the Gas and Related Services segment due to lower offtake of electricity, lower gas price and pool price in Singapore, as well as lower availability due to major outage in UK. Lower revenue was recognised in Integrated Urban Solutions due to the absence of contribution from Sembcorp Environment and its subsidiaries (SembEnviro) following its divestment. The decline in turnover was partially offset by higher revenue, driven mainly by new capacity additions in the Renewables segment in Singapore and India, as well as a full-year contribution from the Oman plant and the acquisition completed in Vietnam in 2024.

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

b. Transaction Price Allocated to Remaining Performance Obligations

Accounting policies

The Group has elected to apply the practical expedient, in paragraph 121 of SFRS(I) 15, and does not disclose information about its remaining performance obligations if:

- the performance obligation is part of a contract that has an original expected duration of one year or less; or
- the Group has a right to invoice a customer in an amount that corresponds directly with its performance to date, then it recognises revenue in that amount.

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at balance sheet date. This is estimated based on the expected progress of the projects or expected energy output. Estimated amounts of considerations which are variable in nature are not included in the table below.

(S$ million)	Note	Within the next 1 year	Between 1 to 5 years	More than 5 years	Total
2025					
Segment					
Gas and Related Services		1,007	1,305	768	3,080
Renewables	i	–	–	–	–
Integrated Urban Solutions		48	146	74	268
Decarbonisation Solutions		1	–	–	1
Other Businesses and Corporate		650	819	150	1,619
Total		1,706	2,270	992	4,968
2024					
Segment					
Gas and Related Services		915	1,802	768	3,485
Renewables	i	–	–	–	–
Integrated Urban Solutions		88	167	92	347
Decarbonisation Solutions		–	–	–	–
Other Businesses and Corporate		653	1,153	182	1,988
Total		1,656	3,122	1,042	5,820

i. The Group does not disclose information about its remaining performance obligations as the Renewables' energy output is variable in nature, and the Group has a right to invoice the customers amounts that corresponds directly with its actual energy output.

c. Assets and Liabilities Related to Contracts with Customers

Contract Assets and Contract Liabilities

The Group and the Company have recognised the following assets and liabilities related to contracts with customers:

	Group		Company	
(S$ million)	2025	2024	2025	2024
Contract assets	31	37	–	–
Contract liabilities				
Current	161	197	2	2
Non-current	78	79	32	35
Total	239	276	34	37

Contract Assets

Accounting policies

Contract asset is recognised when the value of goods transferred, or services rendered for the contract exceeds payments received from customers. The contract assets are transferred to trade receivables when the rights become unconditional.

The contract assets relate to the Group's conditional rights to consideration in the sale of the renewable obligation certificates.

Changes in the Group's contract assets balances during the period are as follows:

(S$ million)	Note	2025	2024
Transfer of contract assets recognised at the beginning of the year to trade receivables		(32)	(9)
Recognition of revenue, net of transfer to trade receivables during the year		25	31
Loss allowance on contract assets	F4	(1)	–
Currency translation changes		*	*
Cumulative catch-up adjustments arising from:			
– Changes in measurement of progress		*	*
– Contract modifications		2	*

There are no movements in the Company's contract assets balances in 2024 and 2025.

B. Our Performance *(cont'd)*

B2. Turnover *(cont'd)*

Revenue from Contracts with Customers *(cont'd)*

c. Assets and Liabilities Related to Contracts with Customers *(cont'd)*

Contract Assets and Contract Liabilities *(cont'd)*

Contract Liabilities

Accounting policies

Contract liability is recognised when payments received or receivable from customers exceed the revenue recognised. Contract liabilities are recognised as revenues, either over time or at a point in time, when services are provided to customers. For revenue recognised over time, the balance at year end will be recognised over the remaining period stipulated in the contracts.

Contract liabilities for the Group include advance received for connection and capacity charges used for delivery of utilities. The changes in the contract liabilities balances during the year are:

	Group		Company	
(S$ million)	2025	2024	2025	2024
Revenue recognised that was included in the contract liabilities balance at the beginning of the year	(183)	(142)	(3)	(3)
Increases due to cash received, excluding amounts recognised as revenue during the year	160	171	–	–
Currency translation changes	(1)	*	–	–
Cumulative catch-up adjustments arising from:				
– Changes in measurement of progress	(6)	(2)	–	–
– Contract modifications	(7)	(2)	–	–

B3. Taxation

This note explains how the Group's tax charge arises. The deferred tax section of the note also provides information on expected future tax charges recognised as tax liabilities and sets out the tax assets held across the Group whether they are expected to be recoverable in future.

a. Tax Expenses

Accounting policies

Tax expense comprises current and deferred tax, using tax rates enacted or substantively enacted at the balance sheet date. Tax expense is recognised in profit or loss except if it relates to (i) business combinations and is recognised in equity or (ii) other items recognised directly in equity or in other comprehensive income.

Current tax is the expected taxable income (payable) or tax loss (recoverable) for the year and includes adjustments to tax payable in respect of previous years. Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and for taxation purposes.

A deferred tax asset is recognised for unused tax losses, tax credits and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilised. Deferred tax assets are reviewed at each balance sheet date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is not recognised for the following temporary differences:

(i) the initial recognition of goodwill.

(ii) the initial recognition of assets or liabilities in a transaction that is not a business combination and at the time of the transaction (a) affects neither accounting nor taxable profit or loss; and (b) does not give rise to equal taxable and deductible temporary differences; and

(iii) differences relating to investments in subsidiaries, joint ventures and associates to the extent that the Group is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax liabilities and assets on a net basis.

The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under SFRS(I) 1-37 Provisions, Contingent Liabilities and Contingent Assets.

The Group recognises separately deferred tax asset and deferred tax liability, for the deductible and taxable temporary differences on its lease liabilities and right-of-use assets respectively, see Note B3(c).

The Group is subject to the global minimum top-up tax under the Pillar Two tax legislation and has applied a temporary mandatory relief from deferred tax accounting for the impacts of the top-up tax and will account for it as a current tax when it is incurred.

Key estimates and judgements

The Group is subjected to taxes in numerous jurisdictions. Significant judgement is involved in determining the group-wide provision for taxes. In determining the amount of current and deferred taxes, the Group considers current understanding and interpretations of existing tax laws and applies judgement as to whether the tax balances will be utilised and / or reversed in foreseeable future. The eventual taxes paid or received may vary, for which the differences will be charged to profit or loss in the period when determination is made.

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

a. Tax Expenses *(cont'd)*

(S$ million)	Note	Group 2025	Group 2024 Restated
Current tax expense			
Current year		164	170
Over provided in prior years	i	(35)	(28)
Foreign withholding tax		2	3
		131	145
Deferred tax expense			
Movements in temporary differences		(4)	35
Under provided in prior years	i	24	21
		20	56
Land appreciation tax expense			
Current year		–	6
Global minimum tax expense			
Pillar Two tax expense – Qualified IIR	b	4	–
Pillar Two tax expense – Qualified QDMTT	b	1	–
		5	–
Tax expense on continuing operations		**156**	**207**
Reconciliation of effective tax rate			
Profit from continuing operations		1,020	1,052
Tax expense		156	207
Share of results of associates and joint ventures, net of tax		(496)	(316)
Profit before tax and share of results of associates and joint ventures from continuing operations		680	943
Tax using Singapore tax rate of 17% (2024: 17%)		116	160
Effect of changes in tax rates		*	*
Effect of different tax rates in foreign jurisdictions		21	16
Current tax expense related to global minimum top-up tax		5	–
Tax incentives and income not subject to tax		(29)	(63)
Expenses not deductible for tax purposes		67	85
Utilisation of deferred tax benefits not previously recognised		*	(4)
Over provided in prior years		(11)	(7)
Deferred tax benefits not recognised		2	5
Foreign withholding tax		2	3
Others		(17)	12
Tax expense on continuing operations		**156**	**207**

i. The overprovision of current tax was mainly attributable to the utilisation of Group Tax Relief, as well as the write-back of tax provisions including those that were time-barred.

b. International Tax Reform – Pillar Two

The Group is within scope of the OECD Pillar Two ("Pillar Two") tax legislation.

Singapore, where the Company's ultimate holding company is incorporated, will implement the Qualifying Domestic Minimum Top-Up Tax (QDMTT) and Income Inclusion Rule (IIR) under Pillar Two model rules with effect from January 1, 2025.

As at December 31, 2025, the Group has recognised an estimated current tax expense related to Pillar Two amounting to S$5 million (2024: S$3 million from a joint venture) arising from jurisdictions that the Group operates in. As provided under SFRS(I) 1-12 Income Taxes, the Group has applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group continues to monitor legislative developments and refine its calculations as more definitive guidance becomes available.

c. Deferred Tax Assets and Liabilities

As at December 31, 2025, after applying the legal right to offset, deferred tax assets were S$82 million (2024: S$69 million) and deferred tax liabilities were S$655 million (2024: S$639 million).

Movements in deferred tax assets and liabilities (prior to offsetting of balances) during the year are as follows:

	Group					
(S$ million)	At January 1 Restated	Recognised in profit or loss – continuing operations (Note a)	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Translation adjustments	At December 31
2025						
Deferred tax liabilities						
Property, plant and equipment	703	66	–	12	(41)	740
Right-of-use assets	105	15	–	–	(2)	118
Other financial assets	34	(2)	(2)	–	*	30
Trade and other receivables	25	(12)	–	–	–	13
Intangible assets	135	(6)	–	4	(2)	131
Retirement benefit obligations	6	1	*	–	*	7
Investment properties	10	1	–	–	*	11
Other items	*	(3)	–	–	*	(3)
Total	**1,018**	**60**	**(2)**	**16**	**(45)**	**1,047**
Deferred tax assets						
Property, plant and equipment	(91)	(5)	–	–	*	(96)
Inventories	*	*	–	–	*	*
Trade receivables	(7)	(10)	–	–	*	(17)
Trade and other payables	(16)	*	–	–	1	(15)
Tax losses	(131)	(27)	–	–	21	(137)
Provisions	(52)	(1)	–	–	2	(51)
Lease liabilities	(111)	3	–	–	1	(107)
Other financial liabilities	(24)	*	(13)	–	*	(37)
Other items	(16)	*	*	–	2	(14)
Total	**(448)**	**(40)**	**(13)**	**–**	**27**	**(474)**

B. Our Performance *(cont'd)*

B3. Taxation *(cont'd)*

c. Deferred Tax Assets and Liabilities *(cont'd)*

(S$ million)	Group						
	At January 1 Restated	Recognised in profit or loss – continuing operations (Note a) Restated	Recognised in equity (Note d)	Acquisition of subsidiaries (Note G5)	Transfer to held for sale (Note G6)	Translation adjustments	At December 31
2024							
Deferred tax liabilities							
Property, plant and equipment	584	131	–	20	(34)	2	703
Right-of-use assets	40	75	–	–	(10)	*	105
Other financial assets	40	(3)	(3)	–	–	*	34
Trade and other receivables	23	2	–	–	–	–	25
Intangible assets	170	(44)	–	8	–	1	135
Retirement benefit obligations	6	*	*	*	*	*	6
Investment properties	9	1	–	–	–	*	10
Other items	8	(5)	(2)	*	(1)	*	*
Total	**880**	**157**	**(5)**	**28**	**(45)**	**3**	**1,018**
Deferred tax assets							
Property, plant and equipment	(79)	(12)	–	–	–	*	(91)
Right-of-use assets	(2)	2	–	–	–	*	–
Inventories	*	*	–	–	–	*	*
Trade receivables	(7)	1	–	(1)	*	*	(7)
Trade and other payables	(16)	*	–	–	–	*	(16)
Tax losses	(110)	(5)	–	(16)	–	*	(131)
Provisions	(49)	(2)	–	(1)	1	(1)	(52)
Lease liabilities	(37)	(85)	–	*	11	*	(111)
Other financial liabilities	(24)	1	(1)	–	–	*	(24)
Other items	(15)	(1)	–	–	–	*	(16)
Total	**(339)**	**(101)**	**(1)**	**(18)**	**12**	**(1)**	**(448)**

(S$ million)	Company						
	At January 1, 2024	Recognised in profit or loss	Recognised in equity	At December 31, 2024	Recognised in profit or loss	Recognised in equity	At December 31, 2025
Deferred tax liabilities							
Property, plant and equipment	32	4	–	36	(2)	–	34
Right-of-use assets	14	*	–	14	1	–	15
Other financial assets	*	–	*	*	–	1	1
Other items	*	*	–	–	–	–	–
Total	46	4	*	50	(1)	1	50
Deferred tax assets							
Lease liabilities	(18)	*	–	(18)	(1)	–	(19)
Provisions	(8)	*	–	(8)	–	–	(8)
Total	(26)	*	–	(26)	(1)	–	(27)

The deferred tax liabilities and assets amounts determined after appropriate offsetting included in the balance sheet are as follows:

(S$ million)	Group December 31, 2025	Group December 31, 2024 Restated	Company December 31, 2025	Company December 31, 2024
Deferred tax liabilities	655	639	23	24
Deferred tax assets	(82)	(69)	–	–
	573	570	23	24

Unrecognised deferred tax liabilities

As at December 31, 2025, a deferred tax liability of S$2 million (2024: S$2 million) for potential taxable temporary differences arising from undistributed retained earnings related to investment in subsidiaries and joint ventures was not recognised.

Unrecognised deferred tax assets

Deferred tax assets have not been recognised where:

i. they qualify for offset against the tax liabilities of member companies within the Group under the loss transfer system of group relief, but the terms of the transfer have not been ascertained as at year end; or

ii. it is uncertain that future taxable profit will be available against which the Group entities can utilise the benefits.

The deferred tax assets that have not been recognised, which are available to be set off against future taxable income subject to the tax provisions and agreement by the relevant tax authorities of the various jurisdictions, are disclosed below:

(S$ million)	Group December 31, 2025	Group December 31, 2024
Deductible temporary differences	40	38
Tax losses	74	66
Capital allowances	31	29
	145	133

Tax losses of the Group amounting to S$70 million (2024: S$58 million) will predominantly expire between 2026 and 2030 (2024: 2025 and 2033). The remaining tax losses, capital allowances and deductible temporary differences do not expire under current tax legislation.

The unrecognised tax losses are reported to the extent that the taxable temporary differences arising from deferred tax liabilities have been set off against the unused tax losses. There were no unrecognised tax losses for 2024 and 2025.

d. Other Comprehensive Income

There are no income tax relating to each component of other comprehensive income, except as tabled below:

	Group					
	2025			2024		
(S$ million)	Before tax	Tax expense	Net of tax	Before tax	Tax expense	Net of tax
Cash flow hedges: net movement in hedging reserves	(101)	15	(86)	(17)	4	(13)
Defined benefit plan actuarial gains and losses	3	*	3	(9)	2	(7)
	(98)	15	(83)	(26)	6	(20)

B. Our Performance *(cont'd)*

B4. Profit for the Year

Accounting policies

Dividend Income

Dividend income is recognised in profit or loss on the date the Group's right to receive payment is established, when it is probable that the economic benefits associated with the dividend will flow to the Group, and when the amount of the dividend can be reliably measured.

Grant Income

Government grants relating to asset are credited to a deferred asset grant account at fair value when there is reasonable assurance that the grants will be received and the Group will comply with the conditions attached. These grants are then recognised in profit or loss as other operating income on a straight-line basis over the estimated useful lives of the relevant assets.

Non-monetary government grants and assets received are valued at fair value or nominal amounts.

Grants that compensate the Group for expenses already incurred are recognised in profit or loss as other operating income on a systematic basis in the same periods in which the expenses are recognised.

The following items have been included in arriving at profit for the year:

		Group	
(S$ million)	Note	2025	2024 Restated
a. Expenses			
Materials	i	3,003	3,309
Staff costs:			
– salaries, bonuses and other personnel related costs		447	507
– contributions to defined contribution plan		39	36
– equity-settled share-based payments	B6	26	24
– contributions to defined benefit plan		*	*
Depreciation of property, plant and equipment	D1	428	399
Sub-contract cost		413	465
Repair and maintenance		71	84
Carbon tax allowance	ii	87	85
Write-back of provision for remediation of legacy sites	H2	–	(7)
Amortisation of intangible assets	D3	48	47
Allowance for impairment losses (net):			
– receivables and contract assets	F4	4	7
– property, plant and equipment	D1	13	1
– assets held for sale	G6a	3	–
Write-off of:			
– receivables and contract assets		1	*
– property, plant and equipment	D1, iii	8	6
– intangible assets	D3	*	*
Allowance for / (Write-back of) inventory obsolescence, net	E2	5	(2)
Audit fees paid / payable to:			
– auditors of the Company		2	2
– other member firms of KPMG International		2	2
– other auditors		1	1

(S$ million)	Note	Group 2025	Group 2024 Restated
Non-audit fees paid / payable to:			
– auditors of the Company		*	*
– other member firms of KPMG International		*	*
– other auditors		*	1
b. Other operating income			
Contractor-related liquidated damages		33	19
Insurance compensation		16	5
Changes in fair value of investment properties	D2	5	5
Foreign exchange loss, net		(10)	(16)
Net change in fair value of financial instruments at FVTPL (mandatorily measured)	iv	(4)	19
Grants received		8	3
Other income	v	57	47
c. Non-operating income / (expenses)			
DPN (expense) / income	vi	(35)	169
(Loss) / Gain on liquidation of subsidiaries and joint venture		(19)	2
Gain on disposal of subsidiaries, joint venture and associate		143	1
Gain on disposal of assets held for sale		1	–
Gain on disposal of other financial assets		5	5
Gross dividend income from financial assets at FVOCI		1	1
Gain on bargain purchase	G5	2	8
Net change in fair value of financial assets at FVTPL (designated on initial recognition)		(1)	(3)
Change in fair value of contingent consideration	vii	*	(4)
Impairment of joint ventures		(2)	(4)
Write-down of other investments	viii	(11)	(2)

i. Materials cost decreased mainly due to lower generation within the Gas and Related Services segment in the UK and Singapore, as well as lower gas and power costs in Singapore.

ii. The amount relates to the cost of compliance under Singapore's carbon tax, UK Emissions Trading Scheme (UK ETS) and UK Carbon Price Support (CPS) mechanism.

iii. Write-off of property, plant and equipment includes S$5 million relating to assets in India and the UK that were damaged by extreme weather events.

iv. Changes in the fair value of financial instruments were mainly from forward foreign exchange contracts and non-deliverable forwards used for managing the Group's foreign currency exposures. The corresponding net effects from the revaluation of assets and liabilities in foreign currencies were recorded under foreign exchange gain / (loss), net.

v. Other income in 2025 primarily comprised one-off settlements and compensation receipts. These included settlement proceeds from customers, and dispute resolutions amounting to S$41 million from the Gas and Related Services, Renewables and Corporate segment. Other income also included rental income. In 2024, other income mainly included a one-off settlement with vendors, corporate guarantee fee and rental income totaling S$36 million.

B. Our Performance *(cont'd)*

B4. Profit for the Year *(cont'd)*

vi. DPN expense (2024: income) represents the change in fair value of the DPN which included income of S$119 million (2024: S$159 million), and a foreign exchange loss of S$154 million (2024: gain of S$10 million).

vii. Change in the fair value of contingent consideration for past acquisitions in China and India arising from certain higher costs and the collection of certain receivables.

viii. The 2025 amount related to the write down of an investment in a company in Vietnam undertaking renewable energy projects. The carrying amount of the investment has been reduced to its net recoverable amount.

B5. Earnings Per Share

(S$ million)	Group 2025	Group 2024 Restated
a. Profit attributable to owners of the Company:		
Continuing operations:		
Profit attributable to equity holders of the Company	984	1,025
Discontinued operation:		
Loss from discontinued operation, net of tax attributable to owners of the Company	–	(9)
Profit for the year attributable to owners of the Company	**984**	**1,016**
b. Weighted average number of ordinary shares (in millions)		
Issued ordinary shares at January 1	1,783	1,779
Effect of performance shares and restricted shares released	3	4
Effect of own shares held	(8)	(1)
Weighted average number of ordinary shares	**1,778**	**1,782**
Adjustment for dilutive potential ordinary shares		
– performance shares	19	27
– restricted shares	2	2
Weighted average number of ordinary shares adjusted for all dilutive potential shares	**1,799**	**1,811**
c. Earnings per ordinary share (cents)		
– basic[1]	55.33	57.00
– diluted[2]	54.71	56.10
Earnings per ordinary share (cents) – Continuing operations		
– basic[1]	55.33	57.51
– diluted[2]	54.71	56.60

[1] Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

[2] Diluted earnings per ordinary share is calculated by dividing the weighted average number of ordinary shares outstanding adjusted for the effects of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary shares: performance shares and restricted shares.

B6. Share-based Incentive Plans

This section sets out details of the Group's share-based remuneration arrangements, including details of the Company's PSP and RSP, collectively known as Share Plans. The Company's 2020 Share Plans was approved and adopted by the shareholders at an Annual General Meeting of the Company held on May 21, 2020.

Accounting policies

Equity settled share-based incentive plan

The fair value of the compensation cost is charged to the profit or loss with a corresponding increase directly in equity. The fair value is measured at grant date and amortised over the service period to which the performance criteria relates and during which the employees become unconditionally entitled to the shares.

For awards granted with market-based performance conditions, market-based performance conditions are considered in estimating the fair value. For awards granted with non-market-based performance conditions, the compensation cost is estimated on a basis that the amount fairly reflects the way the benefits will accrue to the employee over the service period to which the performance period relates.

At the balance sheet date, the Group revises its estimates of the number of performance-based shares that the employees are expected to receive based on the achievement of non-market performance conditions and the number of shares ultimately given. It recognises the impact of the revision of the original estimates in employee expense, with a corresponding adjustment to equity over the remaining vesting period.

The share-based payments reserve relating to the performance shares released is transferred to share capital when new shares are issued. When treasury shares are issued, the cost of treasury shares is transferred to share-based payments reserve.

In the Company's separate financial statements, the fair value of performance shares and restricted shares granted to employees of its subsidiaries is recognised as an increase in the cost of the Company's investment in subsidiaries, with a corresponding increase in equity over the vesting period.

The settlement of these shares can be in the form of shares or cash or a mixture of both cash and shares at the discretion of the Company.

Cash settled share-based incentive plan

The Group recognises a liability and an expense for bonuses and profit-sharing, based on a formula that takes into consideration the share price of the Company. The Group recognises a provision when contractually obliged to pay or where there is a past practice that has created a constructive obligation to pay. The liability considers the performance achieved for the year and the probability of achieving the performance conditions in the future.

Until the liability is settled, the Group will re-measure the fair value of the liability at each balance sheet date and at the date of settlement with any changes in fair value recognised in profit or loss for the period.

Key estimates and judgements

The fair value of equity-related compensation is measured using the Monte Carlo simulation method as at the date of the grant. The method involves projecting future outcomes using statistical distributions of key random variables including the share prices and volatility of returns. This model considers the probability of achieving the performance conditions in the future.

In 2025, equity-settled share-based expense of S$26 million (2024: S$24 million) was recognised.

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive

Performance Share Plan (PSP)

One of the primary objectives of the SCI PSP 2020 is to further motivate key senior management, who has the responsibility and can drive the growth of the Company, to strive for superior performance and to deliver long-term shareholder value.

Awards granted under the SCI PSP 2020 are performance-based. Performance targets set under the SCI PSP 2020 are intended to be based on medium-term corporate objectives covering market competitiveness, quality of returns, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth.

The ERCC grants an initial number of shares (initial award) which are conditional on targets set for a performance period. A specified number of shares will only be released by the ERCC to the participants at the end of the qualifying performance period, provided the threshold targets are achieved. The final number of shares to be released will depend on the achievement of pre-determined targets over the performance period. No share will be released if the threshold targets are not met at the end of the performance period. On the other hand, if superior targets are met, more shares than the baseline award could be delivered. The ERCC has the discretion to adjust the number of shares released taking into consideration other relevant quantitative and qualitative factors.

For grants made in 2025, the performance conditions and number of shares to be released subject to the achievement of performance targets are as follows:

3-Year PSP Performance Conditions	Final Number of Shares to be Released
1. Absolute Total Shareholders' Return (ATSR)	0% to 200% of initial grant
2. Relative Total Shareholders' Return (RTSR)	
3. Average Return on Equity (ROE)	

Restricted Share Plan (RSP)

The number of the restricted share awards granted was based on the achievement of stretched financial and non-financial targets for the preceding financial year, with emphasis on organisational transformation to meet future challenges and adherence to environment, health and safety standards.

