MANAGING SUSTAINABILITY
At Sembcorp, we believe in building sustainable businesses that deliver long-term shareholder value and growth. We believe that a truly sustainable business not only creates economic value, but does so in a way that creates benefit for its stakeholders.

Sembcorp’s Sustainability Steering Committee (SSC) is chaired by the Group Chief Financial Officer and comprises senior executives across various functions, including asset management, human resources and health, safety and environment (HSE). The SSC provides strategic direction in the management of sustainability-related risks and opportunities, facilitating and guiding the development and improvement of frameworks, policies, guidelines and processes for the effective management of sustainability issues.

The SSC meets four times a year, and its key findings and recommendations are presented to the Senior Management Committee. The board is updated on significant sustainability developments annually.

Sembcorp’s management of its sustainability issues is centred on five focus areas, each driven by a senior executive (see Focus Areas and Material issues on page 114).

The table below shows quantitative data that reflects our performance in areas that have been identified as material to our businesses and stakeholders. More performance data, including qualitative data, is available in the individual sections for each focus area in this report, as well as in the Sustainability section of our website.

### Economic

<table>
<thead>
<tr>
<th>Economic</th>
<th>2013</th>
<th>2012</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital and Portfolio Management</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Turnover ($ m)</td>
<td>10,798</td>
<td>10,189</td>
<td>9,047</td>
</tr>
<tr>
<td>Net profit ($ m)</td>
<td>820</td>
<td>753</td>
<td>809</td>
</tr>
<tr>
<td>Return on equity (%)</td>
<td>17.1</td>
<td>17.5</td>
<td>20.4</td>
</tr>
<tr>
<td>Return on total assets (%)</td>
<td>9.1</td>
<td>9.5</td>
<td>10.7</td>
</tr>
<tr>
<td>Net gearing (%)</td>
<td>0.07</td>
<td>Net cash</td>
<td>(10.7)</td>
</tr>
<tr>
<td>Total shareholder returns (%)</td>
<td>7.7</td>
<td>33.7</td>
<td>(18.8)</td>
</tr>
</tbody>
</table>

### People

<table>
<thead>
<tr>
<th>People Development</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee turnover (%)</td>
<td>12.4</td>
<td>10.8</td>
<td>8.5</td>
</tr>
<tr>
<td>Training cost per employee (S$)</td>
<td>569</td>
<td>407</td>
<td>840</td>
</tr>
</tbody>
</table>

### Health, Safety and Environment

<table>
<thead>
<tr>
<th>Occupational Health and Safety#1</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of fatalities</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Injury rate per 200,000 man-hours#4</td>
<td>0.27</td>
<td>0.53</td>
<td>0.29</td>
</tr>
<tr>
<td>Lost day rate per 200,000 man-hours#5</td>
<td>4.54</td>
<td>9.36</td>
<td>1.88</td>
</tr>
</tbody>
</table>

### Climate Change and Energy Efficiency

| Direct greenhouse gas emissions        | 5.8        | 5.3        | 5.3        |
| (million tonnes of CO2 equivalent)     |            |            |            |

### Environmental Protection

| Water withdrawal (million m³)          | 1,502.2    | 1,588.5    | 1,002.6    |
| Waste disposal (tonnes)                | 31.7       | 30.8       | 30.9       |
| Hazardous waste (thousand tonnes)     | 9.4        | 9.4        | 10.2       |
| Non-hazardous waste (thousand tonnes) | 22.4       | 21.4       | 20.8       |

### Community

| Community contributions ($ m)         | 1.8        | 0.9        | 1.2        |

Notes:
1. Financial figures reported are for the Group, including Sembcorp Marine, as per audited financial statements.
2. Source: Bloomberg
3. People data for 2011 excludes data from companies under Sembcorp Environment, the Singapore Mint and Sembcorp Design and Construction.
4. Occupational health and safety data from our solid waste management operations in Singapore is excluded in this summary and reported separately as these operations have a different risk profile from our other operations.
6. 200,000 man-hour is roughly equivalent to the total number of hours worked by 100 full-time employees in a calendar year.

Our key sustainability principles are set out in our Sustainability Policy. HSE principles are specifically addressed in our HSE Policy. These principles are applied through the management systems and processes of Sembcorp’s operations. The majority of our operations are certified to ISO 14001:2004 and OHSAS 18001:2007. We continually improve the sustainability management systems that we have in place, including corporate governance, risk management, HSE, human resource and community investment management systems, and evaluate our management approach by benchmarking it against industry best practice. We adopt a precautionary approach to avoid or minimise negative impacts through preventive measures and tracking of leading indicators.

We believe that membership and participation in external initiatives also provides us important platforms to facilitate and develop industry best practice.

The following additional details are available in the Sustainability section of our website: Sembcorp’s Sustainability Policy, Sembcorp’s HSE Policy, a list of certified facilities and details of our awards, memberships and participation in industry initiatives.

### Sustainability contact

Sembcorp welcomes feedback on our sustainability issues and reporting at sustainability@sembcorp.com.
Sustainability Report

Reporting Framework and Scope
This report was prepared in accordance with Global Reporting Initiative (GRI) G4 Core requirements. Our GRI content index is available in the Sustainability section of our website.

Sembcorp operates across six continents. Our three key businesses comprise Utilities, Marine and Urban Development. As our Marine business is separately listed in Singapore and reports its activities separately, it is excluded from this report.

The period under review pertains to January 1 to December 31, 2013, and the information provided in this report relates to the subsidiaries of Sembcorp, with the exception of projects under construction. Environmental data provided is specific to Sembcorp’s Utilities businesses only.

Acquisitions are given one year, or more where required, to integrate their reporting systems. Sustainability data is reported externally upon the completion of one full year of data. Accordingly, data from Sembcorp Utilities (Netherlands), acquired in 2010, is reported from 2012 onwards. Data pertaining to entities divested during the year are excluded from this report.

We aim to work towards external assurance of the report.

Data Measurement and Quality
All data measurements are in line with GRI G4 recommendations for our chosen indicators. Greenhouse gas emission factors are based on the 2006 Intergovernmental Panel for Climate Change (IPCC) guidelines, except for those relating to our operations on Teesside, UK, which use emission factors adapted from the US Environmental Protection Agency and the 2013 Government Greenhouse Gas Conversion Factors for Company Reporting from the UK’s Department for Environment, Food & Rural Affairs and Department of Energy & Climate Change.

In 2013, our internal audit team conducted a review of the sustainability reporting process including data compilation, and made recommendations to the SSC on improvements to ensure consistent data quality across the Group’s global operations. While there are inherent limitations to the accuracy of data, Sembcorp seeks to minimise errors and irregularities through the strengthening of internal controls.

Materiality
Materiality analysis is a key process enabling Sembcorp to define the sustainability issues that are of greatest significance to our businesses and our stakeholders over a long-term horizon. We believe our focus on materiality is vital as we seek to make progress on our sustainability journey, drive performance and transparency, and embed sustainability into the Group’s culture.

Sembcorp conducts a materiality review in 2013, building on its first formal materiality assessment in 2011. Sustainability issues were identified in line with GRI guidelines. The materiality review took into account GRI’s Electric Utilities Sector Supplement, the Dow Jones Sustainability Index and other relevant frameworks and peer reviews. These issues were prioritised using a materiality matrix, charting their level of significance to Sembcorp and our stakeholders according to clearly defined materiality criteria based on the AA1000AS five-part materiality process.

The materiality assessment and review were conducted with input from an independent sustainability consultant. To enhance the robustness of our materiality assessment, we invited input from our stakeholders, including shareholders, financial institutions, the investment community, regulators, customers, suppliers and non-governmental organisations. The survey, commissioned in 2012, was conducted by an independent firm to ensure anonymity for respondents. Respondents on a whole agreed with the material issues that were identified. The input helped to refine aspects of the material issues that our key stakeholders were interested in, and also how we could better communicate the issues. Future materiality reviews will be conducted biennially or when there is significant change in the business environment.

The GRI content index has been externally verified by Ere-S, an independent sustainability assurance provider, to confirm that the disclosures within the report are correctly referenced and reported. The verification statement can be found in the Sustainability section of our website.

Sembcorp’s Materiality Matrix

<table>
<thead>
<tr>
<th>Sembcorp’s Materiality Matrix</th>
<th>Sustainability</th>
<th>Stakeholder engagement</th>
<th>PROCESSES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Materiality Matrix</td>
<td>Sustainability strategy</td>
<td>Stakeholder engagement</td>
<td>PROCESSES</td>
</tr>
<tr>
<td></td>
<td>Governance framework</td>
<td>Risk management</td>
<td>Reporting on KPIs</td>
</tr>
<tr>
<td></td>
<td>Included in print report and company website</td>
<td>Included online if issue has high sustainability context</td>
<td>Not reported</td>
</tr>
<tr>
<td>Importance to internal stakeholders</td>
<td>Importance to external stakeholders</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Stakeholder Engagement
We recognise the importance of engaging our stakeholders to encourage open communication and build relationships. We employ a range of platforms to engage our stakeholders and to develop mutually beneficial relationships. The frequency of our ongoing engagement with our stakeholders varies with their needs as well as with the topics of engagement.

In 2012, we conducted a stakeholder mapping exercise to review and define our stakeholder groups. This was done in accordance with the AA1000 Stakeholder Engagement Standard by an independent consultant. Stakeholders were mapped based on their level of influence and interest, using a structured approach. The level of stakeholder interest against each material issue was also reviewed and a stakeholder consultation survey was conducted to invite feedback on our material issues from selected key stakeholders.

More information on the platforms we use to regularly engage our stakeholders can be found in the Sustainability section of our website. Details on our communication with the investment community can also be found in the Corporate Governance Statement and Investor Relations chapter in this annual report.

Highlight: Engaging Our Stakeholders
At the Singapore International Energy Week 2013, Sembcorp engaged regulators and industry players in a discussion on the use of renewable energy in manufacturing and business operations. Through the discussion, Sembcorp provided insights on driving commercial viability for energy-from-waste projects.

In August 2013, the Environmental Protection Bureau of Jiangsu Province, China, organised the first environmental training conference for chemical industrial zones across the province. As an industry leader with a strong presence in Jiangsu, Sembcorp was the only corporation invited to be a speaker at the conference in Nanjing, alongside experts from the Jiangsu Environment Protection Bureau and the provincial chemical industry association. We shared our experience in developing sustainable integrated utilities for industrial sites to an audience of around 400, attracting in-depth discussions amongst participants even after our presentation had ended.

Our Value Chain
At Sembcorp, we recognise the importance of considering impacts across the value chain.

One significant impact on the value chain is the use of resources. Our businesses operate in emerging growth markets, where utilities play a key role to support their development. We aim to develop innovative solutions which will enable the effective use of scarce resources efficiently.

We manage our contractors diligently to ensure that they abide by our standards of safety and operational reliability. Health and safety performance is a key priority, and contractors’ performance in this regard is monitored as part of our operations’ health and safety performance.

We value the opportunity to positively influence our suppliers for greater environmental awareness and social responsibility. We believe that securing a pool of suppliers with a shared commitment to sustainability will mitigate operational and reputational risk. For further information on how we manage our supply chain, please refer to the Economic section in this Sustainability Report.

Delivering value across the supply chain: Jurong Island case study
Sembcorp provides essential solutions to support the development of economies and communities. On Jurong Island in Singapore, we provide innovative and sustainable solutions to meet the energy and water needs of petrochemical and chemical companies, creating value for our customers while helping them limit the environmental impact of their activities.

About Jurong Island:

The 3,200-hectare Jurong Island is Singapore’s petrochemical and chemical hub and a prime example of industrial ecology. Its infrastructure is based on a “plug and play” concept, where shared infrastructure and the proximity and inter-connectedness of the industrial cluster allow companies to enjoy cost savings through using third-party utilities and services while building synergies through product integration.

Sembcorp leverages its island-wide infrastructure to provide bundled energy and water solutions as well as on-site logistics to multiple customers on the island. By outsourcing their on-site utilities needs to Sembcorp, these customers are able to lower capital investment, better manage risk and focus on their core businesses. Building on the success of its home base operations in Singapore, Sembcorp has also established leading market positions in China for the provision of centralised utilities to industrial clusters.

By 2016, the Sembcorp Woodchip Boiler Plant and upcoming Sembcorp Energy-from-Waste Plant on Jurong Island are expected to result in a reduction of more than 120,000 tonnes of carbon dioxide equivalent emissions.