For the grant awarded in 2025, a third of the SCI RSP awards granted will vest immediately with the remaining two-thirds of the awards vesting over the following two years in equal tranches.

To align the interests of the non-executive directors with the interests of shareholders, up to 30% of the aggregate directors' fees approved by shareholders for a particular financial year may be paid out in the form of restricted share awards under the SCI RSP 2020. Non-executive directors were not awarded any shares except as part of their directors' fees (except for Wong Kim Yin, who is the Group CEO, and who does not receive any directors' fees). The awards granted comprised fully paid shares outright with no performance and vesting conditions attached, but with a selling moratorium. Non-executive directors are required to hold shares (including shares obtained by other means) worth the value of their annual base retainer; any excess may be sold as desired, subject to SGX-ST listing rules. A non-executive director may only dispose of all his shares one year after leaving the board.

The actual number of shares awarded to each non-executive director will be calculated based on the volume-weighted average price of a share on SGX-ST over 14 trading days. This period begins from (and includes) the day the shares are first quoted ex-dividend after the Annual General Meeting (AGM) or, if the final dividend resolution is not passed, over the 14 trading days immediately following the date of the AGM. The number of shares to be awarded will be rounded down to the nearest hundred and any residual balance will be settled in cash. A non-executive director who steps down before the payment of the share component will receive all his director's fees for the year (calculated on a pro-rated basis, where applicable) in cash.

Movement in the number of shares under the Company's PSP and RSP are as follows:

	2025		2024	
	PSP	RSP	PSP	RSP
At January 1	12,082,650	2,007,400	16,407,846	3,063,689
Shares awarded	1,031,900	1,596,800	782,200	1,504,643
Performance shares adjusted due to outperformance of targets	3,788,365	–	4,290,354	–
Shares released	(8,444,450)	(2,138,800)	(8,558,150)	(2,465,166)
Shares lapsed	(596,000)	(70,600)	(839,600)	(95,766)
At December 31	7,862,465	1,394,800	12,082,650	2,007,400

SCI PSP

PSP awards granted have both market-based and non-market-based performance conditions. The Committee reviews achievement of the performance targets annually. In 2025, 3,788,365 (2024: 4,290,354) performance shares were awarded due to outperformance of targets for the performance period 2021 to 2025 (2024: 2021 to 2024).

The total number of performance shares in awards 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.

SCI RSP

The total number of restricted shares outstanding, including award(s) achieved but not released, as at December 31, 2025, was 1,394,800 (2024: 2,007,400). 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.

Awards for the performance and corporate objectives achieved in 2025 will be granted in 2026 (2024: achieved in 2024 will be granted in 2025).

B. Our Performance *(cont'd)*

B6. Share-based Incentive Plans *(cont'd)*

a. Equity-settled share-based incentive *(cont'd)*

The fair values of the performance and restricted shares are estimated using a Monte Carlo simulation methodology at the grant dates.

	PSP Date of Grant May 30, 2025	PSP Date of Grant May 24, 2024
Fair value at measurement date	S$6.04	S$5.27
Assumptions under the Monte Carlo model		
Share price	S$6.62	S$5.07
Expected volatility	26.6%	27.0%
Risk-free interest rate	2.1%	3.3%
Expected dividend	4.8%	2.6%

	RSP Date of Grant April 1, 2025	RSP Date of Grant April 2, 2024
Fair value at measurement date	S$6.12	S$5.26
Assumptions under the Monte Carlo model		
Share price	S$6.42	S$5.40
Expected volatility	26.7%	27.2%
Risk-free interest rate	2.4%	3.3%
Expected dividend	4.9%	2.6%

C. Our Funding

In July 2025, the Group issued a 20.5-year S$300 million bond at 3.55% maturing in 2046, thereby improving the Group Debt Weighted Average Debt Maturity while keeping cost of debt stable.

As at December 31, 2025, the Group's total credit facilities, including its Multicurrency Debt Issuance Programmes and EMTN Programme, amounted to S$18.9 billion (2024: S$18.6 billion). This comprised borrowing facilities of S$17.1 billion (2024: S$16.8 billion) and trade-related facilities of S$1.8 billion (2024: S$1.8 billion), including but not limited to bank guarantees, letters of credit, bid bonds and performance bonds. Please refer to Note C5 for further details.

C1. Capital Structure

Capital management

The Group maintains a disciplined approach to capital management. The Group seeks to optimise the overall portfolio, maintain investor, creditor and market confidence, fund future developments and growth, while at the same time maintain an appropriate dividend policy.

The Group's policy is to borrow centrally using a mixture of long-term and short-term capital market issues and borrowing facilities to meet anticipated funding requirements. These borrowings, together with cash generated from operations, are loaned internally or contributed as equity to certain Group entities.

Capital is defined as equity attributable to the equity holders.

The Group's net debt-to-capitalisation ratio as at the balance sheet date was as follows:

(S$ million)	Note	Group 2025	Group 2024 Restated
Net debt		7,847	7,800
Cash and cash equivalents	E4	1,109	871
Gross debt	C5, i	8,956	8,671
Total equity		5,866	5,751
Total gross debt and equity		14,822	14,422
Net debt-to-capitalisation ratio		0.53	0.54

i. There were no changes in the Group's approach to capital management during the year.

Some of the Group entities are required to maintain a certain ratio of net borrowings to net assets and level of leverage under their respective loan arrangements with banks. These externally imposed capital requirements have been complied with as at the respective balance sheet dates.

C2. Share Capital and Treasury Shares

Accounting policies

Share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issuance of new ordinary shares and share options are deducted against the share capital account, net of any tax effects.

Repurchase, disposal and re-issue of share capital (treasury shares)

When the ordinary shares are reacquired by the Company, the consideration paid is recognised as deduction from equity, presented as reserve for own shares (Note C3). Reacquired shares are classified as treasury shares.

When the treasury shares are subsequently sold or re-issued, the cost of the treasury shares is reversed from reserve for own shares account and the realised gain or loss on the transaction is presented as a change in equity of the Company. No gain or loss is recognised in profit or loss.

	Number of shares Issued Share Capital	Number of shares Treasury Shares
At January 1, 2024	1,787,547,732	8,289,983
Treasury shares purchased	–	3,820,000
Treasury shares transferred pursuant to performance share plan	–	(5,919,550)
Treasury shares transferred pursuant to restricted share plan	–	(1,387,009)
At December 31, 2024	1,787,547,732	4,803,424
Treasury shares purchased	–	11,480,300
Treasury shares transferred pursuant to performance share plan	–	(5,196,350)
Treasury shares transferred pursuant to restricted share plan	–	(1,539,700)
At December 31, 2025	1,787,547,732	9,547,674

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All shares rank equally regarding the Company's residual assets.

C. Our Funding *(cont'd)*

C2. Share Capital and Treasury Shares *(cont'd)*

Issued and paid-up capital

As at December 31, 2025, the Company's issued and paid-up capital excluding treasury shares comprised 1,778,000,058 (2024: 1,782,744,308) ordinary shares.

Treasury shares

During the year, the Company acquired 11,480,300 (2024: 3,820,000) ordinary shares in the Company by way of on-market purchases. A total of 6,736,050 (2024: 7,306,559) treasury shares were re-issued pursuant to the Performance Share Plan (PSP) and Restricted Share Plan (RSP).

As at December 31, 2025, the Company held 9,547,674 (2024: 4,803,424) of its own uncancelled shares as treasury shares that may be re-issued upon the vesting of performance shares and restricted shares under the PSP and RSP respectively.

C3. Other Reserves

		Group		Company	
(S$ million)	Note	December 31, 2025	December 31, 2024 Restated	December 31, 2025	December 31, 2024
Distributable					
Reserve for own shares		(56)	(24)	(56)	(24)
Non-distributable					
Foreign currency translation reserve (FCTR)	a	(895)	(633)	–	–
Capital reserve	b	15	(97)	–	–
Merger reserve	c	29	29	–	–
Share-based payments reserve	d	(73)	(37)	(65)	(32)
Fair value reserve	e	42	37	–	–
Hedging reserve	f	(52)	50	3	*
		(934)	(651)	(62)	(32)
Total		(990)	(675)	(118)	(56)

In 2025, a decrease in currency translation reserve resulting from the depreciation of USD and INR against SGD. In addition, the hedging reserve also declined during the year, mainly due to fair value losses on derivatives used to hedge foreign currency and interest rate risk, as well as commodity risk.

Following the disposal of SembEnviro during the year, the Group transferred a capital reserve (net of goodwill) of S$97 million to the revenue reserve.

Type of other reserve	Nature
a. Foreign currency translation reserve (FCTR)	Comprises: i. foreign exchange differences arising from translation of the financial statements of foreign entities, ii. effective portion of the hedging instrument which is used to hedge against the Group's net investment in foreign entities, and iii. translation of foreign currency loan used to hedge or form part of the Group's net investments in foreign entities.

b. Capital reserve	Comprises: i. acquisitions and disposals with non-controlling interests that do not result in a change of control, capitalisation of accumulated profits for the issue of bonus shares, capital reserve (net of goodwill) on consolidation and equity accounting, ii. asset revaluation reserve, capital redemption reserve, convertible loan stock reserve, iii. transfer from revenue reserve in accordance with the regulations of the foreign jurisdiction in which the Group's subsidiaries, associates and joint ventures operate, and treasury shares of a subsidiary, and iv. recognition of call options issued to non-controlling interests of subsidiaries.
c. Merger reserve	The difference between the values of shares issued by the Company in exchange for the value of shares acquired in respect of the acquisition of subsidiaries accounted for under the pooling-of-interest method.
d. Share-based payments reserve	Represents the cumulative value of services received from employees recorded on grant of equity-settled share options, performance shares and performance-based restricted shares.
e. Fair value reserve	Includes the cumulative net change in the fair value of equity investments designated at FVOCI until the investments are derecognised. This does not include impairment losses recognised in profit or loss prior to January 1, 2018.
f. Hedging reserve	The effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

C4. Dividends

Accounting policies

Dividends

Dividends on ordinary shares are recognised when they are approved for payments. Dividends on ordinary shares and redeemable preference shares classified as equity are accounted for as movements in revenue reserve.

A liability to distribute non-cash assets as dividend to its owners is measured at the fair value of the assets to be distributed. The differences between the carrying amount of the assets distributed and the carrying amount of the dividend payable is recognised in profit or loss.

Dividend Paid / Payable

	Group and Company	
(S$ million)	2025	2024
Interim one-tier tax-exempt dividend of 9 cents per share in respect of year 2025 (2024: 6 cents per share in respect of year 2024)	160	107
Final one-tier tax-exempt dividend of 17 cents per share in respect of year 2024 (2024: 8 cents per share in respect of year 2023)	302	143
	462	250

Subject to the approval by the shareholders at the next Annual General Meeting, the directors have proposed a final ordinary one-tier tax-exempt dividend of 16 cents per share (2024: 17 cents per share). This amounts to an estimated net dividend of S$284 million (2024: S$303 million) in respect of the year ended December 31, 2025, based on the number of issued shares as at December 31, 2025.

The total proposed dividend of 16 cents per share (2024: 17 cents per share) has not been included as a liability in the financial statements.

C. Our Funding *(cont'd)*

C5. Loans and Borrowings

The total loans and borrowings increased from S$8,671 million to S$8,956 million. The increase in borrowing was mainly for financing of the acquisitions made, capital expenditures incurred during the year and the consolidation of underlying borrowings from the acquired subsidiaries.

		Group	
(S$ million)	Note	December 31, 2025	December 31, 2024
Current liabilities			
Secured term loans	a	283	214
Unsecured term loans	b	774	457
Bank overdraft		*	–
Total		1,057	671
Non-current liabilities			
Secured term loans	a	1,890	2,038
Unsecured term loans	b	6,009	5,962
Total		7,899	8,000
Total loans and borrowings (measured at amortised cost)		**8,956**	**8,671**

Included in loans and borrowings were S$585 million (2024: S$616 million) of loans taken with a related corporation.

Effective Interest Rates and Maturity of Liabilities

	Group Effective interest rate %	
	2025	2024
Floating rate loans	1.76 – 10.00	1.60 – 10.65
Fixed rate loans	1.50 – 10.00	1.92 – 10.10
Bonds and notes	2.45 – 4.60	2.45 – 4.60

	Group	
(S$ million)	2025	2024
In one year or less, or on demand	1,057	671
Between one to five years	4,100	4,073
After five years	3,799	3,927
Total loans and borrowings (measured at amortised cost)	**8,956**	**8,671**

a. Secured Term Loans

The secured term loans are collateralised by the following assets:

(S$ million)	Note	Group Net Book Value December 31, 2025	Group Net Book Value December 31, 2024 Restated
Property, plant and equipment (PPE)	D1i	1,491	952
Investment properties	D2	177	49
Intangible assets	D3	*	1
Trade and other receivables	E1	250	263
Inventories	E2	18	30
Cash and cash equivalents	E4	139	99
Mutual funds	H1ii	11	14
Equity shares of a subsidiary		592	597
Underlying PPE in a service concession arrangement		294	325

b. Unsecured Term Loans

Included in the unsecured term loans of the Group are bonds which the Company has jointly established with Sembcorp Financial Services Pte Ltd (SFS), a wholly-owned subsidiary of the Company, issued under Multicurrency Debt Issuance Programmes and the Euro Medium Term Note (EMTN) Programme (collectively the Programmes). Under the Programmes, the Company, together with SFS and certain other Group entities (the Issuing Subsidiaries), may from time-to-time issue bonds under the Programmes subject to availability of funds from the market. The obligations of the Issuing Subsidiaries under the Programme are fully guaranteed by the Company.

As at December 31, 2025 and December 31, 2024, the Group has the following outstanding bonds issued under the Programme:

(S$ million)	Nominal interest rate	Year of issue	Year of maturity	Principal amount December 31, 2025	Principal amount December 31, 2024
SGD issuance					
Fixed Rate	4.25%	2010	2025	–	100
Fixed Rate	3.59%	2014	2026	150	150
Fixed Rate	3.55%	2025	2046	300	–
Green bonds					
Fixed Rate	2.45%	2021	2031	400	400
Fixed Rate	4.60%	2023	2030	350	350
Fixed Rate	3.65%	2024	2036	350	350
Sustainability-linked bonds					
Fixed Rate	2.66%	2021	2032	675	675
Fixed Rate	3.74%	2022	2029	300	300
				2,525	2,325

In 2025, the Group issued a 20.5-year S$300 million bond under the EMTN Programme.

As at December 31, 2025, S$1,100 million, representing 100% of the total S$1,100 million green bonds issued, has been deployed to eligible green projects under the Sembcorp Green Financing Frameworks (2021) and Sembcorp Green Financing Framework (2024).

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

b. Unsecured Term Loans *(cont'd)*

The Group expects its interest cost for the sustainability-linked bonds to maintain as disclosed. As at December 31, 2025, the Group's gross installed renewable energy capacity was 15GW (2025 target – 10GW) and GHG emissions intensity was 0.21 tCO2e/MWh (2025 target – 0.40 tCO2e/MWh). Both our targets have been met in 2025.

As at December 31, 2025, an amount of S$465 million (2024: S$474 million) bonds were held by a related corporation.

The Group through its wholly-owned subsidiary, Sembcorp Energy (Shanghai) Holding Co. Ltd (SESH), secured a dual currency denominated revolving credit facility (RCF) of CNH400 million or an equivalent amount in Hong Kong Dollars (approximately S$74 million) and as at December 31, 2025, CNH305 million (2024: CNH305 million) has been drawn down. This facility will provide SESH with access to offshore funding for an initial tenure of three years with a two-year extension option. This RCF is guaranteed by its parent, Sembcorp Utilities Pte Ltd.

				Principal amount	
(S$ million)	Nominal interest rate	Year of issue	Year of maturity	December 31, 2025	December 31, 2024
Dual Currency denominated Revolving Credit Facility (RCF)					
RCF	2.39%	2024	2027	74	74

c. Financial Guarantees

Accounting policies

Financial guarantees are financial instruments issued by the Group and Company that require the issuer to make specified payments to reimburse the holder for the loss it incurs in accordance with the original or modified terms of a debt instrument. These financial guarantee contracts are accounted for as insurance contracts. With the transition of SFRS(I) 4 on Insurance Contract to SFRS(I) 17, the Group has elected to apply SFRS(I) 9, on a contract-by-contract basis, to account for its financial guarantees issued.

At inception, the Group and Company recognise the financial guarantee at its fair value. Subsequently, it is measured at the higher of (i) amount initially recognised less the cumulative amount of income recognised in accordance with SFRS(I) 15; and (ii) the amount of expected loss allowance in accordance with SFRS(I) 9. Where there are any premium receivables at inception, the Group adopts a net approach, recognising a single net amount, to account for its financial guarantee contracts and premium receivables.

Liabilities arising from financial guarantees contracts are included within "loans and borrowings".

Key estimates and judgements

ECLs are a probability-weighted estimate of credit losses. ECLs are measured for financial guarantees issued as the expected payments to reimburse the holder less any amounts that the Group expects to recover.

Significant judgements are used in estimating the loss allowance of the Group's and Company's obligations under the financial guaranteed contracts which may be affected by future events that cannot be predicted with certainty. These assumptions made may vary from actual experience and consequently the actual liability may also vary considerably from the best estimates.

Group

The Group has provided guarantees to banks to secure banking facilities provided to joint ventures. There are no terms and conditions attached to the guaranteed contracts that would have a material effect on the amount, timing and uncertainty of the Group's and Company's future cash flows.

The Group, prior to the disposal of its subsidiary, Sembcorp Energy India Limited (SEIL) in FY2023, now known as SEIL Energy India Limited (SEIL EIL), had extended corporate guarantees in favour of some of its lenders. To facilitate SEIL EIL in obtaining its lenders' consent for the change in its shareholders, these corporate guarantees, amounting to S$2,175 million per letters to shareholders for the approval of the disposal of SEIL, are extended at a fee pegged to market, post divestment. The fair value of the financial guarantee contract is determined using the interest rate differential approach. As such, the guarantee fees receivable approximate the financial guarantee liability. The guarantee fees are payable quarterly in arrears. Applying the net approach, the fair value of the financial guarantee contract is negligible.

For other financial guarantees given, the Group determines the fair value of those financial guarantees using the discounted cash flow approach. The Group believes the joint venture has sufficient resources to fulfil its obligations and the Group does not consider it probable that a claim will be made against the Group under the guarantee. As such, the fair values of these financial guarantee contracts are negligible.

The details of the financial guarantees given at balance sheet date were:

		Group	
(S$ million)	Note	December 31, 2025	December 31, 2024
Guarantees given to banks to secure banking facilities provided to:			
– Joint ventures		41	47
– SEIL EIL	i	624	1,187
		665	1,234

i. The decrease was due to the depreciation of INR against SGD as at year end, as well as regular repayments and refinancing of the underlying facilities.

The periods in which the financial guarantees expire are as follows:

	Group	
(S$ million)	December 31, 2025	December 31, 2024
Less than 1 year	–	348
Between 1 to 5 years	132	492
More than 5 years	533	394
	665	1,234

C. Our Funding *(cont'd)*

C5. Loans and Borrowings *(cont'd)*

c. Financial Guarantees *(cont'd)*

Company

The Company has provided guarantees to banks to secure banking facilities provided to a wholly-owned subsidiary, Sembcorp Financial Services Pte Ltd. The intra-group financial guarantees granted by the Company amount to S$11,987 million (2024: S$11,830 million), with S$4,639 million (2024: S$4,326 million) drawn down as at balance sheet date. The amount represents the maximum payment which the guarantees could be called upon within the next financial year. The Company uses the interest rate differential approach to determine the fair value of these financial guarantees and has deemed them to be not significant. The periods in which the financial guarantees expire are as follows:

	Company	
(S$ million)	December 31, 2025	December 31, 2024
Less than 1 year	250	281
Between 1 to 5 years	3,634	1,948
More than 5 years	8,103	9,601
	11,987	11,830

Reconciliation of movements of liabilities to cash flows arising from financing activities:

	2025			
(S$ million)	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total
At January 1	32	8,671	729	9,432
Cash flows				
Cash payments	–	(2,318)	(58)	(2,376)
Cash proceeds	–	2,640	–	2,640
Interest paid	(359)	–	(26)	(385)
Non-cash items				
Acquisition of subsidiaries	7	260	5	272
Disposal of subsidiaries	–	–	(2)	(2)
Transfer to liabilities held for sale	–	–	(4)	(4)
Interest expenses, including amortisation of capitalised transaction costs	352	10	24	386
Interest capitalised	–	–	4	4
New leases	–	–	77	77
Write-off of lease liabilities	–	–	(1)	(1)
Remeasurement of lease liabilities / Adjustment to upfront fees	–	–	4	4
Foreign exchange movement	–	(307)	(5)	(312)
	359	(37)	102	424
At December 31	32	8,956	747	9,735

	2024			
	Accrued interest payable (Note E3)	Loans and borrowings (Note C5)	Lease liabilities (Note D1.1)	Total
	32	7,254	310	7,596
	–	(4,310)	(25)	(4,335)
	–	5,259	–	5,259
	(341)	–	(15)	(356)
	2	435	–	437
	–	–	–	–
	–	–	(62)	(62)
	339	12	13	364
	–	–	14	14
	–	–	494	494
	–	–	(6)	(6)
	–	–	2	2
	–	21	4	25
	341	468	459	1,268
	32	8,671	729	9,432

C. Our Funding *(cont'd)*

C6. Finance Income and Finance Costs

Accounting policies

Finance income is recognised in profit or loss as it accrues, using the effective interest method. It includes interest income from non-current receivables.

Finance costs include interest expense on borrowings and lease liabilities, unwinding of discounts on provision, amortisation of capitalised transaction costs, transaction costs written off and termination of interest rate swaps. Finance costs are expensed in profit or loss using the effective interest method, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of a qualifying asset.

In calculating the interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired after initial recognition, interest income is calculated by applying the effective interest rate to the impaired financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to gross basis.

		Group	
(S$ million)	Note	2025	2024
Finance income			
Finance income from financial assets measured at amortised cost			
– associates and joint ventures		5	6
– banks and others		23	21
Significant financing component from contracts with customers		*	*
		28	27
Finance costs			
Interest paid and payable to, measured at amortised cost			
– banks and others		360	348
Amortisation of capitalised transaction costs		10	9
Unwind of accretion on restoration costs	H2	2	3
Significant financing component from contracts with customers		4	4
Interest rate swaps			
– reclassified from OCI		(8)	(5)
– changes in fair value through profit or loss		*	*
Interest expense on amortisation of lease liabilities	D1.1	24	13
		392	372

The higher interest expenses in 2025 were driven by a higher average principal arising from funding growth, albeit at a lower average cost of borrowing.

The Group used interest rate swaps and cross-currency swaps for managing the Group's interest costs.

C7. Contingent Liabilities

Key estimates and judgements

A contingent liability is:

i. a potential obligation arising from past events, which will only be confirmed by the occurrence (or non-occurrence) of one or more uncertain future events that are not completely within the Group's control, or

ii. a present obligation arising from past events that is not recognised in the financial statements because an outflow of resources representing economic benefits is unlikely to be necessary to extinguish the obligation, or because the amount of the obligation cannot be measured reliably.

Group

In 2025, the Group's subsidiaries are involved in certain tax disputes, where the amount of potential exposure is estimated to be S$5 million (2024: S$3 million).

C8. Commitments

A commitment is a contractual obligation to make a payment in the future. These amounts are not recorded in the consolidated balance sheet since the Group has not yet received the goods or services from the supplier. The amounts below are the minimum amounts that the Group is committed to pay.

Commitments not provided for in the financial statements are as follows:

(S$ million)	Note	Group 2025	Group 2024
Commitments in respect of contracts placed for property, plant and equipment	a	613	948
Uncalled commitments to subscribe for additional shares in joint ventures and other investments		20	3
Commitments in respect of purchase of investment properties		116	48
		749	999

a. The amounts in 2025 and 2024 are mainly for the fulfilment of solar projects in Singapore, various wind-solar hybrid power projects secured in India, as well as for the construction of a new multi-utilities centre on Jurong Island.

D. Our Assets

In line with the Group's strategic plan on energy transition and sustainable development, the Group has continued to invest in renewable power equipment to enhance its energy sustainability portfolio.

D1. Property, Plant and Equipment

Accounting policies

Property, plant and equipment (PPE) are measured at cost less accumulated depreciation and impairment losses. The cost initially recognised includes acquisition costs, costs directly attributable to bringing the assets to the location and working condition for their intended use and capitalised borrowing costs. Costs also include transfers from equity of any gain or loss on qualifying cash flow hedges of foreign currency purchases of PPE and estimated costs to be incurred for restoring the asset upon expiry of the lease agreement.

i. Subsequent Expenditure

Subsequent expenditure is recognised in the carrying amount of the asset when it is probable that future economic benefits will flow to the Group and its costs can be measured reliably. The costs of day-to-day servicing of PPE are expensed to profit or loss when incurred. For items subject to regular overhauls, the overhaul costs incurred are capitalised and the carrying amounts of replaced components are written off to profit or loss.

ii. Depreciation

Depreciation is based on the cost of an asset less its residual value (i.e. the estimated net amount to be obtained from disposal). Depreciation is recognised as an expense in profit or loss on a straight-line basis over the estimated useful lives of each major component of an item of PPE as follows:

Leasehold land	Lease period of 5 to 60 years
Buildings	3 to 50 years
Quays and dry docks	9 to 28 years
Plant and machinery	3 to 56 years
Tools and workshop equipment	3 to 10 years
Furniture, fittings, and office equipment	1 to 10 years
Motor vehicles	2 to 10 years

No depreciation is provided on freehold land and capital work-in-progress.

Fully depreciated assets are retained in the financial statements until they are no longer in use.

iii. Impairment

At the end of each reporting period, assessment is performed to identify whether there is any indication that an asset may be impaired. Impairment occurs when the carrying value of assets or its smallest identifiable, independent asset group that generates cash flows (cash-generating unit (CGU)) is greater than their recoverable amount. The recoverable amount is the higher of the assets' fair value less cost to sell and their value-in-use (VIU) (i.e. present value of the net cash flows they are expected to generate). The difference between the carrying amount and recoverable amount is recognised as an impairment loss in profit or loss.

iv. Reversals of impairment

Impairment losses recognised in prior periods are assessed at each balance sheet date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if, and only if, there has been a change in the estimates used to determine the asset's recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. A reversal of impairment loss for an asset is recognised in profit or loss.

v. Disposals

Gains or losses arising from the retirement or disposal of PPE are determined as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in profit or loss on the date of retirement or disposal.

Key estimates and judgements

Judgments are used in estimating the recoverable amount of an asset, i.e. in determining an asset's fair value and in assessing its VIU (the future cash flows expected to be generated by the asset and the pre-tax discount rate in bringing them to present value). In making these estimates, the Group considers the market value of the asset, changes to the technological, market, economic or legal environment in which the Group operates, market interest rates, evidence of obsolescence or physical damage to the PPE and changes to the expected usage of the asset.

The Group also applies judgement in determining an asset's depreciation methods, estimated useful lives and residual values. These are reviewed annually, taking into consideration factors such as changes in the expected level of usage and technological developments, and adjusted prospectively where appropriate.

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Note	Leasehold and freehold land and buildings	Quays and dry docks	Plant and machinery
Group				
Carrying amounts				
At January 1, 2025		329	2	5,351
Translation adjustments		(12)	–	(260)
Additions		12	–	49
Acquisition of subsidiaries	iii	31	–	181
Disposal of subsidiaries		*	–	(3)
Disposals		*	–	(6)
Write-offs	iv	*	–	(8)
Depreciation for the year	B4a	(16)	(1)	(362)
Reclassification		44	–	1,334
Transfer from / (to) other asset categories		–	–	8
Transfer to assets held for sale		*	–	(5)
Remeasurement adjustments for right-of-use assets		–	–	–
Termination of contract		–	–	–
Impairment losses	B4a, v	–	–	(8)
At December 31, 2025		388	1	6,271
Cost / Valuation at December 31, 2025		529	12	9,649
Accumulated depreciation and impairment losses at December 31, 2025		(141)	(11)	(3,378)
Carrying amounts at December 31, 2025		388	1	6,271
Carrying amounts				
At January 1, 2024		314	2	4,870
Translation adjustments		1	–	16
Additions		12	*	34
Acquisition of subsidiaries	iii	22	–	393
Disposals		(4)	–	(1)
Write-offs		*	–	(5)
Depreciation for the year	B4a	(12)	*	(344)
Reclassification		3	–	601
Transfer to intangible assets	D3	–	–	–
Transfer to assets held for sale		(11)	–	(212)
Remeasurement adjustments for right-of-use assets		–	–	–
Termination of contract		–	–	–
Impairment losses	B4a	4	–	(1)
At December 31, 2024		329	2	5,351
Cost / Valuation at December 31, 2024		461	12	8,507
Accumulated depreciation and impairment losses at December 31, 2024		(132)	(10)	(3,156)
Carrying amounts at December 31, 2024		329	2	5,351

Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
15	9	1,873	725	8,304
(1)	(1)	(77)	(8)	(359)
5	1	796	83	946
*	*	118	5	335
*	*	*	(2)	(5)
*	*	*	*	(6)
*	*	–	–	(8)
(7)	(2)	*	(45)	(433)
3	*	(1,381)	*	–
–	–	(36)	*	(28)
*	*	(11)	(7)	(23)
–	–	–	5	5
–	–	–	(1)	(1)
–	–	(4)	(1)	(13)
15	7	1,278	754	8,714
62	15	1,282	939	12,488
(47)	(8)	(4)	(185)	(3,774)
15	7	1,278	754	8,714
15	37	906	321	6,465
1	*	10	1	29
4	3	1,422	514	1,989
*	6	160	12	593
–	(2)	(10)	–	(17)
–	–	(1)	–	(6)
(8)	(7)	–	(47)	(418)
4	–	(608)	–	–
–	–	(2)	–	(2)
(1)	(28)	(4)	(71)	(327)
–	–	–	1	1
–	–	–	(6)	(6)
*	–	–	–	3
15	9	1,873	725	8,304
60	15	1,878	875	11,808
(45)	(6)	(5)	(150)	(3,504)
15	9	1,873	725	8,304

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

(S$ million)	Leasehold land and building	Quays and dry docks	Plant and machinery
Company			
Carrying amounts			
At January 1, 2025	3	2	224
Additions	*	–	11
Disposals / Write-offs	1	–	–
Depreciation for the year	(2)	(1)	(25)
Reclassification	*	–	31
Remeasurement adjustments for right-of-use assets	–	–	–
At December 31, 2025	2	1	241
Cost at December 31, 2025	26	8	783
Less: Accumulated depreciation and impairment losses at December 31, 2025	(24)	(7)	(542)
Net carrying amounts at December 31, 2025	2	1	241
Carrying amounts			
At January 1, 2024	4	2	209
Additions	–	*	11
Disposals / Write-offs	*	*	(2)
Depreciation for the year	(1)	*	(29)
Reclassification	*	–	35
Remeasurement adjustments for right-of-use assets	–	–	–
Termination of contract	–	–	–
At December 31, 2024	3	2	224
Cost at December 31, 2024	26	8	754
Accumulated depreciation and impairment losses at December 31, 2024	(23)	(6)	(530)
Net carrying amounts at December 31, 2024	3	2	224

Furniture, fittings and office equipment	Motor vehicles	Capital work-in-progress	Right-of-use assets (Note D1.1)	Total
1	1	70	88	389
*	*	50	11	72
–	–	–	*	1
(1)	*	–	(6)	(35)
–	–	(31)	–	–
–	–	–	*	*
*	1	89	93	427
18	2	89	165	1,091
(18)	(1)	–	(72)	(664)
*	1	89	93	427
2	1	37	95	350
*	*	68	4	83
*	*	–	–	(2)
(1)	*	–	(7)	(38)
*	–	(35)	–	–
–	–	–	*	*
–	–	–	(4)	(4)
1	1	70	88	389
19	2	70	154	1,033
(18)	(1)	–	(66)	(644)
1	1	70	88	389

D. Our Assets *(cont'd)*

D1. Property, Plant and Equipment *(cont'd)*

Group

i. PPE with the following net book values have been pledged to secure loan facilities granted to subsidiaries. The PPE of the disposal group and the corresponding amount pledged are presented under assets held for sale (Note G6).

(S$ million)	Note	Group December 31, 2025	Group December 31, 2024
Freehold land and buildings		4	4
Leasehold land and buildings including right-of-use assets		19	21
Plant and machinery		1,347	925
Capital work-in-progress		119	*
Other assets		2	2
	C5a	1,491	952

ii. During the year, interest and direct staff costs amounting to S$35 million (2024: S$28 million) and S$6 million (2024: S$5 million), respectively were capitalised as capital work-in-progress. The capitalised interest costs are calculated using a rate from 1.82% to 8.70% (2024: 2.60% to 10.10%).

iii. PPE arising from the acquisition of subsidiaries were stated at fair value at the acquisition date (Note G5).

iv. The amount written off in 2025 includes approximately S$5 million relating to damaged assets in India and UK from extreme weather events.

v. In connection with the Group's decision to exit the C&I RTS business in Southeast Asia, certain rooftop solar assets were written down to their net recoverable amount. Consequently, an impairment loss totalling S$11 million was recognised predominantly within cost of sales.

vi. In 2025, the provision for restoration costs capitalised in PPE amounted to S$15 million (2024: S$15 million) (Note H2).

D1.1 Right-of-use Assets and Leases

This note provides information for leases where the Group is a lessee. For leases where the Group is a lessor, please refer to Note D2 Investment Properties and Note B2 under Rental Income.

Accounting policies

The Group determines whether an arrangement is or contains a lease at inception. Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Leases are recognised as a right-of-use asset and a corresponding liability at the date which the leased asset is available for use by the Group.

Right-of-use assets are measured at cost which comprises the initial measurement of lease liabilities adjusted for any lease payments made at or before the commencement date and lease incentive received. Any initial direct costs that would not have been incurred if the lease had not been obtained are added to the carrying amount of the right-of-use assets. These right-of-use assets are subsequently depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. The policy on impairment and reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially used at the commencement date
- the extension option if the Group is reasonably certain to exercise that option
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option
- amounts expected to be payable by the Group under residual value guarantees, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

D. Our Assets *(cont'd)*

D1.1 Right-of-use Assets and Leases *(cont'd)*

Accounting policies *(cont'd)*

These lease payments are discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the lessee's incremental borrowing rate. The resulting finance cost is charged to profit or loss over the lease period.

Lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments, with a corresponding adjustment to the right-of-use asset or in profit or loss if the carrying amount of the asset has been reduced to zero.

Payment associated with short-term leases (i.e. leases with a lease term of 12 months or less) and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

Key estimates and judgements

The Group considers all facts and circumstances that create an economic incentive to exercise an extension option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. If the Group should exercise the extension option, the potential future lease payments would result in an increase in lease liability.

a. Amounts recognised in the balance sheets

	Group	
(S$ million)	December 31, 2025	December 31, 2024
Right-of-use assets		
Leasehold land and buildings	748	719
Plant and machinery	5	6
Motor vehicles	1	*
Furniture, fittings and office equipment	*	*
Total	754	725
Lease liabilities		
Current	59	27
Non-current	688	702
Total	747	729
Maturity analysis		
Within 1 year	59	27
After 1 year but within 5 years	44	119
After 5 years	644	583
Total	747	729

In 2025, the addition to the right-of-use assets amounted to S$83 million (2024: S$514 million), primarily arising from the leasing of land, including reservoir component, at the Pandan Reservoir, with a lease term of 29 years for solar deployment in Singapore, as well as land leases for renewable projects in India with a lease term of 29 years. This amount also included land lease payments for India's hydrogen business.

(S$ million)	Company December 31, 2025	Company December 31, 2024
Right-of-use assets		
Leasehold land and buildings	74	67
Plant and machinery	19	21
Total	93	88
Lease liabilities		
Current	6	5
Non-current	107	103
Total	113	108
Maturity analysis		
Within 1 year	6	5
After 1 year but within 5 years	23	20
After 5 years	84	83
Total	113	108

b. Amounts recognised in profit or loss

(S$ million)	Note	Group 2025	Group 2024
Depreciation charge of right-of-use assets:			
– Leasehold land and buildings		44	41
– Plant and machinery		1	1
– Motor vehicles		*	5
– Furniture, fittings and office equipment		*	*
		45	47
Interest expense on lease liabilities (included in finance cost)	C6	24	13
Expense relating to short-term leases (included in cost of goods sold and administrative expenses)		1	*
Expense relating to leases of low-value assets that are not shown above as short-term leases (included in cost of goods sold and administrative expenses)		7	10
Expense relating to variable lease payments not included in lease liabilities (included in cost of goods sold and administrative expenses)		*	*

i. The total cash outflow for leases in 2025 was S$84 million (2024: S$40 million).

ii. During the year, depreciation amount of S$5 million (2024: S$19 million) was capitalised as capital work-in-progress.

D. Our Assets *(cont'd)*

D2. Investment Properties

The Group holds certain properties to earn rental income and for capital appreciation.

Accounting policies

Investment properties are initially recognised at cost, including transaction costs and directly attributable expenditure on preparing the asset for its intended use. After initial recognition, all investment properties are measured at fair value, with any gain or loss arising from changes in fair value being recognised in profit or loss in the period in which it arises.

The cost of self-constructed investment properties includes the cost of materials and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

The fair value is determined based on internal valuation or independent external valuation.

Transfer to, or from investment properties are made where there is a change in intent and use of the investment properties.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss.

Key estimates and judgements

The Group applies critical accounting judgements in valuing its investment properties. In determining fair value, the valuers have used valuation techniques which involve certain estimates. The key assumptions used to determine the fair value of investment properties may also include unobservable input on market-corroborated capitalisation rate, terminal yield rate, discount rate and comparable market price.

	Group	
(S$ million)	2025	2024 Restated
At January 1	260	197
Additions	107	59
Disposal of subsidiaries	(3)	–
Net change in fair value	5	5
Transfer to assets held for sale	–	(1)
Translation adjustments	(13)	*
At December 31	356	260

At December 31, 2025, investment properties of the Group with carrying amount of S$177 million (2024: S$49 million) are pledged as security to secure a bank loan (Note C5a).

Amounts recognised in profit or loss

	Group	
(S$ million)	2025	2024
Rental income	13	22
Operating expenses incurred	8	11

The Group leases out its investment properties. The lease agreement provides for additional lease payments annually based on changes to a price index. Non-cancellable operating lease rentals receivable are as follows:

	Group	
(S$ million)	2025	2024
Lease receivable:		
Within 1 year	10	10
1 to 2 years	7	7
2 to 3 years	4	4
3 to 4 years	2	2
4 to 5 years	1	1
More than 5 years	2	2
	26	26

Fair Value Measurements

The fair values are based on a combination of investment income method and direct or market comparison techniques, including adjustments to reflect the specific use of the investment properties. Such valuation is derived from observable market data from an active and transparent market.

Valuation techniques and key unobservable inputs

The following table presents the valuation techniques and key unobservable inputs that were used to determine the fair value of investment properties categorised under Level 3 of the fair value hierarchy:

Geographical region	Property segment	Valuation techniques	Key unobservable inputs
Vietnam	Industrial and Logistics	Income capitalisation	Capitalisation rate 2025: 8.00% to 8.50% (2024: 8.00% to 8.50%)
		Discounted cash flow	Pre-tax discount rate 2025: 12.00% to 12.50% (2024: 12.00% to 12.50%)
			Terminal yield rate 2025: 8.25% to 8.75% (2024: 8.25% to 8.75%)
		Direct comparison	Adjusted price per square metre 2025: VND 1,812,485 to VND 4,465,542 (2024: VND 1,776,903 to VND 4,188,414)
		Depreciated replacement cost	Gross replacement cost per square metre 2025: VND 6,698,313 to VND 11,820,552 (2024: VND 6,473,004 to VND 7,615,299)
Vietnam	Construction Work-in-progress	Income capitalisation	Capitalisation rate 2025: 8.00% to 8.25% (2024: 8.00%)
		Discounted cash flow	Pre-tax discount rate 2025: 12.00% to 15.00% (2024: 12.00% to 15.00%)
			Terminal yield rate 2025: 8.25% to 8.50% (2024: 8.25%)
		Direct comparison	Adjusted price per square metre 2025: VND 2,626,789 to VND 4,675,685 (2024: VND 2,614,586 to VND 4,442,257)
		Depreciated replacement cost	Gross replacement cost per square metre 2025: VND 6,698,313 to VND 8,116,779 (2024: VND 6,473,004 to VND 11,422,948)

D. Our Assets *(cont'd)*

D2. Investment Properties *(cont'd)*

Valuation techniques and key unobservable inputs *(cont'd)*

Geographical region	Property segment	Valuation techniques	Key unobservable inputs
China	Retail and Commercial	Discounted cash flow	Pre-tax discount rate 2025: 6.00% (2024: 6.00%)
			Terminal yield rate 2025: 2.00% to 3.00% (2024: 2.00%)
UK	Freehold Land	Direct comparison	Adjusted price per square metre 2025: GBP 1.22 to GBP 24.64 (2024: GBP 1.22 to GBP 23.62)

D3. Intangible Assets

The balance sheet contains significant intangible assets, mainly in relation to goodwill, intellectual property rights and long-term contracts.

Accounting policies

a. Goodwill

Goodwill is measured at cost less accumulated impairment losses. The goodwill cost represents the excess of:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interests in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree; less
- the net amount recognised (generally fair value) of the identifiable assets acquired and liabilities assumed.

When the fair value of the net assets acquired exceeds the consideration paid for the acquisition, a bargain purchase gain is recognised immediately in profit or loss.

Goodwill is not amortised but is tested for impairment on an annual basis. An impairment loss on goodwill is recognised as an expense in profit or loss and is not reversed in a subsequent period.

Goodwill that has previously been taken to reserves is not taken to profit or loss when (i) the business is disposed of or discontinued or (ii) the goodwill is impaired. Similarly, gain on bargain purchase that has previously been taken to reserves is not taken to profit or loss when the business is disposed of or discontinued.

b. Service Concession Arrangements

The Group recognises an intangible asset arising from a service concession arrangement when it has a right to charge for usage of the concession infrastructure. This intangible asset is measured at fair value upon initial recognition by reference to the fair value of the services provided. After initial recognition, the intangible asset is measured at cost, which includes capitalised borrowing costs, less accumulated amortisation and accumulated impairment losses.

The estimated useful life of an intangible asset in a service concession arrangement is the period when the Group has a right to charge the public for the usage of the infrastructure to the end of the concession period.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of 25 to 30 years.

c. Long-term Contracts

Long-term revenue and supplier contracts are fair valued using cash flow projections over the contractual period of 1 to 30 years. Amortisation is recognised in profit or loss on a straight-line basis over the contractual period.

d. Power Generation Permits

Power generation permits are fair valued using cash flow projections over the tenure of the permits, ranging from 20 to 25 years. Amortisation is recognised in profit or loss on a straight-line basis over the tenure of the permits.

e. Carbon Allowances

Carbon allowances received are accounted for using the 'net liability' method. Any quantities of allowances above those forecast to be required for the Group's own use are accounted for as an intangible asset together with a related deferred income balance in the balance sheet at their estimated recoverable value. A liability would only crystalise when emissions are greater than the allowances granted.

f. Other Intangible Assets

Other intangible assets comprise software, development rights and golf club membership.

Other intangible assets with a finite life are measured at cost less accumulated amortisation and accumulated impairment losses. Expenditure on internally generated goodwill is recognised in profit or loss as an expense as incurred. Other intangible assets are amortised on a straight-line basis from the date the asset is available for use and over its estimated useful lives ranging from 3 to 30 years.

Subsequent Expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates and its costs can be measured reliably. All other expenditures are expensed as incurred.

Impairment (except for Goodwill, separately disclosed in (a))

Intangible assets that have indefinite useful lives or that are not yet available for use are tested for impairment annually. For intangible assets with finite useful lives, the policy on impairment is consistent with property, plant and equipment as disclosed in Note D1.

Reversal of Impairment (except for Goodwill, separately disclosed in (a))

The policy on reversal of impairment is consistent with property, plant and equipment as disclosed in Note D1.

Key estimates and judgements

The determination of the recoverable amounts of goodwill and other intangible assets involves judgement and is subject to significant estimation uncertainties, principally, the discount rates, gross margin forecasts and plant load factors. The gross margin forecasts and plant load factors consider expected customer demand, forecasted tariff rates and future carbon taxes for the non-renewable investments. These are inherently subject to estimation uncertainties as well as political and regulatory developments.

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

(S$ million)	Note	Group Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Carrying amounts								
At January 1, 2025		226	20	200	480	22	29	977
Translation adjustments		(14)	(1)	(16)	(9)	1	1	(38)
Additions	i	–	–	–	–	15	6	21
Acquisition of subsidiaries	G5, a,iv	48	–	15	(2)	–	–	61
Disposal of subsidiaries		*	–	–	*	–	*	*
Disposals	i	–	*	–	–	(22)	*	(22)
Amortisation charge for the year	B4a	–	(3)	(14)	(22)	–	(9)	(48)
Transfer from property, plant and equipment		–	–	–	–	–	1	1
Write-off	B4a	–	*	–	–	–	*	*
At December 31, 2025		260	16	185	447	16	28	952
Cost at December 31, 2025		376	48	338	515	16	98	1,391
Accumulated amortisation and impairment losses at December 31, 2025		(116)	(32)	(153)	(68)	*	(70)	(439)
Net carrying amounts at December 31, 2025		260	16	185	447	16	28	952

During the provisional one-year period from the date of acquisition of a subsidiary in December 2024, the consideration has decreased, and a reduction in power generation permits by S$2 million was recognised.

		Group						
(S$ million)	Note	Goodwill	Service concession arrangements	Long-term contracts	Power generation permits	Carbon allowances	Others	Total
Carrying amounts								
At January 1, 2024		216	23	212	441	41	19	952
Translation adjustments		–	*	2	*	1	*	3
Additions	i	–	*	–	*	15	16	31
Acquisition of subsidiaries	G5, a,iv	10	–	1	60	–	*	71
Disposal of subsidiaries		*	–	–	–	–	*	*
Disposals	i	–	*	–	*	(35)	*	(35)
Amortisation charge for the year	B4a	–	(3)	(15)	(21)	–	(8)	(47)
Transfer from property, plant and equipment	D1	–	–	–	–	–	2	2
Transfer to assets held for sale		–	–	*	*	–	*	*
Write-off	B4a	–	*	–	–	–	*	*
At December 31, 2024		226	20	200	480	22	29	977
Cost at December 31, 2024		341	49	342	526	22	91	1,371
Accumulated amortisation and impairment losses at December 31, 2024		(115)	(29)	(142)	(46)	–	(62)	(394)
Net carrying amounts at December 31, 2024		226	20	200	480	22	29	977

i. The additions during the year mainly related to the increase in carbon allowances and the disposal was for the settling of the Group's carbon obligation.

ii. Intangible assets of less than S$1 million (2024: less than S$1 million) have been pledged to secure loan facilities.

iii. The amortisation of intangible assets is analysed as follows:

	Group	
(S$ million)	2025	2024
Cost of sales	41	41
Administrative expenses	7	6
Total	48	47

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

a. Goodwill

Impairment Testing

Goodwill acquired in a business combination is allocated to groups of CGUs that are expected to benefit from the synergies of the combination. Subject to an operating segment ceiling test, CGUs to which goodwill has been allocated are aggregated so that the level at which impairment testing is performed reflects the lowest level at which goodwill is monitored for internal reporting purposes.