On Jurong Island, Sembcorp reclaims up to 70% of its total volume of treated effluent.
Delivering value across the supply chain: Jurong Island case study

Sustainable Total Water and Wastewater Solutions on Jurong Island

Water scarcity is an increasing concern, and has been reported to overtake climate change as the top environmental issue (Nielsen, 2011).

Sembcorp’s total water and wastewater solutions on Jurong Island help minimise liquid discharge and conserve precious water resources.

- First facility in Singapore to reclaim water from industrial and municipal wastewater effluent.
- Specialised capabilities in treating multiple streams of complex high concentration industrial wastewater.

Capacity on Jurong Island:

<table>
<thead>
<tr>
<th>Service</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Industrial wastewater treatment</td>
<td>17,568 cubic metres per day</td>
</tr>
<tr>
<td>Reclaimed industrial water</td>
<td>40,000 cubic metres per day</td>
</tr>
</tbody>
</table>

**SEMBCORP’S WATER VALUE CHAIN: A CLOSED LOOP APPROACH**

1. **SUPPLY**
   - Water Treatment
   - Desalination
   - Water Reclamation

2. **TREAT**
   - Natural Water Resources
   - Industrial Wastewater / Sewage Treatment
   - Treated effluent that meets stringent environmental standards

3. **RECYCLE**
   - Seawater
   - Reclaimed Water
   - Turning effluent into high purity water

Delivering value across the supply chain: Jurong Island case study

Renewable Energy Solutions on Jurong Island

Sembcorp creates value by producing steam for customers on Jurong Island from waste collected by its solid waste management business.

- The Sembcorp Woodchip Boiler Plant produces renewable energy from woodchip derived from waste wood.
- Sembcorp’s Energy-from-Waste (EfW) plant will be the first facility in Singapore to use industrial and commercial waste as fuel to produce steam. It will be fuelled by around 1,150 tonnes per day of waste, which is roughly 14% of the total tonnage of waste bound for incineration in Singapore per day.
- In these plants, bottom ash and fly ash are separated to enable future recycling.
- These plants provide our customers an economical sustainable source of energy.
- With both facilities, one-third of our existing customers’ steam demand will be fulfilled using alternative fuel.

Additionally, Sembcorp recycles biogas generated by our industrial wastewater treatment processes to produce steam in our boilers.

Capacity on Jurong Island (in operation and under development):

<table>
<thead>
<tr>
<th>Service</th>
<th>Capacity</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steam generation using EfW</td>
<td>200 tonnes per hour</td>
</tr>
</tbody>
</table>

**SEMBCORP’S ENERGY-FROM-WASTE VALUE CHAIN**

INPUT: WASTE  
OUTPUT: STEAM
Sustainability Report

**MATERIAL ISSUES**
We group our material issues into five focus areas, aligned with how we drive performance internally. Our management approach to our material issues is discussed under each focus area, as is our performance against each issue.

A snapshot of Sembcorp’s quantitative sustainability performance data is presented on page 107.

---

<table>
<thead>
<tr>
<th>Focus Areas</th>
<th>Material Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Economic</strong></td>
<td>• To deliver long-term value and growth</td>
</tr>
<tr>
<td></td>
<td>• Capital and portfolio management</td>
</tr>
<tr>
<td></td>
<td>• Operational reliability</td>
</tr>
<tr>
<td></td>
<td>• Innovation</td>
</tr>
<tr>
<td></td>
<td>• New income streams</td>
</tr>
<tr>
<td><strong>Governance, Risk and Compliance</strong></td>
<td>• To maintain high standards of behaviour and integrity and be the best in class in governance practices</td>
</tr>
<tr>
<td></td>
<td>• Governance and ethical business</td>
</tr>
<tr>
<td></td>
<td>• Risk and regulatory compliance</td>
</tr>
<tr>
<td><strong>People</strong></td>
<td>• To provide a fair, diverse and inclusive workplace, and to continually improve in our human resource and people development</td>
</tr>
<tr>
<td></td>
<td>• People development</td>
</tr>
<tr>
<td><strong>Health, Safety and Environment</strong></td>
<td>• To instill sound and practical health and safety management as part of our workplace culture, and protect the environment in our business activities, products and services through good environmental practices</td>
</tr>
<tr>
<td></td>
<td>• Occupational health and safety</td>
</tr>
<tr>
<td></td>
<td>• Climate change and energy efficiency</td>
</tr>
<tr>
<td></td>
<td>• Environmental protection</td>
</tr>
<tr>
<td><strong>Community</strong></td>
<td>• To be a responsible business, making a positive contribution to our communities</td>
</tr>
<tr>
<td></td>
<td>• Community integration</td>
</tr>
</tbody>
</table>

---

**Economic**
Sembcorp is committed to the economic viability of its businesses and to delivering sustainable long-term value and growth to its shareholders. We believe that we can fulfil this commitment and be a leader in our industry sectors by responsibly operating and excelling in sustainable businesses. Our businesses power the development of the communities in which we operate, providing essential power, water and other urban solutions to support industrialisation, urbanisation and growth.

**Capital and portfolio management**
Sembcorp’s businesses often involve large-scale, long-term projects requiring significant initial capital outlay. Strong financial health and a disciplined approach to investment are therefore necessary for us to succeed. At the same time, as Sembcorp continues to grow, we believe it is important for us to maintain a balanced portfolio of businesses across various geographical regions and business segments, with the appropriate level of risk. Capital allocation, including the geographical distribution of our investments, is hence managed from this perspective.

**Operational reliability**
The reliability of our assets is vital not only for our reputation, but also for our long-term profitability. Our Group is heavily invested in the Utilities business, which requires the sustained use of energy and water facilities for prolonged periods. The business is committed to long-term customer contracts and its products and services, such as power, steam, water and wastewater treatment, are essential to its customers. Proper care and maintenance of our assets ensures that their useful life, and therefore their ability to generate stable recurring income and a reliable supply of products and services, is sustained throughout our long investment horizon. Sembcorp monitors the reliability of our plants through monthly performance indicators for which senior management has oversight.

**Innovation**
Sembcorp recognises the importance of technology and innovation in maintaining and enhancing our relevance, profitability and competitive advantage. This includes applied research and development and improvements to optimise our operations and enhance our efficiency, as well as the adoption of new technologies and methodologies with wider sustainability benefits.