The aggregate carrying amounts of goodwill allocated to each unit are as follows:

(S$ million)	Note	Group December 31, 2025	Group December 31, 2024
Cash-generating Unit (CGU)			
SUT Division		19	19
Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	i	43	43
Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	ii	161	127
Sembcorp Huiyang New Energy (Nanjing) Co., Ltd and its subsidiaries (HYNE)	iii	26	26
GELEX Group Joint Stock Company and its subsidiaries (Gelex)	iv	10	10
Multiple units with insignificant goodwill		1	1
		260	226

i. Sembcorp Gas Pte Ltd and Sembcorp Fuels (Singapore) Pte Ltd are considered a single CGU as both have the same customer bases for natural gas, pricing is set by the same management team and cash inflows are not generated largely independently.

ii. In December 2025, SGIPL has acquired 100% interest in Renew Sun Bright Private Limited (Renew Sun Bright), which owns solar wind assets. The increase in goodwill predominantly arose from this acquisition. The identified assets acquired, and liabilities are measured at their fair value determined on provisional basis as at December 31, 2025 (see Note G5).

iii. Sembcorp Huiyang New Energy (Shenzhen) Co., Ltd was renamed to Sembcorp Huiyang New Energy (Nanjing) Co., Ltd (HYNE) in 2025.

iv. In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex in Vietnam, which consists of a portfolio of solar and wind assets. The increase in goodwill predominantly arose from this acquisition. The identified assets acquired, and liabilities assumed for the CGU are measured at their fair values and there has been no change to the goodwill determined on provisional basis as at December 31, 2024.

In December 2025, the Group completed the acquisition of 73.16% interest in the last remaining Gelex subsidiary, which owns a hydropower asset (see Note G5).

The recoverable amounts for CGUs with goodwill were determined using value-in-use calculations. Cash flow projections used in the value-in-use calculations were prepared based on management's experience in operating the business and forward market outlook over the long-term nature of the utilities and power business. Pre-tax discount rates between 5.00% and 9.60% (2024: 5.71% and 9.76%) had been used.

At the balance sheet date, based on the key assumptions below, the recoverable amounts of the respective CGUs exceeded their carrying amounts.

Key assumptions on recoverable amounts of respective CGUs

	SUT Division	Sembcorp Gas Pte Ltd / Sembcorp Fuels (Singapore) Pte Ltd	Sembcorp Green Infra Private Limited and its subsidiaries (SGIPL)	Sembcorp Huiyang New Energy (Nanjing) Co., Ltd and its subsidiaries (HYNE)	GELEX Group Joint Stock Company and its subsidiaries (Gelex)
Cash flow projections period	Remaining useful life of plants assumed 16 years (2024: 17 years)	Remaining contractual period of existing contracts	Remaining useful life of plants assumed 30 years from Commercial Operations Date (COD)	Remaining useful life of plants assumed 19 to 22 years	Remaining useful life of plants assumed 2 to 19 years
Revenue and margins	Based on contracts secured along with likely renewals and forecasted demand for industrial utilities and services; as well as forecasted margins	Based on estimated sales and purchases of gas quantities derived from the contractual period of existing contracts	Based on long-term contracts secured at contracted tariffs. New contracts and contract renewals are assumed based on estimated demand and supply as well as margin	Based on mechanism tariff, mid-long term annual contract tariff and expected market-traded tariff	Based on long-term contracts secured at contracted tariffs
Carbon tax / Costs	Carbon taxes will be borne by customers	Carbon taxes will be borne by customers	NA	NA	NA
Expected capital expenditure	In accordance with plant maintenance programme	In accordance with plant maintenance programme and pipeline servicing	In accordance with plant maintenance programme	In accordance with plant maintenance programme	In accordance with plant maintenance programme
Terminal value	Nil (2024: Nil)	Nil (2024: Nil)	Nil (2024: Nil)	5% of original cost	Nil
Inflation rate assumptions used to project overheads and other general expenses	1.5% – 2.0% (2024: 2.0% – 2.5%)	1.5% – 2.0% (2024: 2.0% – 2.5%)	3.0% – 5.0% (2024: 3.0% – 5.0%)	0% (2024: 0%)	4.0%
Others	NA	Forward USD / SGD exchange rate and High Sulphur Fuel Oil (HSFO) prices with reference to forward quotes were assumed in the forecast performance	NA	NA	NA

No sensitivity analysis was disclosed for the CGUs as the Group believes that any reasonable possible change in the key assumptions is unlikely to result in any material impairment to the CGUs.

D. Our Assets *(cont'd)*

D3. Intangible Assets *(cont'd)*

b. Service Concession Arrangements

The subsidiaries in Fuzhou and Yanjiao in People's Republic of China have service concession agreements with the local municipalities to supply drinking water to the local communities.

Under these arrangements, the charges for use of these assets are adjusted regularly according to agreed cost reference and escalation formula in the concession agreement as approved by respective local authorities.

c. Long-term Contracts

India

The subsidiaries in the renewables sector in India have long-term contracts with India's State Electricity Boards in Rajasthan, Gujarat, Karnataka, Maharashtra, Madhya Pradesh, Punjab, and Telangana with tenures ranging from 20 to 30 years. These subsidiaries also sell electricity to commercial customers with tenures ranging from 10 to 25 years.

United Kingdom (UK)

The subsidiaries in the UK acquired in 2018, have contracted with the National Grid of the UK to generate electricity through a portfolio of diesel and gas generators in multiple sites across the UK and supplier contracts with tenures ranging from 1 to 15 years. The majority of these contracts provide fixed rate cash flows relating to plant availability (Capacity Market contracts).

d. Power Generation Permits

The subsidiaries in China own power generation permits to operate solar and wind power plants in various locations of China, with tenures ranging from 20 to 25 years.

e. Carbon Allowances

These are allowances, received from the UK government and purchased from the carbon market, to settle the emission obligation from its gas-fired power plants in UK.

f. Other Intangible Assets

Other intangible assets comprise water rights, software, development rights and golf club membership.

(S$ million)	Company Goodwill	Others	Total
Carrying Amounts			
At January 1, 2025	19	14	33
Additions	–	2	2
Amortisation charge for the year	–	(5)	(5)
At December 31, 2025	19	11	30
Cost at December 31, 2025	19	49	68
Accumulated amortisation and impairment losses at December 31, 2025	–	(38)	(38)
Net carrying amounts at December 31, 2025	19	11	30
Carrying Amounts			
At January 1, 2024	19	10	29
Additions	–	8	8
Amortisation charge for the year	–	(4)	(4)
Transfer from property, plant and equipment	–	*	*
At December 31, 2024	19	14	33
Cost at December 31, 2024	19	47	66
Accumulated amortisation and impairment losses at December 31, 2024	–	(33)	(33)
Net carrying amounts at December 31, 2024	19	14	33

The Company's goodwill relates to goodwill on the acquisition of the SUT Division in 2008.

E. Our Working Capital

E1. Trade and Other Receivables

Trade and other receivables mainly consist of amounts owed to the Group by customers and amounts paid to the Group's suppliers in advance.

Accounting policies

Trade and other receivables are initially recognised at the amount of consideration receivable that is unconditional, unless they contain significant financing components, whereby they will be recognised at fair value.

Subsequently, trade and other receivables are measured at amortised cost only if (i) the asset is held within a business model whose objective is to collect the contractual cash flows and (ii) the contractual terms give rise to cash flows that are solely payments of principal and interest. The carrying value of trade and other receivables is reduced by appropriate allowances for estimated irrecoverable amounts. The estimated irrecoverable amounts and calculation of loss allowances are based on policies set out in Note F4. Interest income, foreign exchange gains or losses, impairment losses and gains or losses on derecognition relating to these receivables are recognised in profit or loss.

In the service concession arrangements, the Group recognises a financial asset arising from its construction services when it has an unconditional contractual right to receive fixed and determinable amounts of payments irrespective of the output produced. The consideration receivable is initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

E. Our Working Capital *(cont'd)*

E1. Trade and Other Receivables *(cont'd)*

		December 31, 2025			December 31, 2024		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Group							
Trade receivables	i	*	896	896	*	902	902
Unbilled receivables	ii	–	302	302	–	324	324
Service concession receivables	iii	704	32	736	778	49	827
Amounts due from related parties	G4	7	136	143	5	232	237
Sundry receivables	iv	5	72	77	5	88	93
Indirect tax receivable		–	81	81	–	71	71
Contingent receivable	v	12	–	12	12	–	12
Deposits	vi	4	35	39	4	32	36
Recoverables		2	18	20	2	26	28
Interest receivables		–	4	4	–	4	4
Grant receivables		–	–	–	–	4	4
Finance lease receivables		4	–	4	4	–	4
		738	1,576	2,314	810	1,732	2,542
Loss allowance	F4	(127)	(74)	(201)	(136)	(71)	(207)
Financial assets at amortised cost	F4, vii	611	1,502	2,113	674	1,661	2,335
Prepayments	viii	115	49	164	65	33	98
Employee defined benefit asset		8	*	8	4	*	4
Advances to suppliers	ix	–	130	130	–	108	108
Tax recoverable		51	8	59	59	11	70
		785	1,689	2,474	802	1,813	2,615

i. Trade receivables include subsidies on energy production received by renewables companies in China. As at December 31, 2025, certain receipts of these receivables are still pending final verification results from the regulators and the loss allowance for these receivables was S$43 million (2024: S$23 million) (see Note F4(iv)).

ii. Unbilled receivables represent revenue accrued for sale of utilities commodities and services.

iii. The Group has service concession agreements with the local governments and governing agencies through its subsidiaries. The arrangements in Singapore relate to the supply of treated water, while the arrangements in Myanmar and Bangladesh relate to the supply of electricity.

The guaranteed sum receivables from the grantors for the construction of the underlying assets are discounted at interest rates ranging from 3.6% to 8.5% (2024: 3.6% to 8.5%).

iv. Sundry receivables represent mainly loan receivables and miscellaneous receivables.

v. Contingent receivable of S$12 million recognised on acquisition of Gelex in 2024 (see Note G5(ii)).

vi. Deposits include cash collateral placed on deposits in margin accounts.

vii. Trade and other receivables of S$250 million (2024: S$263 million) have been pledged to secure loan facilities.

viii. Prepayments are charged to profit or loss on a straight-line basis over the service period. They relate primarily to:

- Connection fees prepaid under the Generation Connection and Use of System Agreement for the use of the transmission lines to a related corporation amounted to S$56 million (2024: S$30 million).
- Service fees prepaid under the Gasoil Supply and Storage Agreement for the usage of tank; and
- Capacity charges prepaid for the use of gas delivery pipelines, prepaid insurance premium, transport tariff recoverable and maintenance of plant.

ix. Advance to suppliers in 2025 includes an amount of S$37 million (2024: Nil) paid in relation to import power.

		December 31, 2025			December 31, 2024		
(S$ million)	Note	Non-current	Current	Total	Non-current	Current	Total
Company							
Trade receivables		–	21	21	–	22	22
Amounts due from related parties	G4	–	90	90	–	47	47
Deposits		–	*	*	–	*	*
Unbilled receivables	i	–	52	52	–	48	48
Recoverables		–	1	1	–	–	–
Sundry receivables		–	3	3	–	10	10
Grant receivables		–	–	–	–	4	4
		–	167	167	–	131	131
Loss allowance	F4	–	(3)	(3)	–	(1)	(1)
Financial assets at amortised cost	F4	–	164	164	–	130	130
Prepayments	ii	*	1	1	*	1	1
Advance to suppliers		–	*	*	–	2	2
		*	165	165	*	133	133

i. Included in the Company's unbilled receivables are amounts of S$28 million (2024: S$24 million) due from related companies.

ii. Connection and capacity charges prepaid for the use of pipelines and pipe racks.

E2. Inventories

Accounting policies

a. Inventories

Finished goods, consumable materials, spares, and environmental attributes are stated at the lower of cost and net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and applicable variable selling expenses.

Environmental attributes (EA) include renewable energy certificates and renewable obligation certificates. They are held for sale in the ordinary course of business and / or are self-generated. The recognition of the self-generated EA as inventory will be only at the completion of the certification process when these certificates become a resource controlled by the generating entity.

b. Development Properties

Properties held for sale are stated at the lower of cost and net realisable value. Cost includes land and construction costs, related expenditure and financing charges incurred during the period of development. Net realisable value represents the estimated selling price less costs to be incurred in selling the property.

E. Our Working Capital *(cont'd)*

E2. Inventories *(cont'd)*

Key estimates and judgements

The Group applies critical accounting judgements in classifying development properties. In assessing the classification of development properties, management considers its intention with regards to the use of the properties (i.e. held with the intention of development and sale in the ordinary course of business or for rental and capital appreciation). Where there is a change in intended use, a change in classification may be required.

	Group		Company	
(S$ million)	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Raw materials and consumables	115	125	2	2
Finished goods	32	28	5	5
Environmental attributes	3	*	–	–
	150	153	7	7
Allowance for inventory obsolescence	(21)	(19)	(1)	(1)
	129	134	6	6
Properties under development	1	1	–	–
	130	135	6	6

S$18 million (2024: S$30 million) of the Group's inventories were pledged to secure loan facilities.

Amounts recognised in profit or loss

		Group	
(S$ million)	Note	2025	2024
Inventories recognised as an expense in cost of sales		321	298
Allowance (written down to lower realisable value)	B4a	5	–
Write-back of allowance for inventory obsolescence	B4a	(1)	(2)
Write-off of inventory	B4a	1	*

E3. Trade and Other Payables

Trade and other payables mainly consist of amounts the Group owes to its suppliers. They also include taxes and social security amounts payable relating to the Group's workforce.

Accounting policies

Trade and other payables (excluding advance payments from customers, deferred grants, deferred income and retirement benefit obligations) are classified as financial liabilities measured at amortised cost using the effective interest method. Trade payables are not interest-bearing and are stated at their nominal value.

(S$ million)	Note	Group December 31, 2025	Group December 31, 2024	Company December 31, 2025	Company December 31, 2024
Current liabilities					
Trade payables		266	303	18	3
Accrued capital and operating expenditure	i	637	742	115	156
Advance payments from customers		22	28	1	*
Amounts due to related parties	G4	28	20	8	6
Deposits		21	20	*	*
Accrued interest payable		32	32	–	–
Other creditors	ii	308	297	2	7
Deferred grants		1	1	–	–
Deferred consideration		16	45	–	–
Contingent consideration		80	97	–	–
		1,411	1,585	144	172
Non-current liabilities					
Deferred grants	iii	2	2	–	–
Amounts due to related parties	G4	–	–	1,353	1,393
Other long-term payables	iv	43	41	21	21
Deferred income		44	49	1	2
Retirement benefit obligation		8	7	–	–
		97	99	1,375	1,416

i. Included in the Group's and Company's accrued operating expenses are amounts of S$42 million and S$37 million (2024: S$9 million and S$60 million) due to related companies respectively.

ii. Included in the Group's other creditors is an amount owing in the margin account as a result of withdrawal against net unrealised gain, driven by the high oil commodity forward price.

iii. Non-current deferred grants related to government grants for capital assets.

iv. Other long-term payables included retention monies of subsidiaries, long-term employee benefits and accrued operating and maintenance services which will be billed only after the initial payment-free period, which is more than one year.

E. Our Working Capital *(cont'd)*

E4. Cash and Cash Equivalents

Accounting policies

Cash and cash equivalents which comprise cash balances and bank deposits are classified as financial assets measured at amortised cost. For the purpose of the consolidated statement of cash flows, cash and cash equivalents are presented net of bank overdrafts which are repayable on demand. Bank overdrafts are shown within loans and borrowings in current liabilities on the balance sheet.

The majority of the Group's cash is held in bank deposits or money market funds which have a maturity of three months or less to enable short-term liquidity requirements to be met.

	Group		Company	
(S$ million)	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Fixed deposits with banks	569	298	–	–
Cash and bank balances	540	573	164	201
Cash and cash equivalents in the balance sheets	1,109	871	164	201
Restricted bank balances	(18)	(21)	–	–
Cash and cash equivalents in the consolidated statement of cash flows	1,091	850	164	201
Cash and cash equivalents placed with				
– A subsidiary	–	–	162	199
– A related corporation	124	32	2	2

Fixed deposits with banks of the Group earn interest at rates ranging from 0.20% to 5.30% (2024: 1.30% to 7.10%) per annum.

Included in the Group's cash and cash equivalents is an amount of S$139 million (2024: S$99 million) over which banks have a first charge in the event that the respective subsidiaries do not meet the debt servicing requirements.

F. Our Financial Instruments and Risks Management

This note details the Group's exposure to treasury and financial risks including credit, liquidity, interest and foreign exchange risks, and the objectives and policies in place to monitor and manage these risks.

The Group has implemented the Integrated Assurance Framework (IAF) which is based on a multi-level lines of defense (LOD) model. Through the IAF structure, the respective LODs work together to ensure that key financial, operational, compliance and IT risks are reviewed and tested using a robust assurance process. Under the IAF, a pragmatic and collaborative approach to risk and controls assessment has been established, with common and consistent criteria applied to assess the risks and adequacy and effectiveness of internal controls.

Under the IAF, the Group's key markets, being the first LOD, are required to work with the second LOD comprising business lines, subject matter experts and corporate functions, to perform a thorough review and assessment of their risks and internal controls.

Clear escalation procedures and key risk indicators have been established and aligned with the Group's risk appetite.

The proactive management of key risks and controls strengthens not only the Group's reporting and monitoring capabilities, but also cultivates a risk culture of accountability and ownership.

Key themes of the IAF include cyber security, plant availability and reliability, health and safety, regulatory and compliance, people and talent management, fraud risk management and governance.

Financial Risk Management Objectives and Policies

The Group's day-to-day operations, new investment opportunities and funding activities introduce financial risks, which are actively managed by management with Board oversight. These risks are grouped into the following categories:

- Market: The risk that fluctuations in commodity prices, foreign exchange and interest rates adversely impact the Group's results.
- Liquidity: The risk that the Group will not be able to meet the financial obligations as they fall due.
- Credit: The risk that a counterparty will not fulfil its financial obligations under a contract or other arrangement.

The Board has adopted the Group Treasury policies and financial authority limits to manage these risks. The Group Treasury policies set out the parameters for financing structure, liquidity, counterparty risk management, foreign exchange risk management and use of derivative transactions. Derivative transactions are permitted only if it involves underlying assets or liabilities.

F1. Market Risk

Market risk is the possibility that changes in interest rates, foreign exchange rates, equity securities and commodities will adversely affect the value of the Group's assets, liabilities or expected future cash flows. The objective of market risk management is to manage and reduce the above exposures within acceptable parameters.

a. Interest Rate Risk

The Group's interest rate exposure is primarily in relation to its fixed rate borrowings (fair value risk), variable-rate borrowings and cash and cash equivalents (cash flow risk).

The Group's policy is to target at least 50% of its debt portfolio with fixed interest rate. This is achieved partly by entering into fixed-rate instruments and partly by borrowing at variable rates while using interest rate swaps and cross currency swaps to hedge the variability in cash flows attributable to floating interest rates.

Based on the variable rate net debt position (both issued and hedged) at balance sheet date, assuming other factors (principally foreign exchange rates and commodity prices) remained constant and that no further interest rate management action was taken, an increase in interest rate of 1% would have decreased the Group's profit before tax (PBT) by S$18 million (2024: decreased by S$13 million) with no impact to equity (2024: increased by S$3 million). At Company level, PBT would have decreased by S$9 million (2024: decreased by S$12 million) without any impact to equity (2024: no impact). A 1% decrease in interest rates would have the opposite effect for both Group and Company.

b. Foreign Currency Risk

The Group is exposed to currency risk on foreign currency denominated borrowings, investments and commercial transactions.

The Group limits its exposure to changes in foreign exchange rates through forward foreign exchange contracts and cross currency interest rate swaps. In certain circumstances, borrowings are left in a foreign currency, or swapped from one foreign currency to another, to hedge expected future business cash flows in that currency. Significant foreign currency denominated transactions undertaken in the normal course of operations are managed on a case-by-case basis.

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

b. Foreign Currency Risk *(cont'd)*

The Group's exposure to foreign currency risk (excluding the Group's net investment hedges in its subsidiaries in China (2024: China) based on its risk management policy is summarised as follows:

	Group							
(S$ million)	SGD	USD	EURO	GBP	RMB	INR	BDT	Others
2025								
Financial assets								
Cash and cash equivalents	85	102	3	1	*	–	10	12
Loan to an associate	–	–	–	48	–	–	–	–
Trade and other receivables	7	180	1	1	8	6	93	20
DPN receivable	–	–	–	–	–	1,291	–	–
Other financial assets	*	26	–	–	–	–	–	*
	92	308	4	50	8	1,297	103	32
Financial liabilities								
Trade and other payables	15	37	4	*	*	6	85	2
Loans and borrowings	–	1,103	106	–	–	–	–	100
Lease liabilities	4	–	–	–	–	–	*	–
	19	1,140	110	*	*	6	85	102
Net financial assets / (liabilities)	73	(832)	(106)	50	8	1,291	18	(70)
Add: Firm commitments and highly probable forecast transactions in foreign currencies	–	(373)	–	–	86	(14)	(1)	(45)
Less: Cross currency swap / Foreign exchange forward contracts	–	1,069	106	238	–	–	–	138
Net currency exposure	73	(136)	*	288	94	1,277	17	23

(S$ million)	Group SGD	USD	EURO	GBP	RMB	INR	BDT	Others
2024								
Financial assets								
Cash and cash equivalents	29	124	2	1	1	–	25	4
Loan to an associate	–	–	–	53	–	–	–	–
Trade and other receivables	10	205	1	54	20	1	117	15
DPN receivable	–	–	–	–	–	1,581	–	–
Other financial assets	*	25	–	–	–	–	–	*
	39	354	3	108	21	1,582	142	19
Financial liabilities								
Trade and other payables	17	76	3	*	1	*	99	2
Loans and borrowings	–	1,230	99	–	–	–	–	–
Lease liabilities	4	–	–	–	–	–	*	–
	21	1,306	102	*	1	*	99	2
Net financial assets / (liabilities)	18	(952)	(99)	108	20	1,582	43	17
Add: Firm commitments and highly probable forecast transactions in foreign currencies	(28)	(340)	(6)	–	–	–	–	(194)
Less: Cross currency swap / Foreign exchange forward contracts	28	1,127	105	211	–	–	–	194
Net currency exposure	18	(165)	–	319	20	1,582	43	17

The Company's gross exposure to foreign currencies is as follows:

(S$ million)	Company USD
2025	
Financial assets	
Cash and cash equivalents	6
Trade and other receivables	63
	69
Financial liabilities	
Trade and other payables	16
Net financial liabilities	53
Less: Foreign exchange forward contracts	(51)
Net currency exposure	2
2024	
Financial assets	
Cash and cash equivalents	6
Trade and other receivables	15
	21
Financial liabilities	
Trade and other payables	22
Net financial (liabilities)	(1)
Net currency exposure	(1)

F. Our Financial Instruments and Risks Management *(cont'd)*

F1. Market Risk *(cont'd)*

b. Foreign Currency Risk *(cont'd)*

Sensitivity Analysis

A 10% strengthening of the following currencies against the functional currencies of the Group and Company at balance sheet date would have increased / (decreased) equity and PBT by the amounts shown below. The analysis assumed that all other variables, in particular interest rates, remain constant, ignoring any impact of firm commitments in foreign currencies and with no further foreign exchange risk management action taken.

	Group				Company	
	Equity		Profit before tax		Profit before tax	
(S$ million)	2025	2024	2025	2024	2025	2024
SGD	–	2	7	2	–	–
USD	19	28	1	(16)	*	*
EURO	–	1	*	*	*	*
GBP	4	4	24	26	*	*
RMB	–	–	1	2	*	*
INR	–	–	129	158	*	–
BDT	–	–	2	4	–	–
Others	3	16	3	2	*	–

A 10% weakening of the above currencies against the functional currencies of the Group and Company at the balance sheet date would have had an equal but opposite effect to the amounts shown above.

c. Price Risk

Mutual Funds and Equity Securities Price Risk

The Group is exposed to price risk from mutual funds and equity securities designated as FVTPL or FVOCI respectively.

If prices for mutual funds and equity securities increased by 10% with all other variables held constant, equity and PBT would have increased by S$5 million and S$12 million, respectively (2024: increased by S$5 million and S$11 million, respectively). Conversely, if prices decreased by 10%, equity and PBT would have had an equal but opposite effect.

Commodity Risk

The Group hedges against fluctuations in commodity prices that affect revenue and cost. Exposures are managed via swaps and contracts for differences (CFDs).

CFDs are entered into with counterparties at a strike price, with or without fixing the quantity upfront, to hedge against adverse price movements from sale of electricity. Exposure to price fluctuations from purchases of fuel is managed via fuel oil swaps where fuel price is indexed to a benchmark index, for example Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent.

The Group designates fuel oil swaps and electricity futures in their entirety in cash flow hedges to hedge its commodity risk and applies a hedge ratio of 1:1.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference index of Singapore High Sulphur Fuel Oil 180 CST fuel oil and Dated Brent, tenors, repricing dates and maturities. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in cash flows of the hedged item by looking at the critical terms.

The Group did not identify any significant sources of ineffectiveness in these hedges.

Sensitivity Analysis

If prices for commodities increased by 10% with all other variables held constant, the increase in equity as a result of fair value changes on cash flow hedges would be:

	Group	
(S$ million)	2025	2024
Equity	25	17

A 10% decrease in the prices for commodities would have had an equal but opposite effect to the equity. The analysis assumed that all other variables remain constant.

F2. Hedges

The Group uses derivative instruments (derivatives) (as disclosed in Note H1) to hedge financial risks as described above. Derivatives are contracts whose value is derived from an underlying price index (or other variable) that require little or no initial net investment and are settled at a future date.

The Group designates certain derivatives as either:

i. Hedges of fair value of recognised assets, liabilities or firm commitments (fair value hedge)

ii. Hedges of a particular cash flow risk associated with a recognised asset, liability or highly probable forecast transaction (cash flow hedge)

iii. Hedges of a net investment in a foreign operation (net investment hedge)

Accounting policies

Derivatives are carried on balance sheet at fair value. Movements in price of the underlying variables, which causes the value of contract to fluctuate, are reflected in the fair value of derivative. The method of recognising changes in fair value depends on whether the derivative is designated in an accounting hedge relationship. Derivatives not designated as accounting hedges are referred to as economic hedges subject to fair value through profit or loss.

Fair value gains and losses attributable to economic hedges are recognised in statement of profit or loss while recognition of fair value gains and losses of those attributable to accounting hedges depends on the nature of item being hedged.

The effective portion of changes in fair value of derivatives designated as fair value hedge are recognised in profit or loss at the same time when all changes in fair value of the underlying item relating to the hedged risks are recognised in profit or loss. The effective portion of changes in fair value of derivatives designated as cash flow hedges are recognised in hedging reserve (in equity).

Certain determinants of fair value included in derivatives or mismatches between the timing of the instrument and the underlying item in any hedge relationship can cause hedge ineffectiveness. Any ineffectiveness is recognised immediately in profit or loss as change in fair value of derivatives.

When the underlying hedged item is sold or repaid, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised immediately in profit or loss.

When the hedging instrument expires or is sold, terminated or no longer qualifies for hedge accounting, the unamortised fair value adjustments of a fair value hedge or the amounts accumulated in hedging reserve for a cash flow hedge, is recognised in profit or loss when the hedged item is recognised in profit or loss, which may occur over time.

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Key estimates and judgements

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the reference interest rates, tenors, repricing dates and maturities. The Group considers the critical terms in assessing if each designated derivative is expected to be and has been effective in offsetting changes in cash flows of the hedged item.

In these hedge relationships, the main sources of ineffectiveness are due to:

- effects of the counterparties' and the Group's own credit risk on fair value of the swaps, which is not reflected in the change in fair value of the hedged cash flows attributable to change in interest rates; and
- changes in timing of hedged transactions.

The Group designates only the change in fair value of the spot element of forward exchange contract for funding purposes as the hedging instrument in a cash flow hedging relationship. The change in fair value of the forward element of the forward exchange contracts (forward points) is separately accounted for as a cost of hedging and recognised in hedging reserve within equity.

Cash Flow Hedges

The Group designates certain forward foreign exchange contracts, interest rate swaps, cross currency interest rate swaps and fuel oil swaps in various cash flow hedges.

At December 31, 2025, the Group held the following instruments to hedge exposures to fluctuations in foreign currencies, interest rates and commodity prices:

(S$ million)	Rate ($)	Interest rate (%)	Maturity Within 1 year	Maturity Between 1 and 5 years	Maturity More than 5 years
2025					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– SGD / USD	0.77 – 0.78	–	64	–	–
– USD / SGD	1.17 – 1.36	–	556	163	17
– JPY / SGD	0.0101 – 0.0110	–	34	5	–
– MYR / SGD	0.30 – 0.32	–	29	–	–
Forex swap contracts (Buy / Sell)					
– USD / VND	25,354 – 26,268	–	8	30	23
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	2.17 – 4.80	122	1,254	361
Foreign currency and interest rate risk					
Cross currency swaps					
– USD / SGD	1.34 – 1.36	2.84 – 3.78	52	–	703
– EUR / SGD	1.41	3.49	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	346.00 – 464.50	–	337	28	–
– Fuel oil swap ($ per BBL)	59.33 – 74.87	–	288	128	16

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

(S$ million)	Rate ($)	Interest rate (%)	Maturity Within 1 year	Maturity Between 1 and 5 years	Maturity More than 5 years
2024					
Foreign currency risk					
Forward foreign exchange contracts (Buy / Sell)					
– USD / SGD	1.26 – 1.42	–	316	92	–
– EUR / SGD	1.42	–	6	–	–
– USD / INR	84.44 – 86.94	–	117	–	–
– JPY / SGD	0.0101 – 0.0109	–	64	38	–
– MYR / SGD	0.30	–	100	10	–
– USD / VND	24,118 – 26,527	–	3	13	16
Forex swap contracts (Buy / Sell)					
– USD / VND	25,350 – 26,175	–	32	19	17
Interest rate risk					
Interest rate swap (IRS)					
– Float-to-fixed	–	1.05 – 5.54	560	1,935	307
Foreign currency and interest rate risk					
Cross currency swaps					
– USD / SGD	1.35 – 1.36	3.55 – 3.78	–	703	–
– EUR / SGD	1.41	3.49	–	99	–
Commodity risk					
Fuel oil swaps					
– Fuel oil swap ($ per MT)	385.25 – 492.75	–	514	107	–
– Fuel oil swap ($ per BBL)	69.19 – 82.85	–	623	49	22
– Fuel oil swap ($ per MMBTU)	13.30 – 13.35	–	22	–	–

The amounts at the balance sheet date relating to items designated as hedged items are as follows:

(S$ million)	Cash flow hedge reserve for continuing hedges 2025	2024
Foreign currency risk		
Highly probable purchases	(7)	(8)
Highly probable equity injection	–	(1)
Highly probable capital expenditures	(2)	–
Payments	–	2
Interest rate risk		
Variable rate borrowings	1	18
Other financial assets	(59)	(23)
Commodity risk		
Highly probable purchases	(26)	5
Highly probable sales	(1)	–
Fuel oil price	–	*

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

Cash Flow Hedges *(cont'd)*

The amounts related to items designated as hedging instruments and hedge ineffectiveness are as follows:

	Foreign currency risk	Interest rate risk	Foreign currency risk and interest rate risk	Commodity risk	
	Forward foreign exchange contracts / Forex swap contracts	Interest rate swaps	Cross currency swaps	Fuel oil swaps	Total
2025					
Nominal amount – S$ million	929	1,737	854	797	4,317
Quantity	–	–	–	728,813 MT, 5,159,194 BBL	728,813 MT, 5,159,194 BBL
Carrying amount – S$ million					
Other financial assets	–	9	5	16	30
Other financial liabilities	–	30	75	43	148
Fair value increase / (decrease) – S$ million					
Hedging instruments	(7)	(31)	(23)	(24)	(85)
Hedged items	7	31	23	24	85
Hedge ineffectiveness	–	–	–	–	–
Reconciliation of hedging reserve – S$ million					
Changes in fair value	(7)	(31)	(23)	(24)	(85)
Amounts reclassified to profit or loss:					
– Cost of goods sold	(1)	–	–	(7)	(8)
– Finance costs	–	(8)	–	–	(8)
	(8)	(39)	(23)	(31)	(101)
Tax on above items					15
Change in hedging reserve					(86)
Share of other comprehensive income of associates and joint ventures					(18)
Movement during the year					**(104)**

	Foreign currency risk	Interest rate risk	Foreign currency risk and interest rate risk	Commodity risk	
	Forward foreign exchange contracts / Forex swap contracts	Interest rate swaps	Cross currency swaps	Fuel oil swaps	Total
2024					
Nominal amount – S$ million	843	2,802	802	1,337	5,784
Quantity	–	–	–	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU	1,063,867 MT, 6,725,654 BBL and 1,230,000 MMBTU
Carrying amount – S$ million					
Other financial assets	2	27	–	28	57
Other financial liabilities	–	8	13	27	48
Fair value increase / (decrease) – S$ million					
Hedging instruments	7	(14)	(14)	34	13
Hedged items	(7)	14	14	(34)	(13)
Hedge ineffectiveness	*	–	–	–	*
Reconciliation of hedging reserve – S$ million					
Changes in fair value	7	(14)	(14)	34	13
Amounts reclassified to profit or loss:					
– Cost of goods sold	(1)	*	–	(29)	(30)
– Finance costs	–	(5)	–	–	(5)
Amount reclassified to cost of investment in a subsidiary	5	–	–	–	5
	11	(19)	(14)	5	(17)
Tax on above items					4
Change in hedging reserve					(13)
Share of other comprehensive income of associates and joint ventures					18
Movement during the year					5

F. Our Financial Instruments and Risks Management *(cont'd)*

F2. Hedges *(cont'd)*

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

	Cash flow hedge reserve	
(S$ million)	2025	2024
At January 1	50	45
Movement during the year		
Changes in fair value:		
– Foreign currency risk	(7)	7
– Interest rate risk	(31)	(14)
– Foreign currency and interest rate risk	(23)	(14)
– Commodity risk	(24)	34
Amount reclassified to profit or loss:		
– Foreign currency risk	(1)	(1)
– Commodity risk	(7)	(29)
– Interest rate risk	(8)	(5)
Amount reclassified to cost of investment in a subsidiary	–	5
Tax on movements on reserves during the year	15	4
Share of other comprehensive income of associates and joint ventures	(18)	18
	(104)	5
Share of non-controlling interests	2	–
At December 31	(52)	50

Net Investment Hedges

The Group's investments in its China (2024: China) subsidiaries are hedged by CNH / SGD (2024: CNH / SGD) forward foreign exchange contracts (hedging instrument) respectively, which mitigate the currency risks arising from the subsidiaries' net assets. The carrying amounts of the hedging instruments of S$3 million (2024: S$1 million) are included in other financial assets.

The notional amount of the contracts is S$143 million (2024: S$186 million). During the financial year, net hedging loss of S$10 million (2024: hedging gain of S$4 million) was recognised in other comprehensive income. As at December 31, 2025, the balance of foreign currency translation reserve for continuing hedges is a loss of S$107 million (2024: loss of S$97 million).

F3. Liquidity Risk

The Group manages its liquidity risk with a view to maintaining healthy level of cash and cash equivalents that corresponds with its operating environment and expected cash flows. Liquidity requirements are maintained within the credit facilities established and are adequate to meet the Group's obligations.

Maturity Profile of the Group's and Company's Financial Liabilities

The cash flows associated with the cash flow hedges of the Group are expected to occur within 1 year and between 1 and 5 years. Correspondingly, the cash flows related to the hedging instruments (foreign exchange contracts, fuel oil swaps, interest rate swaps, cross currency swaps and electricity futures) that are designated as cash flow hedges are expected to impact profit or loss within 1 year to 5 years and upon disposal, should it arise, of its investment in subsidiaries.

Approximately S$1,057 million (2024: S$700 million) of loans and borrowings are due within 12 months. The Group has at least S$2,009 million (2024: S$2,307 million) in committed credit facilities with final maturity dates beyond 2025 that can be drawn down.

The table below analyses the maturity profile of the Group's and the Company's financial assets and liabilities (including derivative financial assets and liabilities) based on contractual undiscounted cash inflows / (outflows), including estimated interest payments and excluding the impact of netting agreements:

			Cash flows		
(S$ million)	Carrying amount	Contractual cash flow	Less than 1 year	Between 1 and 5 years	Over 5 years
Group					
2025					
Derivatives					
Derivative financial liabilities	170				
– inflow		607	518	73	16
– outflow		(777)	(573)	(91)	(113)
Derivative financial assets	(43)				
– inflow		654	554	100	–
– outflow		(612)	(520)	(92)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,384	(1,384)	(1,341)	(43)	*
Lease liabilities	747	(1,099)	(86)	(226)	(787)
Loans and borrowings	8,956	(10,620)	(2,091)	(4,452)	(4,077)
	11,214	(13,231)	(3,539)	(4,731)	(4,961)
2024					
Derivatives					
Derivative financial liabilities	66				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(72)				
– inflow		798	710	84	4
– outflow		(730)	(654)	(76)	–
Non-derivative financial liabilities					
Trade and other payables[1]	1,551	(1,586)	(1,545)	(41)	–
Lease liabilities	729	(1,067)	(53)	(215)	(799)
Loans and borrowings	8,671	(9,754)	(947)	(4,603)	(4,204)
	10,945	(12,404)	(2,525)	(4,880)	(4,999)

[1] Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

F. Our Financial Instruments and Risks Management *(cont'd)*

F3. Liquidity Risk *(cont'd)*

Maturity Profile of the Group's and Company's Financial Liabilities *(cont'd)*

(S$ million)	Carrying amount	Contractual cash flow	Cash flows: Less than 1 year	Cash flows: Between 1 and 5 years	Cash flows: Over 5 years
Company					
2025					
Non-derivative financial liabilities					
Trade and other payables[1]	1,516	(1,816)	(179)	(1,167)	(470)
Lease liabilities	113	(177)	(10)	(38)	(129)
	1,629	(1,993)	(189)	(1,205)	(599)
2024					
Non-derivative financial liabilities					
Trade and other payables[1]	1,588	(1,734)	(282)	(1,452)	–
Lease liabilities	108	(173)	(8)	(33)	(132)
	1,696	(1,907)	(290)	(1,485)	(132)

[1] Excludes advance payments, deferred income, Goods and Services Tax and employee benefits

The following table indicates the periods in which the cash flows associated with derivatives that are cash flow hedges are expected to impact profit or loss and fair value of the related hedging instruments:

(S$ million)	Carrying amount	Contractual cash flow	Cash flows: Less than 1 year	Cash flows: Between 1 and 5 years	Cash flows: Over 5 years
Group					
2025					
Derivative financial liabilities	148				
– inflow		607	518	73	16
– outflow		(772)	(568)	(91)	(113)
Derivative financial assets	(30)				
– inflow		655	555	100	–
– outflow		(612)	(520)	(92)	–
	118	(122)	(15)	(10)	(97)
2024					
Derivative financial liabilities	48				
– inflow		4,045	391	3,654	–
– outflow		(4,110)	(427)	(3,683)	–
Derivative financial assets	(57)				
– inflow		794	710	82	2
– outflow		(730)	(654)	(76)	–
	(9)	(1)	20	(23)	2

F4. Credit Risk

The Group only deals with pre-approved customers and financial institutions with good credit rating. To minimise the Group's counterparty risk, the Group enters derivative transactions only with creditworthy institutions. Cash and fixed deposits are placed in banks and financial institutions with good credit rating. For some customers, the Group may also obtain security in the form of deposits, guarantees, deeds of undertaking or letters of credit which can be called upon if the counterparty defaults.

For the Company's amounts due from subsidiaries, the Company considers the financial assets to have a low credit risk by taking into consideration the Group's financial ability to settle the amounts, after estimating risk of default.

Accounting policies

The Group applies the simplified approach to provide ECL on trade and unbilled receivables as well as contract assets without significant financing component. The simplified approach requires the loss allowance to be measured at an amount equal to lifetime ECLs. To measure expected lifetime ECLs, these balances have been grouped based on common credit risk characteristics and ageing profiles.

The loss allowance for service concession receivables is measured at 12-month ECL. When credit risk has increased significantly since initial recognition, loss allowance is measured at lifetime ECL.

A receivable balance is written-off to the extent that there is no realistic prospect of recovery.

For customers with credit ratings (or equivalent), the ECL rate is calculated based on probabilities of default and loss given default obtained from Standards and Poor's and Moody's. The Group monitors changes in credit risk by tracking published external credit ratings.

Customers with no credit ratings (or equivalent) are group based on shared credit risk characteristics and days past due, with ECL rates calculated using historical loss rates for each category of customers, adjusted to reflect current and forward-looking macroeconomic factors affecting the ability of customers to settle the receivables.

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of financial asset have occurred. These events include probability of insolvency, significant financial difficulties of the customer and default or significant delay in payments.

When the Group determines whether the credit risk has increased significantly, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis based on the Group's historical experience and informed credit assessment, taking into account forward-looking information. Customer collectability is assessed on an ongoing basis and any resulting impairment losses are recognised in profit or loss.

The maximum exposure to credit risk is the carrying amount of each financial asset (including derivatives) in the balance sheet, before taking into account any collateral held. The Group does not hold any collateral in respect of its financial assets, except for balances with customers where guarantees or security deposits are obtained.

The Group and Company have issued financial guarantees to certain banks in respect of credit facilities on behalf of the obligors (see Note C5(c)). These guarantees are subject to the impairment assessment under SFRS(I) 9.

The Group has assessed that the obligors have strong financial capacities to meet the contractual cash flow obligation in the near future and hence, does not expect significant credit losses from their guarantees. The Group's assessment is based on qualitative and quantitative factors that are indicative of the risk of default (including but not limited to external ratings, audited financial statements, management accounts and cash flow projections, if available, and applying experienced credit judgment).

The Company has not recognised any additional ECL provision as the Company believes the subsidiaries have sufficient resources to fulfil its obligations and the Company does not consider it probable that a claim will be made against the Company under the guarantee.

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk *(cont'd)*

ECL assessment for customers with credit ratings (or equivalent)

The Group allocates exposure to credit risk by segmenting customers based on geographic region and industry classification.

(S$ million)	Equivalent to external credit rating	Credit impaired	Gross carrying amount	Loss allowance	Net carrying amount
Group					
2025					
Receivables and contract assets measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – B-	No	545	(4)	541
– Government	AAA – B	No	156	*	156
– Retail	AA+ – B-	No	23	*	23
– Others	A+ – B-	No	5	*	5
Service concession and related trade receivables (Note ii)	CC	No	304	(128)	176
			1,033	(132)	901
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B2	No	432	(6)	426
Total			**1,465**	**(138)**	**1,327**
2024					
Receivables and contract assets measured at lifetime ECL					
Trade and other receivables and contract assets					
– Industrial	AAA – BBB-	No	514	(3)	511
– Government	AAA – B2	No	246	(2)	244
– Retail	BBB+ – B2	No	54	(1)	53
– Others	AAA – B+	No	16	(2)	14
Service concession and related trade receivables (Note ii)	CC	No	338	(135)	203
			1,168	(143)	1,025
Receivables measured at 12-month ECL					
Service concession and related trade receivables	AAA – B2	No	488	(7)	481
Total			**1,656**	**(150)**	**1,506**

(S$ million)	Equivalent to external credit rating	Credit impaired	Gross carrying amount	Loss allowance	Net carrying amount
Company					
2025					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	AA+ – B	No	48	(2)	46
– Government	AAA	No	*	–	*
			48	**(2)**	**46**
2024					
Receivables measured at lifetime ECL					
Trade and other receivables					
– Industrial	AAA – BBB-	No	48	(1)	47
– Government	AAA	No	2	*	2
			50	**(1)**	**49**

i. As at December 31, 2025, 85% (2024: 85%) of service concession receivables relate to two major customers of the Group.

ii. The lower allowance is attributable to translation losses arising from the depreciation of the USD against the SGD.

iii. In 2025, there were no trade and other receivables and contract assets with significant increase in credit risk. There were also no credit impaired receivables at balance sheet date.

ECL assessment for customers without credit ratings (or equivalent)

The following table provides information about the exposure to credit risk and ECLs for trade receivables and contract assets for customers with no credit rating or no representative credit rating or equivalent:

(S$ million)	Credit impaired	Weighted average loss rate (Note iv)	Gross carrying amount	Loss allowance (Note iv)	Net carrying amount
Group					
2025					
Not past due	No	2.9%	171	(5)	166
Past due 0 to 3 months	No	2.1%	47	(1)	46
Past due 3 to 6 months	No	5.3%	38	(2)	36
Past due 6 to 12 months	No	9.4%	53	(5)	48
More than 1 year	No	14.9%	336	(50)	286
Total			645	(63)	582
2024					
Not past due	No	2.7%	111	(3)	108
Past due 0 to 3 months	No	0.5%	75	*	75
Past due 3 to 6 months	No	0.7%	47	*	47
Past due 6 to 12 months	No	2.0%	50	(1)	49
More than 1 year	No	17.1%	298	(51)	247
Total			581	(55)	526

F. Our Financial Instruments and Risks Management *(cont'd)*

F4. Credit Risk *(cont'd)*

ECL assessment for customers without credit ratings (or equivalent) *(cont'd)*

iv. In 2025, the Group made a S$20 million (2024: S$22 million) ECL allowance for the subsidy receivables of renewables assets in China, bringing the total allowance as at December 31, 2025 to S$43 million (2024: S$23 million). As certain receipts of the subsidy receivables are still pending final verification results from the regulators, the allowance reflects the present value of the outstanding subsidy receivables, based on management's best estimate of the expected timing of receipt. This loss allowance had an impact on the weighted average loss rate.

The loss allowance was partially offset by a S$12 million write-back for the water business in China upon reaching a settlement with a customer.

For the remaining financial assets at amortised cost amounting to S$236 million (2024: S$304 million) which include deposits in margin accounts, long-term fixed deposits with financial institutions, convertible loan, dividends receivables and GST receivables, the Group considered the risk that a credit loss may occur, and recognised a loss allowance of S$1 million (2024: S$2 million).

ECL assessment for customers
Movements in loss allowances

		2025			2024		
(S$ million)	Note	12-month ECL	Lifetime ECL	Total	12-month ECL	Lifetime ECL	Total
Group							
At January 1		7	200	207	5	191	196
Currency translation difference		*	(9)	(9)	*	4	4
Impairment loss recognised		–	30	30	2	30	32
Allowance written back		(1)	(25)	(26)	–	(23)	(23)
Acquisition of subsidiaries		–	*	*	–	2	2
Transfer to assets held for sale		–	*	*	–	(2)	(2)
Disposal of subsidiary		–	*	*	–	(1)	(1)
Loss allowance utilised		–	*	*	–	(1)	(1)
At December 31	B2c, E1	6	196	202	7	200	207
Company							
At January 1		–	1	1	–	1	1
Impairment loss recognised		–	2	2	–	*	*
Allowance written back		–	*	*	–	–	–
At December 31	E1	–	3	3	–	1	1

F5. Financial Instruments

Accounting policies

SFRS(I) 13 establishes a fair value hierarchy that prioritises the inputs used to measure fair value. The three levels of the fair value input hierarchy defined by SFRS(I) 13 are as follows:

- Level 1 – Using quoted prices (unadjusted) from active markets for identical financial instruments.
- Level 2 – Using inputs, other than those used for Level 1, that are observable for the financial instruments either directly (prices) or indirectly (derived from prices).
- Level 3 – Using inputs not based on observable market data (unobservable input).

Securities

The fair value of financial assets is based on quoted market prices (bid price) in an active market at the balance sheet date without any deduction for transaction costs. If the market for a quoted financial asset is not active, and for unquoted financial assets, the Group establishes fair value by using other valuation techniques.

Derivatives

Derivatives are used by the Group for hedging. These derivatives are mainly foreign exchange contracts, foreign exchange swaps, interest rate swaps, cross currency swaps, fuel oil swaps and electricity futures.

1. The fair value of foreign exchange contracts and foreign exchange swaps are accounted for based on the difference between the contractual price and the current forward market price.

2. The fair values of interest rate swaps and cross currency swaps are the indicative amounts that the Group is expected to receive or pay to terminate the swap with the swap counterparties at the balance sheet date.

3. The fair value of fuel oil swaps and electricity futures is accounted for based on difference between the contractual strike price with the counterparty and the current forward market price.

4. CFDs are accounted for based on the difference between the contracted price entered into with the counterparty and the reference price. The fair value of the CFDs would need to be adjusted to reflect the illiquidity. However, there have been minimal trades made in the electricity future market. There is also no fixed quantity stated in the agreement. As such, the fair value of the CFDs cannot be measured reliably. Upon settlement, the gains and losses for CFDs are taken to profit or loss.