**Highlight: Investing in Innovation**
Staying abreast of the latest advancements in fields related to our businesses is key to Sembcorp’s ability to maintain market relevance and competitive edge. In 2013, we invested in Biorange Technology (Biorange), a company that designs and engineers innovative technologies and solutions for the treatment of industrial and municipal wastewater. This investment allows Sembcorp’s water business preferential and early access to Biorange’s proprietary solutions and allows Biorange access to Sembcorp’s global facilities to test and accelerate the development and commercialisation of its new technologies.

**Why this is material**
Long-term economic viability is at the core of Sembcorp’s approach to building sustainable businesses. The Group drives its economic sustainability by monitoring and managing four key facets of the business: capital and portfolio management, operational reliability of assets, innovation initiatives and business development activities.
Sustainability Report

New income streams
To deliver long-term growth, the company continuously explores new business opportunities and maintains a pipeline of upcoming projects, including both greenfield and brownfield investments.

Management approach
A disciplined and accountable management approach is vital for our sustainability.

Capital and portfolio management
The Group has put in place robust frameworks and processes to ensure that long-term considerations are built into our investment and business decisions. Since 2003, we have implemented a System of Financial Discipline across all subsidiaries, joint ventures and associates. Potential acquisitions and growth opportunities are evaluated based on strict investment guidelines. Depending on criteria such as project value and country risk, approval for projects may involve the Senior Management Committee, the board and/or its Executive Committee or Risk Committee.

The Group actively manages its risk portfolio. This includes monitoring balance sheet liquidity ratios and country risk profiles.

For more information on risk management at Sembcorp, please refer to the Risk Management and Internal Controls chapter of this annual report.

Operational reliability
Reliability is of foremost importance in the management of our assets, from the design phase to the operation and maintenance phase. At the design and construction phases, consideration is given to installing sufficient operational flexibility and selecting quality equipment. In the operation and maintenance of assets, regulatory and manufacturers' standards are adhered to. Efforts are continually made to optimise use of the equipment. Technical audits and checks are also conducted on our plants.

We also recognise the importance of skilled talent in ensuring the reliability of our products and services; this is addressed in further detail in the People section of this sustainability report.

Managing Our Supply Chain

We recognise that our supply chain has a material impact on the efficiency and effectiveness of our operations. From fuel and spare parts suppliers to our engineering, procurement and construction contractors, Sembcorp ensures that its suppliers and contractors are chosen for their ability to deliver over the long term and operate in a responsible manner.

Requirements for suppliers
Sembcorp has stringent requirements for its suppliers. In Singapore, for instance, our suppliers must go through an extensive pre-qualification process which vets their ability to sustain their business. This includes checks on areas such as their financial stability, human resource policy and litigation history. The vendor’s capabilities are reviewed, taking into account the qualifications and experience of its personnel and track record. Suppliers’ HSE records and processes, as well as their labour conditions and community impact are also considered.

Supplier diversification
Our efforts to manage procurement to ensure supply chain security include diversifying our suppliers to mitigate concentration risk. For instance, Sembcorp's operations in Singapore maintain at least one primary and one secondary supplier for key spare parts and consumables. Each supplier's sub-contractors and vendors are also vetted in the pre-qualification process to take into account the diversity of their own supply chain.

Fuel procurement
Fuel comprises a significant cost component for Sembcorp's power and steam generation operation. Security of fuel supply is also essential to the sustained performance of our assets. In view of this, we have established a Fuel Management department to focus on fuel supply chain issues such as security of supply, price fluctuations and fuel mix. For example, we have diversified gas supply for our cogeneration plant in Singapore by purchasing both piped natural gas as well as liquefied natural gas. This allows for back-up in case of unforeseen fuel supply disruptions and helps hedge against sudden spikes in the price of either gas source.
Sustainability Report

Innovation

Sembcorp prioritises the building of intellectual assets and a culture of innovation.

Continuous innovation is essential to maintaining our facilities’ efficiency and performance, which in turn directly determines their profitability.

Sembcorp focuses on various aspects of enhancing the performance of its assets, from process optimisation to scanning, evaluating, test bedding and adopting new technologies. The company keeps track of both spending on innovation and associated returns as a means to ensure that investments in technology yield good value for the company.

Sembcorp adopts a multi-pronged approach to driving innovation by encouraging bottom-up proposals from our employees and at the same time, actively monitoring and evaluating external technological developments which may be applied to our operations. Ongoing engagement with venture capitalists, technology companies and tertiary research institutes ensures we are kept abreast of latest technological advancements. We prioritise innovations for our operations’ identified needs, while also considering more general proposals. Once a potential initiative is identified, a stringent evaluation and approval process is applied to determine commercial and technological viability. When a particular technology is chosen for adoption, a clear action plan with regular reports to management is also developed to ensure successful integration of the technology.

Managing Technology and Innovation

Sembcorp’s Technology Advisory Panel, comprising our Chairman, Group President & CEO and other invited experts, provides strategic direction for Sembcorp’s technology and innovation programmes. It oversees the application of significant emergent technologies in the energy and water sectors, and provides guidance to Sembcorp’s leadership on technological trends and opportunities. The panel is supported by an in-house Group Technology department, headed by our Chief Technology Officer.

New income streams

Sembcorp’s Group Business Development & Commercial department is structured and resourced to pursue new business opportunities with agility and focus. Dedicated teams look into growing our businesses in both existing as well as new markets.

To provide a platform for future growth, we identify and develop a healthy pipeline of projects. We also seek to grow through strategic partnerships with our customers, by continuously developing innovative and competitive solutions to meet their evolving needs.

We actively invest in sustainable and green business lines which will give us an edge in an increasingly resource-scarce world. Applying a disciplined approach, we employ a stringent evaluation process for all our projects and investments.

2013 performance

Sembcorp’s financial performance and key Economic indicators can be found in our Group Financial Review chapter and Financial Statements in this annual report.

In 2013, our Group Asset Management department enhanced and streamlined the monitoring of our international business units’ financial and operational performance. Sustainability indicators are a central component tracked, and are included in management’s monthly reports and reviews of each business unit’s performance. To further enhance the reliability and performance of our facilities, a core group of experienced technical specialists was formed to assist in troubleshooting operational and reliability issues, resulting in operational improvements in several of our plants including our operations on Teesside as well as in Chile.

Sembcorp’s investment in BioWater Technology established a strategic new platform for Sembcorp to access, apply, test bed and commercialise technologies that could bring about improved performance and efficiency for our water operations.

In 2013, Sembcorp strengthened its pipeline of new projects to deliver sustainable business performance and long-term growth. For more information on new projects in 2013, please refer to the Significant Events and Operating and Financial Review chapters of this annual report.

Going forward

The Group will continue to maintain a disciplined approach towards managing its financial position and portfolio. We will further deepen our asset management as well as business development and commercial capabilities, to optimise plant performance and grow our asset portfolio for a greater recurring income base.

We will also review our global supply chains, and aim to harmonise our procurement principles globally.

Governance, Risk and Compliance

Well-defined corporate governance policies, processes and systems are essential for the long-term sustainability of our business. Sembcorp aspires to be a best-in-class organisation in governance, risk management and compliance practices. We commit to high standards of behaviour and integrity in everything we do and comply with all laws and regulations wherever we operate. We expect the same of those with whom we do business.

Highlight: Strengthening Governance

Under the Sembcorp Governance Assurance Framework, which is integrated with our Enterprise Risk Management Framework, a logical and systematic approach is used to identify, analyse, treat and monitor key risks identified. The effectiveness of key controls is rated and the rationale for ratings documented to enable management to better identify and manage key control gaps or weaknesses.

Why this is material

Governance and ethical business

We believe that to maintain and grow sustainably, we must commit to the highest ethical practices and governance standards in all our dealings, across all countries we operate in. Responsible business conduct ensures the long-term viability of our business, and builds trust and confidence with stakeholders. Sembcorp has zero tolerance towards fraud, bribery and corruption.
Risk and regulatory compliance

Risk management is integral to Sembcorp’s approach to operating sustainably. We actively equip our management with tools to manage and control risks arising from existing business activities and investment decisions. Risk management helps to preserve our bottom line by reducing the likelihood and impact of potential losses, while providing a common platform for the evaluation of new business opportunities. In addition, risk management provides our board and shareholders the assurance that key enterprise and business risks faced by the organisation have been identified, assessed and managed via appropriate risk mitigation and controls.

Sembcorp is committed to high standards of regulatory compliance, as non-compliance with applicable laws and regulations may subject us to material litigation with severe negative impact on our reputation, financials and our licence to operate.

Management approach

Governance and ethical business

Sembcorp is led by an effective board mainly comprising independent non-executive directors. The board is collectively responsible for the long-term success of the company. Part of its role is to ensure the adequacy of the Group’s control and risk framework and standards, including ethical standards, and that obligations to key stakeholders are understood and met. Several board committees have been established with written terms of reference to assist the board in the efficient discharge of its responsibilities and provide independent oversight of management. Sembcorp complies with the Code of Corporate Governance 2012 issued by the Monetary Authority of Singapore, and reports our governance processes and activities with reference to principles set out in the Code.

Risk and regulatory compliance

Enterprise Risk Management

The Group has an Enterprise Risk Management (ERM) Framework in place. The Group’s risks are managed through reviews of major occurrences and key risk areas at management meetings, risk assessments at the investment appraisal and due diligence stages, monitoring of key risks through a quarterly System of Financial Discipline submission or as required, and reporting of departmental and business unit level risks by all employees via the ERM reporting process and risk committee meetings.

Governance Assurance Framework

Sembcorp adopts a Governance Assurance Framework, which comprises four lines of defence:

i. Business governance / policy management
ii. Management assurance
iii. Independent assurance
iv. Board oversight

For more information on Sembcorp’s governance and risk management systems, please refer to the Corporate Governance Statement and Risk Management and Internal Controls chapter in this annual report.

Training and performance management

The Group provides awareness trainings and workshops on ERM, fraud risk management and business continuity management on a periodic basis. Desktop exercises for crisis management are also conducted.

Remuneration for senior management is tied to risk management and governance performance indicators which are relevant to their roles.

2013 performance

In 2013, following the second phase implementation of our Fraud Risk Management Framework, our subsidiaries finalised individual fraud control plans which are customised to their local and business context. We also expanded our forensic data analysis to overseas operations such as those in China.

During the year, we strengthened our crisis preparedness through a table-top crisis simulation exercise involving our Group President & CEO, senior management and representatives from key business functions taking on different roles in the Group Crisis Management Team.

As part of our continuous review of policies, Sembcorp introduced an updated business continuity management framework and policy that is in line with industry best practice.

During the year we also engaged an external consultant to review and strengthen our Governance Assurance Framework and commenced its implementation at key operations. Significant milestones included updating our current risk register to include a self-assessment of risk-based controls, as well as updating and enhancing the documentation and quality of information on our risk and controls.

Going forward

Sembcorp will continue to strive towards improving our overall risk governance as well as risk management and compliance processes. We plan to roll out enhancements to the Governance Assurance Framework to all our operations progressively to incorporate self-assessment of risk-based controls.

Further, as part of building the right risk culture, regular risk awareness refresher training and risk assessment workshops will be conducted. We will also develop risk-related key performance indicators to instill ownership and accountability among our employees.

People

Employees are one of our most valuable assets. We seek to build a high performance organisation through fair remuneration and rewards, a diverse workforce and internal Controls chapter in this annual report.

Why this is material

People development

Employees play a vital role in achieving our business strategy and goals. To be a high performance organisation, it is crucial to develop a competent, capable and motivated workforce that can meet the business challenges of today and tomorrow.

The nature of our business is such that we require specialist technical expertise. Some of the markets in which we operate lack a qualified labour force with the necessary technical skill sets that our business requires. In other markets, these skill sets are highly sought after across other industries. Additionally, the commercial and regulatory environment where we operate is growing in complexity. Therefore, there is a critical need to attract, retain and develop competent employees who possess a deep understanding of the company and industry.

We believe that the career opportunities and structured development framework we offer are key to attracting, motivating and retaining employees to support our growth.

For more information on our approach and initiatives on labour relations, remuneration and employee welfare and engagement, please refer to the People and Stakeholder Engagement portions in the Sustainability section of our website.