Non-derivative non-current financial assets and liabilities

Carrying amount of non-derivative non-current financial assets and liabilities on floating interest rate terms are assumed to approximate their fair value because of the short period to repricing. Fair values for the remaining non-derivative non-current financial assets and liabilities are calculated using discounted expected future principal and interest cash flows at the market rate of interest at the balance sheet date.

Other financial assets and liabilities

The carrying amounts of financial assets and liabilities with a maturity of less than one year (including trade and other receivables, cash and cash equivalents, and trade and other payables) are assumed to approximate their fair values because of the short period to maturity.

The best evidence of the fair value of a financial instrument at initial recognition is normally the transaction price, which is the fair value of the consideration given or received. When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

For financial instruments not actively traded in the market, fair value is determined by independent third party or by various valuation techniques, with assumptions based on existing market conditions at each balance sheet date.

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments *(cont'd)*

a. Fair Value Hierarchy

Financial assets and financial liabilities carried at fair value

	Fair value measurement			
(S$ million)	Level 1	Level 2	Level 3	Total
Group				
At December 31, 2025				
Financial assets at FVOCI	–	–	52	52
DPN receivable	–	–	1,291	1,291
Other financial assets at FVTPL	89	–	47	136
Derivative financial assets	–	43	–	43
	89	43	1,390	1,522
Financial liabilities at FVTPL	–	–	(80)	(80)
Derivative financial liabilities	–	(170)	–	(170)
	–	(170)	(80)	(250)
	89	(127)	1,310	1,272
At December 31, 2024				
Financial assets at FVOCI	–	–	47	47
DPN receivable	–	–	1,581	1,581
Other financial assets at FVTPL	77	–	46	123
Derivative financial assets	–	72	–	72
	77	72	1,674	1,823
Financial liabilities at FVTPL	–	–	(97)	(97)
Derivative financial liabilities	–	(66)	–	(66)
	–	(66)	(97)	(163)
	77	6	1,577	1,660

There have been no transfers between the different levels of the fair value hierarchy at December 31, 2025 and December 31, 2024.

Level 3 fair values

The following table shows a reconciliation from the beginning balances to the ending balances of Level 3 financial instruments measured at FVOCI and FVTPL:

	Group			
(S$ million)	Financial assets at FVOCI	DPN receivable	Other financial assets at FVTPL	Financial liabilities at FVTPL
At January 1, 2025	47	1,581	46	(97)
Addition	–	–	3	–
Translation adjustment	–	–	(1)	1
Net change in fair value	5	(35)	(1)	(2)
(Receipt) / Payment	–	(255)	–	18
At December 31, 2025	52	1,291	47	(80)
At January 1, 2024	46	1,816	31	(133)
Addition	–	–	5	(4)
Acquisition of subsidiaries	–	–	12	(3)
Translation adjustment	–	–	–	*
Net change in fair value	1	169	(2)	–
(Receipt) / Payment	–	(404)	–	43
At December 31, 2024	47	1,581	46	(97)

Level 3 financial assets at FVOCI includes unquoted equity shares. The fair value of the unquoted equity shares is determined by reference to the investment's adjusted net asset values as stated in the unaudited financial statements. The estimated fair value would increase / decrease if the net asset values for unquoted equity shares were higher / lower.

The DPN receivable was recognised in January 2023 at the completion of the sale of SEIL. DPN is measured at fair value based on the contractual terms of the sale (Note H1).

Level 3 other financial assets at FVTPL includes unquoted funds. The fair value of the unquoted funds is based on the latest available unaudited net asset values of the underlying funds provided by the administrator of those funds on the basis that their net asset values approximate their fair value at balance sheet date. The key unobservable inputs include net asset value for fund investments and / or recent transaction price among investors. The estimated fair value would increase / decrease if the net asset values for fund investments were higher / lower, or if the recent transaction prices were higher / lower.

Financial liabilities at FVTPL in Level 3 relate to the contingent consideration for 2022 acquisition in China (HYNE), 2023 acquisition in India and 2024 acquisition in Vietnam.

Financial assets at FVTPL under Level 3 included contingent receivable of S$12 million related to the 2024 acquisition in Vietnam.

F. Our Financial Instruments and Risks Management *(cont'd)*

F5. Financial Instruments *(cont'd)*

a. Fair Value Hierarchy *(cont'd)*

Assets and liabilities not carried at fair value

The following table shows assets and liabilities not carried at fair value but for which fair values are disclosed, except financial assets and financial liabilities whose carrying amounts measured at amortised cost approximate their fair values due to their short-term nature and where the effect of discounting is immaterial.

	Fair value measurement			
(S$ million)	Level 1	Level 2	Level 3	Total
Group				
At December 31, 2025				
Associate	264	–	–	264
Service concession receivables	–	1,580	–	1,580
Non-current loans and borrowings	–	(7,977)	–	(7,977)
At December 31, 2024				
Associate	135	–	–	135
Service concession receivables	–	1,573	–	1,573
Non-current loans and borrowings	–	(7,990)	–	(7,990)
Company				
At December 31, 2025				
Amounts due to related parties	–	(1,357)	–	(1,357)
At December 31, 2024				
Amounts due to related parties	–	(1,393)	–	(1,393)

b. Fair Value versus Carrying Amount

The fair value of financial assets and financial liabilities measured at amortised cost approximate their carrying amounts, except for the following:

(S$ million)	Financial assets at amortised cost	Other financial liabilities	Total carrying amount	Fair value
Group				
At December 31, 2025				
Service concession receivables	736	–	736	1,580
Non-current loans and borrowings	–	(7,899)	(7,899)	(7,977)
At December 31, 2024				
Service concession receivables	827	–	827	1,573
Non-current loans and borrowings	–	(8,000)	(8,000)	(7,990)
Company				
At December 31, 2025				
Amounts due to related parties	–	(1,353)	(1,353)	(1,357)
At December 31, 2024				
Amounts due to related parties	–	(1,393)	(1,393)	(1,393)

G. Our Group Structure

This section provides key information on the Group's interests in joint arrangements, controlled entities and transactions with non-controlling interests. It also provides information on business acquisitions and disposals made during the year as well as information relating to Group's related parties, including related party transactions.

During the year, the Group made three significant acquisitions, requiring the purchase price to be allocated to the fair value of the identifiable assets (including intangible assets) acquired and liabilities assumed.

Judgement is required in determining the classification of the acquisitions as asset acquisitions or business combinations. There is judgement and inherent uncertainty involved in the valuation of the assets and liabilities as well as settlement of any existing litigations between the parties.

The Group has used provisional amounts of purchase price allocation for the accounting of these acquisitions and has a one-year measurement period from the acquisition date to complete the accounting for the acquisitions. Fair value adjustments may arise on the completion of respective final purchase price allocations due to the estimation uncertainty involved.

G1. Subsidiaries

Accounting policies

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

In the Company's separate financial statements, investments in subsidiaries are accounted for at cost less accumulated impairment losses.

Investment in Subsidiaries

	Company	
(S$ million)	December 31, 2025	December 31, 2024
At cost and carrying value:		
Unquoted equity shares	1,949	1,949
Preference shares	288	288
Share-based payments reserve	1	(3)
	2,238	2,234

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G1. Subsidiaries *(cont'd)*

Subsidiaries

Details of key subsidiaries of the Group are as follows:

Name of key subsidiary	Country of incorporation	Effective equity held by the Group 2025 %	Effective equity held by the Group 2024 %
Sembcorp Utilities Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Cogen Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Gas Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Development Ltd[1]	Singapore	100.00	100.00
Sembcorp Solar Singapore Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Energy Vietnam Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Renewable Energy Vietnam Pte Ltd[1]	Singapore	100.00	100.00
Sembcorp Energy UK Limited[2]	United Kingdom	100.00	100.00
Sembcorp Utilities (UK) Limited[2]	United Kingdom	100.00	100.00
UK Capacity Reserve Limited[2]	United Kingdom	100.00	100.00
Sembcorp North-West Power Company Ltd.[3]	Bangladesh	71.00	71.00
Sembcorp Energy (Shanghai) Holding Co., Ltd[3]	China	100.00	100.00
Sembcorp Huiyang New Energy (Nanjing) Co., Ltd[3]	China	100.00	100.00
Sembcorp (China) Holding Co., Ltd[3]	China	100.00	100.00
Sembcorp Green Infra Private Limited[4]	India	100.00	100.00
TWMB Holdings B.V.[5]	Netherlands	100.00	100.00

1 Audited by KPMG LLP, Singapore
2 Audited by UNW LLP, UK
3 Audited by member firms of KPMG International
4 Audited by PricewaterhouseCoopers, India
5 No requirement for statutory audit

G2. Non-controlling Interests

There are no subsidiaries with material NCI for financial year ended December 31, 2025 and December 31, 2024.

G3. Associates and Joint Ventures

Accounting policies

Associates are those entities in which the Group has significant influence, but no control or joint control, over the financial and operating policies of these entities.

The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has significant influence over another entity. Significant influence is presumed to exist when the Group holds 20% or more of the voting power of another entity.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement. The existence and effect of potential voting rights that are presently exercisable or presently convertible are considered when assessing whether the Group has joint control over the entity.

(S$ million)	Note	Group December 31, 2025	Group December 31, 2024 Restated
Associates and joint ventures	i	3,064	2,821
Loan to associate	ii	48	53
		3,112	2,874
Less: Allowance for impairment		(85)	(85)
	a, b	3,027	2,789

i. In 2024, the Group acquired 30% equity stake in Senoko Energy Pte Ltd (SNK) for S$96 million. Based on the fair value of the identifiable assets (excluding SNK's intangibles) acquired and liabilities assumed, determined on provisional basis, the goodwill acquired was S$44 million. During the provisional one-year period from November 2024, the goodwill has been reduced by S$3 million.

   In 2025, the Group has completed the acquisition of an additional interest in SNK of S$72 million, increasing its effective shareholding to 50.02%. Based on the incremental share of net assets at fair value, determined on a provisional basis, a bargain purchase gain of S$37 million was recognised within the share of results of associates and joint ventures. The gain includes the share of the fair value of the electricity licenses.

ii. The loan to an associate is unsecured, bears interest at 8.5% per annum and has no fixed terms of repayment. The settlement of the amount is neither planned nor likely to occur in the foreseeable future and hence the loan is recognised within investment in associate. Allowance for impairment on this loan is insignificant.

iii. In 2025, the Group received dividends of S$290 million (2024: S$186 million) from its investments in associates and joint ventures.

iv. The carrying value includes goodwill on acquisition as follows:

(S$ million)	Group 2025	Group 2024
At January 1	49	2
Addition	–	47
Finalisation of PPA	(3)	–
At December 31	46	49

v. The Group's carrying value of a joint venture potentially affected by recent policy changes relating to renewable energy tariff in Vietnam was S$33 million. The Group's maximum additional potential exposure to this investment was assessed to be approximately S$30 million as at December 31, 2025.

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

a. Associates

Details of the Group's key associates are as follows:

Name of key associate	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2025 %	2024 %
Gas and Related Services				
Sembcorp Salalah Power and Water Company SAOG[1]	Generation of electric energy	Oman	40.00	40.00
Renewables				
SDIC New Energy Investment Co., Ltd[2]	Project investment; investment management; technology development, transfer, training and promotion; technical, economic and trade consultation and services; and renewable power generation	China	35.11	35.11
Hunan Xingling New Energy Co., Ltd.[3]	Renewable power generation, power transmission and distribution businesses	China	45.30	45.30
Integrated Urban Solutions				
Sino-Singapore Nanjing Eco Hi-tech Island Development Co., Ltd[4]	First-grade land development including building infrastructure and public amenities	China	21.50	21.50

1 Audited by Ernst & Young LLP
2 Audited by BDO China Shu Lun Pan Certified Public Accountant LLP
3 Audited by Baker Tilly Certified Public Accountants Co., Ltd, China
4 Audited by Jiangsu Gongzheng Tianye Certified Public Accountants Co., Ltd, China

There is one (2024: one) associate that is considered to be material to the Group as at December 31, 2025. Summarised financial information of the associate is presented as follows:

(S$ million)	SDIC New Energy Investment Co., Ltd 2025	2024
Revenue	366	376
Profit for the year	54	91
Other comprehensive income	*	*
Total comprehensive income	54	91
Attributable to non-controlling interests	2	4
Attributable to investee's shareholders	52	87

(S$ million)	SDIC New Energy Investment Co., Ltd December 31, 2025	SDIC New Energy Investment Co., Ltd December 31, 2024
Non-current assets	3,005	3,143
Current assets	619	637
Non-current liabilities	(1,623)	(1,776)
Current liabilities	(556)	(537)
Net assets	1,445	1,467
Attributable to non-controlling interests	24	26
Attributable to investee's shareholders	1,421	1,441

(S$ million)	SDIC New Energy Investment Co., Ltd	Individually immaterial associates	Total
Group's interest in net assets of investees at January 1, 2025, as previously stated	506	792	1,298
Impact of change in accounting policy	–	3	3
At January 1, 2025 restated	**506**	**795**	**1,301**
Group's share of:			
Profit from continuing operations	18	54	72
Other comprehensive income	*	(1)	(1)
Total comprehensive income	18	53	71
Dividends received during the year	(19)	(14)	(33)
Translation during the year	(6)	(25)	(31)
Addition during the year, net of disposal	–	7	7
Carrying amount of interest in investees at December 31, 2025	**499**	**816**	**1,315**
Group's interest in net assets of investees at January 1, 2024, as previously stated	450	752	1,202
Impact of change in accounting policy	–	5	5
At January 1, 2024 restated	**450**	**757**	**1,207**
Group's share of:			
Profit from continuing operations	31	43	74
Other comprehensive income	*	4	4
Total comprehensive income	31	47	78
Dividends received during the year	(13)	(39)	(52)
Translation during the year	(1)	10	9
Addition during the year, net of disposal	39	20	59
Carrying amount of interest in investees at December 31, 2024	**506**	**795**	**1,301**

The fair value of the equity interest of a listed associate amounted to S$264 million (2024: S$135 million) based on the last transacted market price on the last transaction day of the year.

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

b. Joint Ventures

Details of the Group's key joint ventures are as follows:

Name of key joint venture	Nature of relationship with the Group	Country of incorporation	Effective equity held by the Group 2025 %	Effective equity held by the Group 2024 %
Gas and Related Services				
Shanghai Cao Jing Co-generation Co. Ltd[1]	Production of electricity and steam, supply of steam to customers, supply of electricity to the power grid and production and sale of other relevant products	China	30.00	30.00
Emirates Sembcorp Water & Power Company P.J.S.C[2]	Development, possession, operation and maintenance of production, power generation and water desalination projects	United Arab Emirates	40.00	40.00
Senoko Energy Pte. Ltd. (SNK)[3]	Generation and sale of electricity	Singapore	50.02	30.00
Renewables				
Guohua AES (Huanghua) Wind Power Co., Ltd.[4] (HH)	Development, construction and operation of wind farms as well as provision of wind power technical consultation and services, training and research, development and engineering support services	China	49.00	49.00
Integrated Urban Solutions				
Vietnam-Singapore Industrial Park J.V. Co., Ltd.[5] (VSIP)	Development of industrial parks, residential areas and commercial areas for sale and lease	Vietnam	49.26	49.26

1 Audited by PricewaterhouseCoopers Zhong Tian CPAs Limited Company

2 Audited by Deloitte & Touche (M.E.)

3 Audited by Ernst & Young LLP, Singapore

4 Audited by Baker Tilly Certified Public Accountants Co., Ltd, China

5 Audited by member firms of KPMG International

The Group has three (2024: three) joint ventures that are material and a number of joint ventures that are individually immaterial to the Group. All are equity accounted. Summarised financial information of the joint ventures is presented as follows:

	Senoko Energy Pte. Ltd.		Vietnam-Singapore Industrial Park JV Co., Ltd.		Guohua AES (Huanghua) Wind Power Co., Ltd.	
(S$ million)	2025	2024^	2025	2024	2025	2024
Revenue	3,070	568	756	701	109	108
Profit for the year[1]	379	70	209	173	40	39
Other comprehensive income	(20)	40	(71)	(17)	–	–
Total comprehensive income	359	110	138	156	40	39
Attributable to non-controlling interests	–	–	19	14	–	–
Attributable to investee's shareholders	359	110	119	142	40	39
[1] Included in profit for the year:						
Depreciation and amortisation	146	136	4	13	37	38
Finance income	6	10	21	9	*	*
Finance cost	53	87	12	11	4	6
Income tax expense	79	111	52	46	13	14

^ 2024 represents two months of post-acquisition results.

	Senoko Energy Pte. Ltd.		Vietnam-Singapore Industrial Park JV Co., Ltd.		Guohua AES (Huanghua) Wind Power Co., Ltd.	
(S$ million)	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
Non-current assets	1,786	1,757	587	228	420	462
Current assets[1]	720	973	1,842	1,950	183	184
Non-current liabilities[2]	(1,441)	(1,729)	(799)	(758)	(160)	(163)
Current liabilities[3]	(483)	(574)	(510)	(440)	(48)	(46)
Net assets	582	427	1,120	980	395	437
Attributable to non-controlling interests	–	–	152	221	–	–
Attributable to investee's shareholders	582	427	968	759	395	437
[1] Includes cash and cash equivalents	310	385	421	475	6	10
[2] Includes non-current financial liabilities#	1,300	1,519	658	636	115	135
[3] Includes current financial liabilities#	123	140	198	203	37	32

excludes trade and other payables and provisions

SNK's non-current assets and net assets (including those attributable to the investee's shareholders) include S$335 million (2024: S$317 million) of intangible assets, right-of-use assets net of lease liabilities, asset retirement obligations and deferred tax liabilities, which were determined on a provisional basis. During the provisional one-year measurement period for the 2024 acquisition (commencing November 2024), goodwill was reduced by S$3 million (see G3(i)).

Notes to the Financial Statements

G. Our Group Structure *(cont'd)*

G3. Associates and Joint Ventures *(cont'd)*

b. Joint Ventures *(cont'd)*

(S$ million)	Senoko Energy Pte. Ltd.	Vietnam-Singapore Industrial Park JV Co., Ltd.	Guohua AES (Huanghua) Wind Power Co., Ltd.	Individually immaterial joint ventures	Total
Group's interest in net assets of investees at January 1, 2025, as previously stated	128	381	214	719	1,442
Impact of change in accounting policy	–	46	–	–	46
At January 1, 2025 restated	128	427	214	719	1,488
Group's share of:					
Profit from continuing operations	199^	95	20	110	424
Other comprehensive income	(9)	–	–	(8)	(17)
Total comprehensive income	190	95	20	102	407
Dividends received during the year	(96)	(38)	(38)	(85)	(257)
Translation during the year	–	(34)	*	(38)	(72)
Addition during the year, net of capital reduction, disposal and impairment	69^^	38	–	39	146
Carrying amount of interest in investees at December 31, 2025	291	488	196	737	1,712

^ include bargain purchase gain of S$37 million recognised.

^^ include capital reduction of S$3 million.

(S$ million)	Senoko Energy Pte. Ltd.	Vietnam-Singapore Industrial Park JV Co., Ltd.	Guohua AES (Huanghua) Wind Power Co., Ltd.	Individually immaterial joint ventures	Total
Group's interest in net assets of investees at January 1, 2024, as previously stated	–	323	199	672	1,194
Impact of change in accounting policy	–	44	–	–	44
At January 1, 2024 restated	–	367	199	672	1,238
Group's share of:					
Profit from continuing operations	20	79	19	124	242
Other comprehensive income	12	–	–	2	14
Total comprehensive income	32	79	19	126	256
Dividends received during the year	–	(40)	–	(94)	(134)
Translation during the year	–	(5)	(4)	20	11
Elimination of unrealised profit	–	(3)	–	–	(3)
Addition during the year, net of disposal and impairment	96	29	–	(5)	120
Carrying amount of interest in investees at December 31, 2024	128	427	214	719	1,488

i. The Group's share of the capital commitments of the joint ventures at the balance sheet date amounted to S$61 million (2024: S$62 million).

ii. The Group's interest in joint ventures with total carrying amount of S$123 million (2024: S$127 million) as at balance sheet date has been pledged to banks to secure credit facilities granted to the joint venture entities.

G. Our Group Structure *(cont'd)*

G4. Related Party Information

a. Amounts Due from Related Parties

(S$ million)	Note	Associates December 31, 2025	Associates December 31, 2024	Joint ventures December 31, 2025	Joint ventures December 31, 2024
Group					
Trade		6	4	14	4
Non-trade		2	2	10	5
Dividends		–	5	34	46
Loans		*	*	1	62
	E1	8	11	59	117
Loss allowance		(1)	*	*	*
		7	11	59	117
Amount due within 1 year		7	11	52	112
Amount due more than 1 year		–	–	7	5
		7	11	59	117

The non-trade amounts due from related parties are unsecured, repayable on demand and interest-free.

(S$ million)	Note	Subsidiaries December 31, 2025	Subsidiaries December 31, 2024
Company			
Current:			
– Trade		90	47
	E1	90	47

b. Amounts Due to Related Parties

(S$ million)	Note	Associates December 31, 2025	Associates December 31, 2024	Joint ventures December 31, 2025	Joint ventures December 31, 2024
Group					
Current:					
– Trade		1	6	*	*
– Non-trade		10	*	10	*
	E3	11	6	10	*

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

Related companies		Total	
December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
73	104	93	112
3	5	15	12
–	–	34	51
–	–	1	62
76	109	143	237
*	(1)	(1)	(1)
76	108	142	236
76	108	135	231
–	–	7	5
76	108	142	236

Related companies		Total	
December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
1	8	2	14
6	6	26	6
7	14	28	20

G. Our Group Structure *(cont'd)*

G4. Related Party Information *(cont'd)*

b. Amounts Due to Related Parties *(cont'd)*

(S$ million)	Note	Subsidiaries December 31, 2025	Subsidiaries December 31, 2024
Company			
Current:			
– Trade		*	2
– Non-trade		8	4
	E3	8	6
Non-current:			
– Loans	E3	1,353	1,393
		1,361	1,399

The non-trade amounts due to related parties are unsecured, repayable on demand and interest-free.

The loans from a related party of S$1,353 million (2024: S$1,393 million) bear interest rates ranging from 2.22% to 3.65% (2024: 3.70% to 4.06%) per annum and are secured.

c. Related Party Transactions

In addition to the above, the Group had the following significant outstanding balances and transactions with related parties during the year:

(S$ million)	Outstanding balances December 31, 2025	Outstanding balances December 31, 2024	Transactions 2025	Transactions 2024
Related Corporations				
Sales	73	104	363	577
Purchases including rental	1	8	355	352
Finance income	3	5	1	*
Finance expense	6	6	23	7
Associates and Joint Ventures				
Sales	20	8	64	32
Purchases including rental	1	6	1	*
Finance income	12	7	5	6
Payment on behalf	–	–	3	1
Loans receivable	1	61	–	–

d. Compensation of Key Management Personnel

The Group considers the Directors of the Company (including the Group CEO of the Company) and other personnel who have the authority and responsibility for planning, directing and controlling the activities of the Group to be key management personnel in accordance with SFRS(I) 1-24 Related Party Disclosures.

The compensation of the six (2024: six) key management personnel is included in the table below:

(S$ million)	Group 2025	Group 2024
Directors		
Directors' fees paid / payable	2	2
Key Management Personnel		
Short-term employee benefits[1]	17	18
Employer's contributions to defined contribution plans	*	*
Share-based compensation expenses	17	18

[1] Short-term employee benefits comprise of base salary, bonus and other benefits, excluding the fair value of shares vested during the year.

The Group adopts an incentive compensation plan, which is tied to the creation of Economic Value Added (EVA), as well as attainment of individual and Group performance goals for its key executives. "A bonus bank" is used to hold incentive compensation credited in any year. Typically, one-third of the available balance is paid out in cash each year, with the balance being carried forward to the following year. The balances of the bonus bank will increase or decrease by the yearly EVA performance achieved and the pay-outs made from the bonus bank.

G5. Acquisition of Subsidiaries

Acquisition of Significant Subsidiaries

2025

During the year, the Group completed the acquisition of subsidiaries in the renewable business in India, Vietnam and China.