Highlight: Investing in People

In 2013, Sembcorp revised its performance appraisal system and aligned it with the company’s competency framework, comprising both core and functional competencies. Core competencies are based on our company values: Insight, Integrity and Integral. The alignment will promote transparency in what the company expects of our employees, illustrate and translate our values into day-to-day action and practical behaviour and incultate a culture founded on these values.
Sembcorp’s Core Competency Framework

**Role Model**
- Aligns interests of external and internal stakeholders
- Embraces opportunities outside one’s comfort zone and takes charge
- Builds high-performing cross-functional / cultural teams

**Insight**
- Mentions and anticipates industry-specific external and internal developments
- Thinks strategically, broadly and deeply
- Translates insights into decisions, actions, innovations and results

**Integral**
- Mentors, creates space for and empowers people to step up
- Conveys vision, passion and sense of purpose
- Embraces alternative and opposing viewpoints

**Integrity**
- Takes ownership and bears responsibility
- Has courage to do the right thing
- Makes the right trade-offs across competing objectives

**Management approach**

**Human resource policies and structure**
Our human resource management approach is based on the key aspects of strategic workforce planning, promoting our competency framework and creating a development journey for our employees.

The Senior Management Committee, supported by the Group Human Resources department, is responsible for setting key policies relating to our employees.

With our headquarters based in Singapore, the Group subscribes to the Principles of Fair Employment formulated by the Singapore Tripartite Alliance for Fair Employment Practices and has endorsed the Tripartite Alliance’s Employers’ Pledge of Fair Employment Practices. These principles are implemented by Sembcorp on a global level. Sembcorp fully supports the basic principles of human rights and has embedded these principles throughout the Group through policies such as our human rights and has embedded these principles throughout the Group through policies such as our

**People development**
People development is a key focus of our company’s strategy, and is driven at the board level by the Executive Resource & Compensation Committee. Sembcorp developed the My Career Journey @ Sembcorp framework to undergird our people development initiatives. It encompasses three aspects:

i. **Strategic workforce planning**
Precise growth areas within Sembcorp are mapped, allowing us a clear picture of skills and capabilities required and helping us ensure that the right people are in the right jobs, and can be deployed in the right locations.

ii. **Competency framework**
The competency framework spells out the competencies and behaviours expected of a Sembcorp employee. The framework is deployed through recruitment, assessment, development and career progression.

iii. **Development journey**
Employees are developed through on-the-job learning, exposure and formal training delivered through the Sembcorp Enablement Centre, as well as a mentorship programme for high-potential employees.

The framework aligns the development of the organisation and individuals, addressing both organisational needs and employee aspirations.

**Performance appraisals**
All employees undergo half-yearly performance appraisals, where performance against expectations, training needs and expectations for the coming year are discussed and agreed upon by employee and supervisor. As assessment of core competencies and areas for improvement is embedded in the appraisal format, the performance appraisal also helps to inculcate our core values in every employee, and provide clarity on the competencies and functional skills needed for their development.

**Comprehensive training programme**
To prioritise training and development, supervisors are responsible for developing employees and ensuring the availability of a skilled workforce.

Our engineers and technicians receive up-to-date technical training by experts. All employees are also encouraged to attend professional courses relevant to their roles.

We offer employees the opportunity to develop their careers and gain international exposure through job rotations and attachments in different cultural and operational settings. We currently have more than 50 employees of different nationalities seconded from our offices to various overseas operations. Internships and industrial attachments also provide students and Sembcorp scholars with practical experience and exposure to our operations while they undergo their studies.

We support our employees in their pursuit of continuous improvement and higher qualifications and also sponsor selected employees who wish to pursue higher qualifications in fields of study relevant to their work.

As an industry leader in various sectors, Sembcorp encourages our employees to share and exchange best practices through platforms such as seminars, roadshows and conferences on a local and international basis.

**Developing local capability**
We believe in recruiting and retaining local talent as a long-term investment and strategy for our operations. This facilitates knowledge transfer and capability development of the local community.

All employees are given the same development opportunities across the Group, and at our overseas operations, local employees are also encouraged to develop their professional and managerial skills through international exposure, such as on-the-job training in Singapore or other Sembcorp operations around the world.

Through a planned and progressive approach, targets are set to localise management positions in our overseas operations within the context of each country’s regulatory and operating environment.

**Executive and leadership development**
The Sembcorp Core Competency Framework provides a clear definition of the values and functional competencies expected of a Sembcorp leader.

To develop our leaders, the company sponsors senior executives to undergo programmes at leading institutes such as Harvard Business School, INSEAD and the Temasek Business Leadership Centre. Sembcorp scholarships are also offered to promising students at various tertiary institutions, following which a comprehensive development plan is mapped out to groom them for management positions.
2013 performance

Employee Turnover (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>8.5</td>
<td>10.8</td>
<td>12.4</td>
</tr>
</tbody>
</table>

Employee turnover increased from 2011 to 2012 with the inclusion of Sembcorp Utilities (Netherlands), which was acquired in 2010. Sembcorp Utilities (Netherlands) operates largely in China, South Africa, Chile and Panama, where expenses, including training costs, are relatively lower. Training was focused on on-the-job training to facilitate integration of the business following the acquisition.

Training Cost Per Employee Per Year ($)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>840</td>
<td>407</td>
<td>569</td>
</tr>
</tbody>
</table>

Our training cost per employee decreased in 2012 due to the inclusion of Sembcorp Utilities (Netherlands) which was acquired in 2010. Employee turnover increased from 2011 to 2012 with the inclusion of Sembcorp Utilities (Netherlands), which was acquired in 2010, as well as the inclusion of companies under Sembcorp Environment, for which turnover is higher due to the nature of the industry.

All People data relates to Sembcorp’s permanent employees. For more performance data, please refer to the People portion of the Sustainability section of our website.

Going forward

In 2014, we will continue the progressive roll-out of our revised performance appraisal to our different operations. We will also continue to refine our mentorship programme and pursue localisation targets in our recruitment and people development practices.

Health, Safety and Environment

Sembcorp is committed to embedding health and safety management as part of our workplace culture. We are also committed to limiting the impact of our activities on the environment.

We regard the health and safety of our people as top priority, and exercise our duty of care by providing a working environment that exceeds regulatory obligations for our employees and others who work or visit our premises. We are also committed to enforcing safe working practices within our sphere of influence.