Acquisition of subsidiary in India
On December 24, 2025, the Group completed the acquisition of a 100% interest in ReNew Sun Bright Private Limited. This subsidiary's contributions to the Group's turnover and profit for the year is not material.

Acquisition of subsidiary in Vietnam
On December 10, 2025, the Group completed the acquisition of a 73.16% interest in the last of the four subsidiaries from Gelex. This acquisition contributed turnover of S$1.6 million and profit of S$0.4 million to the Group's results.

Acquisition of subsidiary in China
On December 26, 2025, the Group completed the acquisition of a 100% interest in Lianzhou Yangfeng Wind Power Co., Ltd. This subsidiary's contributions to the Group's turnover and profit for the year is not material.

(S$ million)	India (Note i)	Vietnam (Note ii)	China (Note iii)	Total
Purchase consideration				
Cash paid	105	22	18	145
Contingent and deferred consideration payable	–	*	10	10
Consideration transferred for the businesses	105	22	28	155
Effect on cash flows of the Group				
Cash paid	105	22	18	145
Less: Cash and cash equivalents in subsidiaries acquired	(23)	(3)	(3)	(29)
Cash outflow on acquisition	82	19	15	116

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*
2025 *(cont'd)*

(S$ million)	India (Note i)	Vietnam (Note ii)	China (Note iii)	Total
Identifiable assets acquired and liabilities assumed				
Property, plant and equipment	173	42	120	335
Intangible assets	15	–	–	15
Trade and other receivables	25	6	10	41
Cash and cash equivalents	23	3	3	29
Total assets	236	51	133	420
Trade and other payables	8	1	11	20
Provisions	1	–	–	1
Borrowings	150	16	94	260
Lease liabilities	4	1	–	5
Deferred tax liabilities	16	–	–	16
Total liabilities	179	18	105	302
Identifiable net assets acquired	57	33	28	118
Less: NCI measured on proportionate basis	–	(9)	–	(9)
Identifiable net assets acquired	57	24	28	109
Add: Goodwill acquired	48	–	–	48
Less: Gain on bargain purchase	–	(2)	–	(2)
Considerations transferred for the business	105	22	28	155

During the provisional one-year period from the date of acquisition of a subsidiary in December 2024, the consideration has decreased, and a reduction in power generation permits by S$2 million was recognised (see Note D3).

i. Acquisition of subsidiary in India

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2025.

b. The goodwill recognised is not expected to be deductible for tax purposes.

ii. Acquisition of subsidiary in Vietnam

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2025.

b. The gain on bargain purchase relating to the acquisition is presented within non-operating income in the income statement in FY2025.

iii. Acquisition of subsidiary in China

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2025.

iv. Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function.
	Vietnam Replacement cost method	Replacement cost could be obtained or estimated using the quote of similar assets or inflation-adjusted historical cost of subject assets.
	China Replacement cost method	The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project.
		Discount rate India: 9.2%

2024

In 2024, the Group completed the acquisition of subsidiaries in the renewable business in India, Vietnam and China.

Acquisition of subsidiaries in India

On February 13, 2024, the Group completed the acquisition of a 100% interest in two SPVs of Leap Green. The SPVs contributed turnover of S$22 million and loss of S$3 million to the Group's results.

Acquisition of subsidiaries in Vietnam

In May and June 2024, the Group completed the acquisitions of majority interests in three out of four subsidiaries of Gelex. These acquisitions contributed turnover of S$32 million and profit of S$9 million to the Group's results.

Acquisition of subsidiaries in China

During December 2024, the Group completed the acquisition of a 100% interest in Hechishi Yizhouqu Xinyang New Energy Co. Ltd. and Qinzhou Fengmushan Wind Power Co., Ltd (collectively China subsidiaries) respectively. These subsidiaries' contributions to the Group's turnover and profit for the year are not material.

G. Our Group Structure *(cont'd)*

G5. Acquisition of Subsidiaries *(cont'd)*

Acquisition of Significant Subsidiaries *(cont'd)*
2024 *(cont'd)*

(S$ million)	Note	India (Note i)	Vietnam (Note ii)	China (Note iii)	Total
Purchase consideration					
Cash paid		46	174	51	271
Contingent and deferred consideration payable		–	3	–	3
Contingent receivable	ii	–	(12)	–	(12)
Consideration transferred for the businesses		46	165	51	262
Effect on cash flows of the Group					
Cash paid		46	174	51	271
Less: Cash and cash equivalents in subsidiaries acquired		(9)	(11)	(7)	(27)
Cash outflow on acquisition		37	163	44	244
Identifiable assets acquired and liabilities assumed					
Property, plant and equipment		146	282	165	593
Intangible assets		1	44	16	61
Trade and other receivables		9	17	19	45
Deferred tax assets		–	*	–	*
Cash and cash equivalents		9	11	7	27
Total assets		165	354	207	726
Trade and other payables		3	1	11	15
Provisions		2	–	–	2
Borrowings		104	189	142	435
Lease liabilities		*	*	*	*
Deferred tax liabilities		2	5	3	10
Total liabilities		111	195	156	462
Identifiable net assets acquired		54	159	51	264
Less: NCI measured on proportionate basis		–	(4)	–	(4)
Identifiable net assets acquired		54	155	51	260
Add: Goodwill acquired		–	10	–	10
Less: Gain on bargain purchase		(8)	–	–	(8)
Considerations transferred for the business		46	165	51	262

i. Acquisition of subsidiaries in India

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The gain on bargain purchase relating to the acquisition is presented within non-operating income in the income statement in FY2024.

ii. Acquisition of subsidiaries in Vietnam

a. The Group has ascertained the fair value of assets and liabilities acquired and fair value adjustments have been made to such assets and liabilities as at December 31, 2024.

b. The goodwill recognised is not expected to be deductible for tax purposes.

c. Contingent consideration includes both contingent receivables and contingent consideration payable. The receivable is due when the agreed energy production level is not met within two years after the acquisition, while the payable is for the payment of a defined amount upon obtaining the necessary permits for the operation of certain projects. The receivable and payable are presented at gross amounts within trade and other receivables and trade and other payables, respectively, on the balance sheet as of December 31, 2024.

In determining the fair value of the contingent consideration, the Group has applied estimates to evaluate the probability and timing of fulfillment, considering past experiences and changes in the market, economic, or legal environment in Vietnam.

iii. Acquisition of subsidiaries in China

a. Acquisition-related costs amounting to S$1 million have been excluded from the consideration transferred and have been recognised within general & administrative expenses in profit or loss.

iv. Measurement of fair values

The valuation techniques used for measuring the fair value of material assets acquired were as follows:

Assets acquired	Valuation technique	Key assumptions
Property, plant and equipment	India Depreciated replacement cost method	Estimate of current cost for asset with a similar nature of asset having similar service potential, capacity and function.
	Vietnam Replacement cost method	Replacement cost could be obtained or estimated using the quote of similar assets or inflation-adjusted historical cost of subject assets.
	China Replacement cost method	The valuation model considers market prices for similar items when they are available, and depreciated replacement cost when appropriate. Depreciated replacement cost reflects adjustments for physical deterioration as well as functional and economic obsolescence.
Intangible assets	Multi-period excess earnings method	Cash flows attributed to the power purchase agreements from date of acquisition to the end of the useful life of the respective generation plants of each project.
		Discount rate India: 11.22% – 11.33% Vietnam: 9.45% – 11.14% China: 6.60%

G. Our Group Structure *(cont'd)*

G6. Disposal Group Held for Sale and Discontinued Operations

Accounting policies

Non-current assets or disposal groups are classified as assets held for sale and measured at the lower of carrying amount and fair value less costs to sell if they are expected to be recovered principally through a sale transaction rather than through continuing use. The assets are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale shall continue to be recognised.

Any impairment losses on initial classification and subsequent re-measurement are recognised in profit or loss. Subsequent increases in fair value less costs to sell are recognised in profit or loss but not exceeding the accumulated impairment loss that has been previously recognised.

A discontinued operation is a component of an entity that either has been disposed of, or that is classified as held for sale and:

- represents a separate major line of business or geographical area of operations; or
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations;

Key estimates and judgements

The assessment on whether the Group has lost control of a subsidiary takes into consideration the terms of the sales, including the transaction structure. Judgements are applied in determining if there is a loss of control or influence of the subsidiary. Factors considered in the assessment for disposal during the year are described in the note.

The Group will continue to reassess whether it has control over the entity when relevant facts and circumstances change to such an extent that there is a change in one or more of the three elements of control or the overall relationship between the Group and the entity per SFRS(I) 10.

a. Assets and Liabilities Held for Sale

As at December 31, 2025, the Group's assets and liabilities held for sale, totaling a net of S$15 million, comprised property, plant and equipment in India.

As at December 31, 2024, the Group's and the Company's disposal group held for sale mainly related to SembEnviro, which was divested on March 18, 2025. The Group's assets held for sale also included S$3 million of property, plant and equipment located in Vietnam, which were subsequently written down to its net recoverable amount in 2025, with S$3 million charged to general & administrative expenses.

b. Discontinued Operations

2024

On December 19, 2024, the Group completed the sale of Chongqing Songzao Sembcorp Electric Power Co., Ltd. (CSZ). The loss on disposal of S$9 million relates mainly to the realisation of the accumulated currency translation loss recognised in the foreign currency translation reserve.

In May 2021, SCI announced its strategy to reduce its carbon emission, and in 2022, the Group announced the divestment of SEIL, which was completed in 2023, and to exit its coal business. The exit of the coal business, being a major line of business under the Conventional Energy business segment then, was classified as discontinued operation.

In 2024, the Group completed its divestment of CSZ, the Group's remaining coal-fired power generation assets. Being part of the Group's plan to exit its coal business, the loss on disposal was reported under discontinued operation.

The financial effects arising from the divestment of the discontinued operation are as follows:

(S$ million)	Group 2024
Net assets derecognised	–
Less: Realisation of currency translation, capital and other reserves upon disposal	9
Less: Transaction costs	*
Loss on disposal	(9)
Consideration received	*
Add: Stamp duties and tax	*
Net cash inflow	*

H. Other Disclosures

H1. DPN Receivable, Other Investments and Derivatives

Accounting policies

Classification and Measurement

On initial recognition, a financial asset is classified as measured at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

The Group initially recognises financial liabilities on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument.

The Group classifies financial liabilities as measured at amortised cost or FVTPL.

Equity Investments at FVOCI

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in other comprehensive income. This election is made on an investment-by-investment basis. The Group's equity investments are classified as FVOCI. These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless dividend clearly represents a recovery of part of the cost of investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

Financial assets and liabilities at FVTPL

All other financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or FVOCI, as FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise. A financial liability is classified as FVTPL if it is held for trading, it is a derivative or it is designated as such on initial recognition. Financial assets and financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest income and expense, are recognised in profit or loss. Directly attributable transaction costs are recognised in profit or loss as incurred.

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

Accounting policies *(cont'd)*

Derecognition

The Group derecognises a financial asset when a) the contractual rights to the cash flows from the financial asset expire, or b) when it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or if the Group neither transfers nor retains substantially all of the risks and rewards of ownership, it does not retain control of the financial asset.

The Group enters transactions whereby it transfers assets recognised in its balance sheet but retains either all or substantially all of its risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

The Group derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantively different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including non-cash transferred or liabilities assumed) is recognised in profit or loss.

Deferred Payment Note receivable (DPN)

Arising from the completion of the sale of 100% of the shares in Sembcorp Energy India Limited (SEIL) by Sembcorp Utilities Pte Ltd (SCU) to Tanweer Infrastructure SAOC (the Purchaser) on January 19, 2023, the consideration for the sale was settled through a deferred payment note receivable amounting to approximately S$2,038 million. The DPN, measured at fair value, is classified as a financial asset at fair value through profit and loss, as it does not meet the criteria for the SPPI (Solely Payments of Principal and Interest) test based on its terms.

Key estimates and judgements

The determination of the fair value of the DPN requires significant judgements and estimates, which are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised, and in any future periods affected.

The Group has derived the fair value of DPN by performing a discounted cashflow using the forecasted distributable reserves available from SEIL Energy India Limited (SEIL EIL), considering secured cash flows from various power purchase agreements and unsecured cash flows from contract renewals and / or new contracts.

The fair value of DPN assumed that the Group will receive interest payments in accordance with a pre-agreed interest rate and principal repayment according to SEIL EIL's a cash distribution waterfall agreed in the DPN agreement.

A discount rate is applied to the DPN to reflect the cash flow risks associated with the forecasted distributable dividends from SEIL EIL and credit default risk of the Purchaser^. This discount rate was derived from the yields of comparable INR bonds in India in the same industry with similar credit ratings, adjusted for maturity and subordinated structure of the DPN and cross referenced with Indian company INR perps and comparable Indian company loans.

An increase in 10 basis points on the discount rate would have reduced the fair value by S$6 million. Conversely, a 10 basis points decrease would have increased the fair value by S$6 million (Note H1(i)).

^ Tanweer Infrastructure SAOC

(S$ million)	Note	Assets Current	Assets Non-current	Liabilities Current	Liabilities Non-current
2025					
DPN receivable	i	–	1,291		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	52		
At FVTPL:					
– Mutual funds	ii	89	35	–	–
– Cross currency swaps		1	1	5	–
– Interest rate swaps		–	2	–	5
– Forward foreign exchange contracts		5	1	12	–
		95	39	17	5
Hedge of net investment in foreign operations:					
– Forward foreign exchange contracts		3	–	*	–
		3	–	*	–
Cash flow hedges:					
– Fuel oil swaps		15	1	31	12
– Interest rate swaps		–	9	3	27
– Cross currency swaps		–	5	2	73
		15	15	36	112
At amortised cost:					
– Long-term fixed deposits		–	21		
– Redeemable preference shares		–	6		
		–	27		
Total		113	133	53	117

H. Other Disclosures *(cont'd)*

H1. DPN Receivable, Other Investments and Derivatives *(cont'd)*

		Assets		Liabilities	
(S$ million)	Note	Current	Non-current	Current	Non-current
2024					
DPN receivable	i	–	1,581		
Other Investments and Derivatives					
At FVOCI:					
– Equity shares		–	47		
At FVTPL:					
– Mutual funds	ii	76	34	–	–
– Cross currency swaps		–	2	–	–
– Interest rate swaps		–	2	–	–
– Forward foreign exchange contracts		8	2	11	7
		84	40	11	7
Hedge of net investment in foreign operations:					
– Forward foreign exchange contracts		1	–	–	–
		1	–	–	–
Cash flow hedges:					
– Forward foreign exchange contracts		2	–	–	–
– Fuel oil swaps		27	1	23	4
– Interest rate swaps		–	27	2	6
– Cross currency swaps		–	–	–	13
		29	28	25	23
At amortised cost:					
– Long-term fixed deposits		–	14		
– Redeemable preference shares		–	7		
		–	21		
Total		114	136	36	30

i. DPN Receivable

The DPN was entered into by SCU, a wholly owned subsidiary of the Company, as part of the sale of SEIL in January 2023 as a means of providing financing to the Purchaser^. The DPN receivable is now classified as a financial asset at fair value through profit and loss, as it does not pass the SPPI (Solely Payments of Principal and Interest) test. A Technical Services Agreement ("TSA") was also entered into by SCU to provide technical advisory services to SEIL EIL as part of transition arrangements, pursuant to which SCU is paid fees which are mutually agreed annually based on estimated man-days. Under the terms of the DPN, the TSA cannot be terminated without SCU's consent.

The DPN receivable was initially measured at fair value as at the date of sale. Subsequent changes in fair value are recognised in profit or loss as DPN (expense) / income (Note B4).

The DPN bears interest at a rate per annum equal to 1.8% plus a benchmark rate equal to the Indian government 10-year bond yield spot rate, minus a greenhouse gas emissions intensity reduction incentive rate.

SCU has put in place a mechanism to monitor and manage the credit exposure via the rights provided in the DPN. A summary of the terms of the DPN are set out below and can also be found in Circular to Shareholders dated October 22, 2022:

a. Under the DPN, SCU receives payment from the borrower (Tanweer Infrastructure SAOC);

b. SCU has protective rights as a lender by way of covenants in the DPN (affirmative, negative and information) in line with common financing terms provided by project lenders;

c. These covenants ensure that the borrower and the underlying project's funding and operational activities do not negatively affect payments under the DPN and also impose obligations on the borrower to ensure that SEIL EIL continues to operate in accordance with the annual operating budget, contractual obligations and in compliance with applicable laws and standards.

The Group has continued to assess that it has no control over SEIL EIL and only retain risks as lender through the DPN provided to the Purchaser and corporate guarantee given over SEIL EIL's borrowing facilities. The Group also assessed that the services provided as part of the TSA did not give rise to power to direct the relevant activities of SEIL EIL that result in the Group having control or any significant influence over the operating and financial decisions of SEIL EIL.

The balance as at December 31, 2025 of S$1,291 million (2024: S$1,581 million) included a fair value loss of S$35 million (2024: gain of S$169 million) for the period, net of receipts of S$255 million (2024: S$404 million) consisting of principal and interest repayments.

ii. Included in mutual funds are amounts of S$11 million (2024: S$14 million) pledged to secure loan facilities.

H. Other Disclosures *(cont'd)*

H2. Provisions

Accounting policies

A provision is an amount set aside based on reliable estimate to settle a probable legal or constructive obligation from a past event.

Key estimates and judgements

Estimates of the Group's obligations arising from contracts or regulations that exist as at balance sheet date may be affected by future events, which cannot be predicted with any certainty. The assumptions and estimates are made based on management's knowledge and experience and may vary from actual experience so that the actual liability may vary considerably from the best estimates.

Certain of the Group's subsidiaries are involved in claims, litigations, land disputes and other regulatory matters in certain countries at year end. Due to the nature of these disputes and matters, and in view of the uncertainty of the outcome, the Group believes that the amount of exposure cannot currently be reliably determined. Therefore, no provision has been recorded for these.

Provision for restoration cost

The provision recognised represents management's best estimate of the present value of the future costs required. Significant estimates and assumptions are made in determining the amount of restoration provisions. Those estimates and assumptions deal with uncertainties such as: changes to the relevant legal and regulatory framework; the timing, extent and costs required. These uncertainties may result in future actual expenditure differing from the amounts currently provided. The provisions recognised are periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs are recognised in the balance sheet by adjusting both the asset and provision. Such changes give rise to a change in future depreciation and interest charges.

Movements in provisions are as follows:

(S$ million)	Note	Restoration costs (i)	Maintenance obligations (ii)	Claims (iii)	Others (iv)	Total
Group						
2025						
At January 1		102	15	7	10	134
Translation adjustments		(2)	(1)	*	*	(3)
Provisions made during the year		16	7	2	4	29
Provisions reversed during the year		(1)	–	(4)	(1)	(6)
Provisions utilised during the year		(5)	(9)	–	(5)	(19)
Acquisition of subsidiaries		1	–	–	–	1
Disposal of subsidiaries		(1)	–	–	–	(1)
Transfer to liabilities held for sale		*	–	–	–	*
Unwind of accretion on restoration costs	C6	2	–	–	–	2
At December 31		112	12	5	8	137
Provisions due:						
– within 1 year		47	6	5	4	62
– after 1 year but within 5 years		11	6	–	–	17
– after 5 years		54	–	–	4	58
		112	12	5	8	137
2024						
At January 1		89	23	6	24	142
Translation adjustments		*	–	*	*	*
Provisions made during the year		15	3	8	*	26
Provisions reversed during the year		–	–	*	(9)	(9)
Provisions utilised during the year		(5)	(11)	(7)	(5)	(28)
Acquisition of subsidiaries		2	–	–	–	2
Transfer to liabilities held for sale		(2)	–	–	–	(2)
Unwind of accretion on restoration costs	C6	3	–	–	–	3
At December 31		102	15	7	10	134
Provisions due:						
– within 1 year		49	3	7	6	65
– after 1 year but within 5 years		2	12	–	–	14
– after 5 years		51	–	–	4	55
		102	15	7	10	134

H. Other Disclosures *(cont'd)*

H2. Provisions *(cont'd)*

(S$ million)	Restoration costs (i)	Claims (iii)	Total
Company			
2025			
At January 1	54	1	55
Provisions made during the year	5	–	5
Provisions reversed during the year	(1)	–	(1)
Provisions utilised during the year	(2)	–	(2)
Unwind of accretion on restoration costs	1	–	1
At December 31	57	1	58
Provisions due:			
– within 1 year	37	1	38
– after 5 years	20	–	20
	57	1	58
2024			
At January 1	51	1	52
Provisions made during the year	6	–	6
Provisions utilised during the year	(4)	*	(4)
Unwind of accretion on restoration costs	1	–	1
At December 31	54	1	55
Provisions due:			
– within 1 year	38	1	39
– after 5 years	16	–	16
	54	1	55

i. Restoration costs relate to cost of dismantling and removing assets and restoring the premises to its original condition as stipulated in the agreements. The liability is expected to be incurred upon fulfilment of restoration obligation or termination of the lease.

ii. Provision for maintenance obligation based on contractual obligations to maintain the infrastructure and equipment to specified levels of serviceability under the service concession agreements. These provisions are measured at the best estimate of the expenditure required and timing of outflows, to settle the present obligation at the end of each reporting period.

iii. Provision for claims relates to the obligations arising from contractual and commercial arrangements in the Group's and the Company's operations, based on the best estimate of the possible outflow considering both contractual and commercial factors.

iv. Others for the Group include remediation obligations of certain legacy sites in the UK, which are expected to be utilised within one to three years. This provision has been determined with reference to external quotes from suppliers as well as management's best estimate of the costs to complete the remediation works. During the year, S$5 million (2024: S$5 million) of the provision was utilised, resulting in a remaining provision of S$2 million as at December 31, 2025 (2024: S$7 million).

H3. Performance Guarantees

As at December 31, 2024, the Company has provided performance guarantees of S$75 million on behalf of a subsidiary, Sembcorp Cogen Pte Ltd (SembCogen) for a long-term agreement entered in Year 2010 for the purchase of a total of 20 BBtud (Billion British thermal units per day) of liquefied natural gas (LNG) from Shell Gas Marketing Pte Ltd (Shell).

The agreement has a start date on September 1, 2015 and a term of 10 years. SembCogen has an option to extend the term by two successive periods of five years each, subject to fulfilment of conditions set in the agreement. The Company believes that the subsidiary has sufficient resources to fulfil its contractual obligations and does not consider it probable that a claim will be made against the Company under these guarantees, as such there were no liabilities recognised.

As at December 31, 2025, the contract was not renewed and the Company's obligations under this contract have been discharged.

H4. Subsequent Events

On January 30, 2026, at the Company's Extraordinary General Meeting held, the shareholders approved the proposed acquisition of certain shares in the issued share capital of Pioneer Sail Holdings Pty Limited and Latrobe Valley Power (Holdings) Pty Ltd, pursuant to a share sale agreement dated December 11, 2025. The proposed acquisition comprises a portfolio of energy businesses in Australia and New Zealand. Details of the proposed acquisition is set in the circular dated January 15, 2026. The acquisition is subject to regulatory approvals from the Australia's Foreign Investment Review Board and the Australian Competition and Consumer Commission.

H5. New or Revised Accounting Standards and Interpretations Not Yet Effective

The following new SFRS(I)s, amendments to and interpretations of SFRS(I)s are effective for annual periods beginning after January 1, 2025.

a. SFRS(I) 18: Presentation and Disclosure in Financial Statements

SFRS(I) 18 will replace SFRS(I) 1-1 Presentation of Financial Statements and applies for annual periods beginning on or after January 1, 2027. The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

The Group is still in the process of assessing the impact of the new accounting standard, particularly with respect to the structure of the Group's statement of profit or loss, the statement of cash flows and the additional disclosure required for MPMs.

b. Other accounting standards

Applicable to 2026 financial statements

- *Amendments to SFRS(I) 9 and SFRS(I) 7: Classification and Measurement of Financial Instrument*
- *Annual Improvements to SFRS(I)s — Volume 11*
- *Amendments to SFRS(I) 9 and SFRS(I) 7: Contracts Referencing Nature-dependent Electricity*

Applicable to 2027 financial statements

- *SFRS(I) 19: Subsidiaries without Public Accountability: Disclosures*

Mandatory effective date deferred

- *Amendments to SFRS(I) 10 Consolidated Financial Statements and SFRS(I) 1-28 Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)*

The Group is still in the process of assessing the impact of the new SFRS(I)s, amendments to and interpretations of SFRS(I)s on the financial statements. The Group does not expect significant impact on the financial statements upon the adoption of these new SFRS(I)s.