As a provider of essential utilities, Sembcorp’s businesses are inextricably tied to environmental issues. We recognise our role as a key player in the utilities sector, and the emerging challenges and risks faced by our businesses. We acknowledge that one of the biggest environmental challenges is in meeting industry and households’ growing demand for energy, whilst managing greenhouse gas emissions and other resulting environmental concerns, as well as ensuring security and cost-competitiveness of supply. We believe that we can help to meet this challenge with innovative solutions.

Environmental stewardship is an integral part of our operations philosophy. We recognise the importance of environmental issues as key risks that may affect our businesses, especially in light of increasing legal requirements with respect to emissions and discharges and the reality of increasing water scarcity. As a responsible corporate citizen, we seek to minimise our environmental impacts by continuously ensuring the effectiveness of our HSE management practices and focusing on reduction at source.

Why this is material

Occupational health and safety

Occupational health and safety is of paramount importance to us. Effective occupational health and safety management prevents and mitigates health and safety-related incidents, protects our workforce and helps to reduce disruption to our operations. It also ensures compliance with applicable laws and regulatory requirements in all the countries we operate in.

Climate change and energy efficiency

Our businesses are exposed to potential regulatory, physical and supply risks related to climate change, and as a company we also recognise the threat that climate change presents to the planet. We adhere to and support common policy positions adopted by governments on climate change, whilst keeping abreast of the wider body of academic and institutional research related to the subject. In 2013, the Singapore government introduced the Energy Conservation Act as part of a nationwide plan to improve the nation’s energy intensity levels. All our relevant units are fully prepared for the requirements of this new Act.

We believe that our businesses can leverage innovative technology and renewable resources to provide competitive and reliable energy and water to customers and communities, while mitigating the impact of climate change.

Environmental protection

Sembcorp recognises its duty to conserve the natural environment and resources whilst going about its businesses. Our businesses consume primary resources and it is in these areas that our responsible stewardship can have the greatest impact.

Management approach

HSE management is embedded alongside compliance with legal and regulatory requirements in Sembcorp’s
work processes applicable to all phases of our business – from business development and project development, to asset management. We strive for continuous improvement in our HSE performance, and apply an integrated management approach in accordance with the Plan-Do-Check-Act methodology:

**Plan-Do-Check-Act Methodology**

**Sembcorp’s HSE Strategy**

**Leadership commitment**
- Board-level oversight
- HSE initiatives led by senior management

**Continuous improvement**
- Through implementation of key HSE requirements and standardisation of management systems

**Effective communication**
- Reinforce HSE processes through effective communication

**HSE policy and guidelines**
Sembcorp’s Group HSE Policy articulates our commitment to our stakeholders with respect to HSE. The Group HSE Policy is available in the Sustainability section of our website.

The Group HSE guidelines outline the roles and responsibilities of the relevant departments and business units, in line with the Group HSE Policy. The guidelines are endorsed by the board’s Risk Committee. Business units under the management and operational control of Sembcorp must comply with the requirements set out in the HSE guidelines, and must monitor performance relating to standardised key HSE indicators based on our 4/0 targets. The 4/0 targets refer to: zero harm to people, zero damage to the environment, zero damage to assets and zero non-compliance with legal and regulatory requirements.

The Group HSE department coordinates our global HSE efforts across our business units and establishes HSE reporting structures. It works closely with regional HSE coordinators to ensure the effective and timely management of HSE issues across the Group.

Sembcorp encourages the implementation of internationally recognised HSE management systems across our operations. For detailed disclosure of certifications achieved by Sembcorp’s businesses, please refer to the Awards, Memberships and Certification portion of the Sustainability section of our website.

**Training and audits**
Adequate and relevant training is key to improving our HSE performance. Training needs arise from various situations, including new appointments, legal and/or regulatory requirements, as well as risk control and business needs. These needs are identified and the appropriate training implemented.

The Group HSE department also organises an annual one-day global workshop. The workshop updates business units on our HSE priorities and facilitates the sharing of best practice case studies across a range of topics, including technical performance and cross-cultural HSE management. This helps our business units to learn from one another and improve their HSE performance, and supports their planning of the following year’s goals and initiatives.

Periodic HSE cross-audits are also conducted for our various overseas operations to ensure compliance and promote continuous improvement.

**Occupational health and safety**
We are committed to the prevention and reduction of workplace injuries and occupational illnesses through the active management of risks associated with our activities and services. The Group HSE guidelines require our business units to have in place programmes to manage occupational health hazards and the risk of occupational illnesses. Examples of these programmes include promoting better ergonomics in manual handling for field operators and professional occupational counselling for employees diagnosed or suspected to be at risk of noise-induced hearing loss.

**Project and asset life cycle risk assessment and prevention**
As risk assessment is the cornerstone of effective health and safety management, we seek to ensure that all hazards have been identified and their risks assessed at all relevant stages of the project and asset life cycle: from pre-bid due diligence study, to design, construction, operation and decommissioning phases.

We implement suitable control systems, such as engineering safeguards (including guards, interlocks, and local exhaust ventilation) and procedural safeguards (including permits to work, adequate training and supervision) to prevent harm to people and equipment at the point of risk. We emphasise the importance of providing and maintaining adequate workplace controls throughout the entire operation process.

**Climate change and energy efficiency**
As a global energy player, we recognise that investing in energy efficiency and renewable and low-carbon technologies not only helps manage emissions, but also makes business sense. We are committed to setting achievable energy efficiency and renewable energy targets, and developing strategies to mitigate the impact of our operations on the environment.

We adopt a four-pronged approach to climate change and energy efficiency:

i. **A diversified generation portfolio**
Sembcorp aims to maintain and develop a diverse generation portfolio of thermal and renewable energy sources, comprising gas, coal, biomass, energy-from-waste and wind. We apply a range of technologies, including combined cycle gas turbine, wind energy generation and combined power and desalination. This enhances our management of risk and fuel cost, and ultimately helps us stay competitive.

ii. **Energy and cost-efficient power and water facilities**
Sembcorp maintains highly efficient, state-of-the-art energy facilities, including renewable power and steam generation plants, as well as advanced water and wastewater treatment plants. We incorporate energy efficiency considerations across the design, operation and maintenance phases for our facilities. We also ensure the technical integrity of facilities and installations through effective maintenance programmes and proactive asset management initiatives. This includes the regular review of our operating efficiency and implementation of energy efficiency programmes.
iii. Engaging with stakeholders
By actively engaging policy makers, academic institutions, industry peers and customers, Sembcorp keeps abreast of developments pertinent to climate change. Our Group President & CEO serves as a director and member of the governing board of the Cambridge Centre for Advanced Research in Energy Efficiency in Singapore, a research centre set up to study carbon assessment and abatement for the petrochemical industry. He is also a member of Singapore’s Climate Change Network, a multi-sector network spearheaded by the National Climate Change Secretariat for dialogue on climate change issues. Our Group Technology department collaborates with academic and research institutions, technology suppliers and end users to develop and continuously improve our processes, ensuring the optimisation of our facilities.

iv. Growing our renewable energy portfolio
As part of maintaining a balanced portfolio of assets, we aim to grow our renewable energy portfolio to 10% of our total generation mix. We place significant focus on expanding our renewable and low carbon intensity energy portfolio and will explore opportunities to do so via acquisitions or organic growth.

Our current renewable energy facilities include biomass and EfW operations in the UK and Singapore, and wind power assets in China. To date, Sembcorp has around 380 megawatts of our current renewable energy facilities, and will explore opportunities to do so.

Growing our renewable energy portfolio
Sembcorp’s facilities are able to effectively treat multiple streams of industrial wastewater to meet effluent discharge standards, including effluent with a wide-ranging chemical oxygen demand and salinity.

Our comprehensive water sampling and testing regime ensures consistent compliance with such standards.

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The Group HSE department also embarked on streamlining its environmental performance reporting to focus on four material aspects relating to our Utilities business and solid waste management operations: energy, water, waste, emissions and effluents. Communication of requirements was conducted across the business units via roadshows to ensure the reporting expectations of the environmental aspects are consistent with the Group’s HSE reporting requirements.

Our NOx emission was 2,436.5 tonnes and our sulphur oxide (SOx) emission was 2,368.1 tonnes in 2013.

Water discharge in 2013 amounted to 712.4 million cubic metres.

During the year, our operations in Nanjing reported three environmental non-compliance incidents which resulted in fines. These incidents were in relation to local regulatory restriction on disposal of sludge from our industrial wastewater treatment process. To avoid recurrence, we will be implementing a post-treatment system for sludge in the first half of 2014.

Our corporate office demonstrated its commitment towards energy efficiency and sustainability by conducting a comprehensive Green Mark gap analysis and energy audit by Singapore’s Building and Construction Authority for the office premises of our global headquarters at 30 Hill Street. Targeted for completion in the second quarter of 2014, the study will evaluate the building’s current energy and water efficiency, and present opportunities for establishing energy and cost saving objectives and goals.

For more information on our HSE performance, please refer to the HSE portion of the Sustainability section on our website.
Sustainability Report

Going forward
Sembcorp aims to improve its HSE performance through three key initiatives:

i. Strengthen internal mechanisms
   We aim to strengthen our HSE management by facilitating the implementation of the HSE guidance documents through extensive programmes and campaigns. We will:
   - Formalise HSE audit plans to ensure conformance
   - Facilitate the external assurance of the Group’s environmental management by requiring all business units bearing environmental risks to be ISO14001:2004 certified
   - Strengthen the development of HSE competencies to support Sembcorp’s growing businesses, by identifying and meeting training needs
   - Improve environmental risk screening procedures to anticipate and manage greenfield projects at the construction phase.

ii. Adopt best-in-class practices and initiatives
   We will continuously review industry best practice with a view to improving our processes and performance.

iii. Develop a holistic strategy
   We aim to develop a holistic organisational strategy to address the challenges and implications of climate change.

Community
With operations across six continents, we recognise the value of doing business responsibly, while contributing positively to our communities. We believe that managing the impacts of our operations and supporting the communities we are in is important for long-term success.

Why this is material
Community integration
Sembcorp provides solutions that are essential to everyday life. We view our support and contribution to our host communities as a part of our licence to operate. We are therefore committed to assessing and responsibly managing our impact, as well as investing in the local communities.

Management approach
The needs of one community can be very different from another’s, and it is our belief that our local operations will be in the best position to understand those needs and partner local stakeholders to help address them. Community integration is therefore managed at the local level, with the Group providing tools, frameworks and guidelines to ensure consistency and acceptable standards in assessment, engagement and development plans.

Sembcorp’s global Corporate Social Responsibility (CSR) Framework establishes a strategic and consistent approach for our investments. We focus on fostering environmental stewardship as well as improving the living standard and quality of life of the communities we are in.

Highlight: Contributing to the Community
Sembcorp is developing its fifth Vietnam Singapore Industrial Park (VSIP) as well as a power plant in Quang Ngai, central Vietnam. Many schools and villages in the province do not have proper water infrastructure, and lack clean water for daily use. Working with the Quang Ngai provincial government, Sembcorp will provide clean water through the Sembcorp-VSIP Water Initiative together with its joint venture company VSIP. The first phase of this initiative will provide clean water to over 14,000 people in villages across 10 sites in the province.

Environment
We are committed to fostering environmental stewardship in our community through contributions to sustainability and environmental initiatives.

Community
We are committed to improving the living standard and quality of life of the community, such as through providing access to energy and water, social welfare and education.

Our CSR Framework also aligns the tracking and reporting of our community contributions to guidelines set by the London Benchmarking Group. This allows us to account for our total community giving using standard definitions and valuations, ensuring that contributions recorded are meaningfully spent on community investment activities.

Assessing and responsibly managing our impact on local communities is key to successful community integration and acceptance. Environmental impact studies are carried out in accordance with national and/or international standards and methodologies for new major projects and expansions. Some of these studies include social impact assessments and social management plans which are implemented through the various stages of the site’s development.

We seek to nurture open communication in the communities we operate in. At our local sites, various communication platforms including community liaison panels and meetings, telephone and email exchanges are utilised to connect with our communities.

2013 performance
We expanded our ongoing commitment to support our businesses’ local communities through community investments, as well as development programmes. We contributed close to $1.8 million during the year across our global operations. The contributions supported numerous initiatives including youth development, environmental and water conservation education, as well as apprenticeship and job training programmes.

In 2013, 58% of our operations had local community engagement and/or development programmes. For more information on our community initiatives, please refer to the Sembcorp in Our Communities page on our website.

The launch of our global CSR Framework in 2012 has resulted in driving greater strategic focus in our community investments.