I. Supplementary Information

I1. Interested Person Transactions

(Under SGX-ST Listing Manual requirements)

For the purposes of Chapter 9 of the SGX-ST Listing Manual, shareholders' approval is required for any interested person transaction of a value equal to, or more than 5% of the Group's latest audited consolidated net tangible assets (NTA) or when aggregated with other transactions entered into with the same interested person during the same financial year, is of a value equal to, or more than 5% of the Group's latest NTA. For FY2025, the 5% Group's consolidated NTA as at December 31, 2024 was S$217 million.

Chapter 9 however permits the Company to obtain a shareholders' mandate for recurrent transaction of a revenue or trading nature or those necessary for its day-to-day operations. At the Annual General Meeting held on April 2025, the Company obtained approval for such shareholders' mandate.

Transactions under shareholders' mandate

(S$ million)	Nature of relationship	Aggregate value of all interested person transactions under shareholders' mandate pursuant to Rule 920 of the SGX-ST Listing Manual (excluding transactions less than S$100,000) 2025
Sale of Goods and Services		
Singapore Telecommunications Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	420.0
PSA International Pte Ltd and its Associates		6.1
Olam International Ltd and its Associates		5.5
Singapore Power Limited and its Associates		3.0
SMRT Corporation Ltd and its Associates		0.6
Temasek Trust Ltd		0.2
SATS Ltd and its Associates		0.1
		435.5
Purchase of Goods and Services		
Singapore Technologies Engineering Ltd and its Associates	Associate of Temasek Holdings (Private) Limited, the controlling shareholder of the Company	47.0
Starhub Ltd and its Associates		7.9
Singapore Power Limited and its Associates		1.9
PSA International Pte Ltd and its Associates		1.5
Surbana-Jurong Private Limited and its Associates		1.1
SATS Ltd and its Associates		0.8
Constellar Holdings Pte Ltd		0.6
Singapore Telecommunications Ltd and its Associates		0.1
SMRT Corporation Ltd and its Associates		0.1
		61.0
Total		**496.5**

There are no interested person transactions during the financial year under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920).

I2. List of Properties

Urban

Description	Type	Land tenure	Gross floor area (sq m)	Group's effective interest	Status
China					
Industrial & Business Properties					
1. Global Sustainability Hub, Nanjing	Office & exhibition centre	Leasehold 50 years from 2015	36,489[1]	100%	Completed development
2. Jiangdao Intelligent Cube, Nanjing	Office & business park	Leasehold 50 years from 2012	72,035	21.5%	Completed development
3. Jiangdao Technology Innovation Centre, Nanjing	Office & exhibition centre	Leasehold 50 years from 2012	49,340	21.5%	Completed development
4. Wuxi-Singapore Industrial Park	Ready-built factories	Leasehold 50 years from 1995	535,853	45.4%	Completed development
5. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 2011	118,202	45.4%	Completed development
6. Wuxi-Singapore Industrial Park	Office & amenities	Leasehold 50 years from 1996	11,004	45.4%	Completed development
7. Wuxi-Singapore Industrial Park	Office	Leasehold 50 years from 1999	3,910	45.4%	Completed development
8. Wuxi-Life Science Park Phase 1	Ready-built factories	Leasehold 50 years from 2022	60,655	45.4%	Completed development
9. Wuxi-Singapore Industrial Park	Built-to-specs factories	Leasehold 50 years from 1995	12,940	45.4%	Completed development
Commercial & Residential Properties					
1. Jiangdao Xin Tiandi, Nanjing	Retail	Leasehold 40 years from 2012	51,644	21.5%	Completed development
2. Jiangdao Hua Ting, Nanjing	Residential	Leasehold 70 years from 2012	3,087	21.5%	Completed development
3. Modena by Fraser, Wuxi New District	Service apartment	Leasehold 40 years from 2008	11,056	45.4%	Completed development
4. Chengdu Innovation & Technology Centre	Office & retail	Leasehold 40 years from 2022	87,501	50.0%	Completed development
Indonesia					
Industrial & Business Properties					
1. Kendal Industrial Park, Central Java	Ready-built factories	Leasehold 30 years from 2015	1,836	49.0%	Completed development

[1] Gross floor area excludes carpark and basement area

I. Supplementary Information *(cont'd)*

I2. List of Properties *(cont'd)*

Urban *(cont'd)*

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
Vietnam					
Industrial & Business Properties					
1. VSIP Binh Duong I	Ready-built factories	Leasehold 50 years from 1996	57,621	49.3%	Completed development
2. VSIP Binh Duong II	Ready-built factories	Leasehold 50 years from 2005	25,024	49.3%	Completed development
3. VSIP Binh Duong II-A	Ready-built factories	Leasehold 50 years from 2008	85,952	49.3%	Completed development
4. VSIP Nghe An	Ready-built factories	Leasehold 50 years from 2015	8,810	49.3%	Completed development
5. VSIP Binh Duong – Hai Phong Branch	Ready-built factories	Leasehold 50 years from 2008	35,324	49.3%	Completed development
6. VSIP Bac Ninh	Ready-built factories	Leasehold 50 years from 2007	37,826	46.5%	Completed development
7. VSIP Bac Ninh Flatted Factory	Flatted factory	Leasehold 50 years from 2007	15,583	46.5%	Completed development
8. VSIP Binh Duong III	Ready-built factories	Leasehold 43 years from 2024	215,370	49.3%	Under development
9. Sembcorp Logistics Park Hai Phong Phase I	Warehouses	Leasehold 44 years from 2014	15,000	52.5%	Completed development
10. Sembcorp Logistics Park Hai Phong Phase II	Warehouses	Leasehold 43 years from 2016	14,279	52.5%	Completed development
11. Sembcorp Logistics Park Hai Phong Phase III	Warehouses	Leasehold 40 years from 2018	13,200	52.5%	Completed development
12. Sembcorp Logistics Park Hai Duong	Warehouses	Leasehold 38 years from 2020	13,176	52.5%	Completed development
13. Sembcorp Logistics Park Quang Ngai	Warehouses	Leasehold 60 years from 2022	33,600	52.5%	Completed development
14. Sembcorp Logistics Park Nghe An	Warehouses	Leasehold 43 years from 2022	39,390	52.5%	Completed development
15. Sembcorp Logistics Park Thuy Nguyen	Warehouses	Leasehold 34 years from 2024	19,829	52.5%	Completed development
16. Sembcorp Logistics Park Dinh Vu	Warehouses	Leasehold 34 years from 2024	83,260	52.5%	Under development
17. Sembcorp Logistics Park Bac Ninh I	Warehouses	Leasehold 47 years from 2024	61,864	100%	Under development
18. Sembcorp Logistics Park Binh Duong	Warehouses	Leasehold 43 years from 2024	77,080	100%	Under development
19. Sembcorp Logistics Park Nam Dinh	Warehouses	Leasehold 35 years from 2024	87,877	100%	Under development

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest	Status
20. Sembcorp Logistics Park Hai Duong II	Warehouses	Leasehold 46 years from 2025	37,825	100%	Under development
21. Sembcorp Logistics Park Ha Nam I	Warehouses	Leasehold 62 years from 2025	58,764	100%	Under development
22. Sembcorp Logistics Park Hung Yen I	Warehouses	Leasehold 33 years from 2025	48,941	100%	Under development
23. Sembcorp Logistics Park Bac Ninh II	Warehouses	Leasehold 46 years from 2025	71,541	100%	Under development
24. Sembcorp Logistics Park Bac Ninh IV	Warehouses	Leasehold 35 years from 2025	81,400	100%	Under development
Commercial & Residential Properties					
1. VSIP Binh Duong II-A	Retail	Leasehold 50 years from 2008	1,118	49.3%	Completed development
2. VSIP Plaza, Quang Ngai	Retail	Leasehold 50 years from 2015	3,062	49.3%	Completed development
3. VSIP Hai Phong	Retail	Leasehold 50 years from 2008	233	46.5%	Completed development
4. VSIP Bac Ninh	Shophouses	Leasehold 50 years from 2007	680	46.5%	Completed development
5. Sun Casa, Binh Duong	Residential & shophouses	Leasehold 50 years from 2008	1,524	49.3%	Completed development
6. Sun Casa Central I, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	7,372	49.3%	Completed development
7. Sun Casa Central II, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	6,876	49.3%	Under development
8. Sun Square, Binh Duong	Residential & shophouses	Leasehold 50 years from 2009	10,752	49.3%	Completed development
9. The Habitat Binh Duong Phase II	Residential & retail	Leasehold 45 years from 2018	431	51.6%	Completed development
10. The Habitat Binh Duong Phase III	Residential & retail	Leasehold 44 years from 2019	12,805	51.6%	Completed development

Corporate and Others

Description	Type	Land tenure	Net lettable / saleable area (sq m)	Group's effective interest
Singapore				
30 Hill Street	Office	Freehold land and building	11,410	100%

Additional Information on Directors Seeking Re-election

Name of director	Kunnasagaran Chinniah	Dr Josephine Kwa Lay Keng	Lim Ming Yan
Date of appointment	August 1, 2023	August 1, 2018	January 18, 2021
Date of last re-appointment	April 23, 2024	April 23, 2024	April 23, 2024
Age	68	67	63
Country of principal residence	Singapore	Singapore	Singapore
The board's comments on this appointment (including rationale, selection criteria, board diversity considerations, as well as the search and nomination process)	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement
Whether appointment is executive, and if so, the area of responsibility	No	No	No
Job title (e.g., Lead ID, AC Chairman, AC Member etc.)	Non-executive & Independent Director Chairman • Risk Committee Member • Executive Committee • Executive Resource & Compensation Committee	Non-executive & Independent Director Member • Audit Committee • Risk Committee	Non-executive & Lead Independent Director Chairman • Executive Resource & Compensation Committee • Nominating Committee Member • Executive Committee
Professional qualifications	Bachelor of Engineering (Electrical), National University of Singapore Master of Business Administration, University of California Berkeley Chartered Financial Analyst, CFA Institute	PhD and Bachelor of Science with honours in Mechanical Engineering, University of Leeds	First class honours in Mechanical Engineering and Economics, University of Birmingham Honorary doctorate, University of Birmingham Advanced Management Programme, Harvard Business School
Working experience and occupation(s) during the past 10 years	GIC Group of Companies • Head, GIC Global Infrastructure Group (2012–2013) • Co-head, Portfolio, Strategy and Risk Group (2009–2013) • Various appointments (1989–2013)	Raffles Marina Holdings • Chairman (2007–2017)	CapitaLand • President & Group Chief Executive Officer (2013–2018)
Shareholding interest in the listed issuer and its subsidiaries	Sembcorp Industries • 14,100 ordinary shares	Sembcorp Industries • 86,800 ordinary shares	Sembcorp Industries • 61,200 ordinary shares
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and / or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Note A	Nil	Nil
Conflict of interest (including any competing business)	Note B	No	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes

Steven Phan Swee Kim	Andreas Sohmen-Pao	Wong Kim Yin
March 27, 2026	March 27, 2026	July 1, 2020
N.A.	N.A.	April 23, 2024
68	54	55
Singapore	Singapore	Singapore
The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement	The process for the re-election of directors is set out in the Corporate Governance Statement
No	No	Executive
Non-executive & Independent Director **Chairman*** • Audit Committee	Chairman Designate Non-executive & Independent Director	Group Chief Executive Officer **Member** • Executive Committee
Bachelor of Science in Managerial and Administrative Studies, University of Aston Chartered Accountant, Institute of Chartered Accountants of England and Wales Fellow Member of the Institute of Singapore Chartered Accountants	Honours degree in Oriental Studies, Oxford University Master of Business Administration, Harvard Business School	Bachelor of Science, National University of Singapore Master of Business Administration, University of Chicago Booth School of Business
Ernst & Young • Area Managing Partner, Asia Pacific Area (2013–2018) • Chief Operating Officer, Asia Pacific Area (2011–2013) • Regional Managing Partner of ASEAN and Country Managing Partner of Singapore (2008–2011)	**BW Group** • Chairman (2014–present) • CEO (2004–2015) Chairman/President/company director of various companies.	**Singapore Power** • Group CEO (2011–2020)
Nil	Nil	**Sembcorp Industries** • 7,729,197 ordinary shares
Nil	Nil	Nil
No	No	No
Yes	Yes	Yes

* Following the retirement of Mr Yap Chee Keong, Mr Steven Phan Swee Kim will, if re-elected, be appointed as a member of the Audit Committee and assume the role of Chairman of the Audit Committee with effect from the conclusion of the Annual General Meeting

Additional Information on Directors Seeking Re-election

Other Principal Commitments Including Directorships

Name of director	Kunnasagaran Chinniah	Dr Josephine Kwa Lay Keng	Lim Ming Yan
Past (for the last five years)	• Astrea III • Astrea IV • Astrea V • Azalea Asset Management • Borkum Riffgrund 2 Investor Holding • ECL Finance • Edelweiss Agri Value Add • Edelweiss Financial Services • Edelweiss Finvest • Edelweiss Rural & Corporate Services • Keppel Asia Infra Fund (GP), Investment Committee Member • Keppel Infrastructure Fund Management (the trustee-manager of Keppel Infrastructure Trust) • Meerut Budaun Expressway • MMK Toll Road • Neptune1 Infrastructure Holdings • Nuvama Wealth Finance • Nuvama Wealth Management	• Agency for Science, Technology and Research • Barghest Building Performance • Southern Steel	• Business China • Central China Real Estate • Equities Market Review Group, Member • Future Economy Council • Housing and Development Board • Singapore Management University • Singapore Press Holdings • Singapore Tourism Board • Workforce Singapore • Singapore Business Federation, Chairman
Present	Listed companies • CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT) • Nirlon • Sembcorp Industries Others • Azalea Investment Management • Astrea VI • Archipelago Capital Partners, Advisor • Changi Airports International, Advisor • Edelweiss Alternative Asset Advisors • Greenko Energy Holdings • Hindu Endowments Board • India Infrastructure Yield Plus II Fund, Review Committee Member • Infrastructure Yield Plus II Fund, Review Committee Member • Infrastructure Yield Plus IIA Fund, Review Committee Member • Pavilion Capital International, Investment Committee Member	Listed companies • Sembcorp Industries	Listed companies • China Vanke Co. • Sembcorp Industries Others • Aquila Asia Capital Advisory • Aquila Asia Investment Management • Aquila Investment Partners • Changi Airport Group, Non-Executive Chairman • Chinese Development Assistance Council, Member, Board of Trustee • DLF Assets • DLF Cyber City Developers • Enterprise Singapore Board • Grove RE • Grove Real Estate Partners • MNG Brighton • Ministry of Foreign Affairs, Non-Resident High Commissioner to the Republic of Mauritius • NS Square, Chairman • Securities Industry Council, Member • Singapore-China Foundation, Governor • The Esplanade Co, Chairman • Universal Aquaculture • Vansek Management • Woodgrove Real Estate

Information Required Pursuant to Listing Rule 704(7)

Confirmation under items (a) to (k) in Appendix 7.4.1 of the SGX-ST Listing Manual	Confirmed that all responses are "No"	Confirmed that all responses are "No"	Confirmed that all responses are "No"

Steven Phan Swee Kim	Andreas Sohmen-Pao	Wong Kim Yin
• Council for Board Diversity, Member • Singapore Accountancy Commission	• Alpha Ori Technology Holdings • Asia Business Council • Future Economy Council • Navigator Holdings • Singapore Maritime Foundation • SSO Council	• DSO National Laboratories • Inland Revenue Authority of Singapore • Seatown Holdings • SkillsFuture Singapore Agency and related bodies
Listed companies • Jardine Cycle & Carriage • Sembcorp Industries • United Overseas Bank Others • Advanced MedTech Holdings	Listed companies • BW Energy • BW Offshore • BW LPG • Cadeler • Hafnia • Sembcorp Industries Others • BW Group of companies and affiliates • Copenhagen Commercial Platform • Future Economy Advisory Panel • Global Centre for Maritime Decarbonisation • Lloyd's Register Foundation • Sohmen-Pao Foundation	Listed companies • Sembcorp Industries Others • China Venture Capital Fund Corporation • GIC Pte Ltd Investment Board • Health Promotion Board • National Research Foundation • Sembcorp Group of Companies • World Energy Council and related bodies
Confirmed that all responses are "No", except for item (k). Note C	Confirmed that all responses are "No"	Confirmed that all responses are "No"

Additional Information on Directors Seeking Re-election

Note A

Mr Chinniah is a member of the Investment Committee of Pavilion Capital International, an advisor to Azalea Investment Management and a non-executive director of Astrea VI, all of which are subsidiaries of Temasek Holdings (Temasek). He is also a non-executive independent director of CapitaLand Ascendas REIT Management (the Manager of CapitaLand Ascendas REIT), in which Temasek is a substantial shareholder. Mr Chinniah's roles in these companies are non-executive in nature and he is not involved in their day-to-day conduct of business. He is not under any formal or informal obligation to act in accordance with the directions, instructions or wishes of Temasek in relation to the affairs of Sembcorp. The board is of the view that Mr Chinniah has acted and will continue to act in the best interests of Sembcorp and has determined that Mr Chinniah is independent.

Note B

Mr Chinniah sits on the board of Greenko Energy Holdings, a member of the Greenko Group, where he serves as a nominee director of GIC, a major shareholder of Greenko Group. The Greenko Group owns and operates renewable energy businesses in India. Mr Chinniah will abstain from participating in discussions and decision-making on any matters where a conflict of interest might arise between Sembcorp and Greenko Energy Holdings, the Greenko Group or GIC.

Note C

Mr Phan was Ernst & Young's audit partner for Informatics Group in 2004. During the course of the audit, certain accounting irregularities were identified. Subsequently, two senior management personnel of Informatics Group were charged by the Commercial Affairs Department and prosecuted, during which Mr Phan provided testimony as a prosecution witness. Following a review by the Public Accountants Oversight Committee of the Accounting and Corporate Regulatory Authority of Singapore (ACRA), Mr Phan was neither reprimanded nor censured, and was instead issued a letter of advice on certain matters.

Shareholding Statistics

As at March 16, 2026

Statistics of Shareholders

Issued and fully paid-up capital:	S$565,571,683.28
Number of issued shares (excluding treasury shares):	1,778,000,058
Number / percentage of treasury shares:	9,547,674 (0.53%)
Class of shares:	Ordinary shares with equal voting rights[1]

Shareholdings Held by the Public

Based on information available to the company as at March 16, 2026, 49.96%[2] of the issued ordinary shares of the company is held by the public and therefore, the company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

Substantial Shareholder

Substantial Shareholder	Direct Interest	Indirect Interest	Total	%[2]
Temasek Holdings (Private) Limited	871,200,328	10,244,275[3]	881,444,603	49.58

Top 20 Shareholders

No.	Name	No. of Ordinary Shares Held	%[2]
1.	Temasek Holdings (Private) Ltd	871,200,328	49.00
2.	Citibank Nominees Singapore Pte Ltd	184,765,421	10.39
3.	DBS Nominees Pte Ltd	109,231,249	6.14
4.	DBSN Services Pte Ltd	81,834,277	4.60
5.	HSBC (Singapore) Nominees Pte Ltd	54,029,687	3.04
6.	Raffles Nominees (Pte) Limited	48,126,452	2.71
7.	BPSS Nominees Singapore (Pte.) Ltd.	22,988,108	1.29
8.	United Overseas Bank Nominees (Private) Limited	21,646,233	1.22
9.	Phillip Securities Pte Ltd	13,543,166	0.76
10.	OCBC Nominees Singapore Pte Ltd	10,543,302	0.59
11.	OCBC Securities Private Ltd	10,386,936	0.58
12.	Moomoo Financial Singapore Pte. Ltd.	10,036,053	0.56
13.	Startree Investments Pte Ltd	9,400,000	0.53
14.	IFAST Financial Pte Ltd	7,743,161	0.44
15.	UOB Kay Hian Pte Ltd	5,994,954	0.34
16.	Tang Kin Fei	4,746,612	0.27
17.	Heng Siew Eng	4,632,700	0.26
18.	Maybank Securities Pte. Ltd.	4,553,026	0.26
19.	Wong Kim Yin	4,163,597	0.23
20.	Tiger Brokers (Singapore) Pte. Ltd.	3,267,300	0.18
		1,482,832,562	**83.39**

[1] Ordinary shares purchased and held as treasury shares by the company will have no voting rights

[2] The percentage of issued ordinary shares is calculated based on the number of issued ordinary shares of the company as at March 16, 2026 excluding 9,547,674 ordinary shares held as treasury shares as at that date

[3] Temasek is deemed to be interested in the 10,244,275 shares in which its subsidiaries and / or associated companies have or are deemed to have an interest pursuant to Section 7 of the Companies Act 1967

Shareholding Statistics

Analysis of Shareholdings

Range of Shareholdings	No. of Ordinary Shareholders	%	No. of Ordinary Shares Held (Excluding Treasury Shares)	%
1 – 99	882	2.28	37,318	0.00
100 – 1,000	7,694	19.91	5,945,619	0.33
1,001 – 10,000	24,920	64.47	99,325,051	5.59
10,001 – 1,000,000	5,126	13.26	172,628,406	9.71
1,000,001 and above	32	0.08	1,500,063,664	84.37
	38,654	**100.00**	**1,778,000,058**	**100.00**

Corporate Information

As at March 27, 2026

Registered Office
30 Hill Street #05-04
Singapore 179360
Tel: (65) 6723 3113
Website: www.sembcorp.com

Board of Directors
Tow Heng Tan
Chairman

Andreas Sohmen-Pao
Chairman Designate

Lim Ming Yan
Lead Independent Director

Manu Bhaskaran
Marina Chin Li Yuen
Kunnasagaran Chinniah
Prof Uwe Krueger
Dr Josephine Kwa Lay Keng
Ong Chao Choon
Steven Phan Swee Kim
Yap Chee Keong
Dinesh Khanna
Alternate Director to Prof Uwe Krueger

Wong Kim Yin
Group Chief Executive Officer

Executive Committee
Tow Heng Tan
Chairman

Kunnasagaran Chinniah
Lim Ming Yan
Wong Kim Yin

Audit Committee
Yap Chee Keong
Chairman

Marina Chin Li Yuen
Dr Josephine Kwa Lay Keng
Ong Chao Choon

Risk Committee
Kunnasagaran Chinniah
Chairman

Marina Chin Li Yuen
Dr Josephine Kwa Lay Keng
Ong Chao Choon
Yap Chee Keong

Executive Resource & Compensation Committee
Lim Ming Yan
Chairman

Kunnasagaran Chinniah
Tow Heng Tan

Nominating Committee
Lim Ming Yan
Chairman

Ong Chao Choon
Tow Heng Tan

Company Secretary
Lim Chee Ying

Registrar
Tricor Barbinder Share
Registration Services
9 Raffles Place #26-01
Republic Plaza Tower 1
Singapore 048619

Auditors
KPMG LLP
Public Accountants and
Chartered Accountants
12 Marina View #15-01
Asia Square Tower 2
Singapore 018961

Partner-in-charge: Chiang Yong Torng
(Appointed during the financial year ended December 31, 2024)

Investor Relations
investorrelations@sembcorp.com

Sustainability
sustainability@sembcorp.com

Glossary

BESS	Battery energy storage system
CCGT	Combined cycle gas turbine
EACs	Energy Attribute Certificates
Efw	Energy-from-waste
GFA	Gross floor area
GW	Gigawatt
GWh	Gigawatt-hour
GWp	Gigawatt-peak
ha	Hectare
kW	Kilowatt
kWh	Kilowatt-hour
m^3	Cubic metres
m^3/day	Cubic metres per day
mtpa	Metric tonnes per annum
MW	Megawatt
MWh	Megawatt-hour
MWp	Megawatt-peak
PPA	Power Purchase Agreement
RECs	Renewable Energy Certificates
sqm	Square metres
tCO_2e	Tonnes of carbon dioxide equivalent
tCO_2e/MWh	Tonnes of carbon dioxide equivalent per megawatt-hour

Sembcorp Industries Ltd
Company Registration No. 199802418D

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