

# Investor Relations

**At Sembcorp, we are committed to ensuring that all capital market players have easy access to clear, reliable and meaningful information on our company in order to make informed investment decisions.**

In the context of constantly-evolving disclosure, transparency and corporate governance requirements, we aim to provide investors with an accurate, coherent and balanced account of the Group's performance and prospects. Sembcorp has a dedicated investor relations team and communicates with the investing public through multiple platforms and channels. These include group briefings to analysts, investors and the media; one-on-one meetings with shareholders and potential investors; investor roadshows; facility tours as well as the investor relations section of our company website.

## Proactive Communication with the Financial Community

During the year, senior management and the investor relations team continued to engage the financial community. We held one-on-one and group meetings with shareholders, analysts and potential investors and participated in international investor conferences and roadshows. These included meetings during non-deal roadshows in Singapore, London and Toronto, led by our new Group President & CEO, Mr Neil McGregor. We also attended the Credit Suisse's annual Asian Investment Conference in Hong Kong.

Sembcorp constantly strives to strengthen its investor relations efforts and we are pleased that our efforts in this regard have been recognised. In 2017, we won the silver award for Best Investor Relations at the Singapore Corporate Awards, under the category for companies with S\$1 billion and above in market capitalisation. Sembcorp's investor relations website was also found to be the best amongst large-cap companies, in the first-ever survey assessing 707 investor relations websites of Singapore-listed companies. The survey was conducted by the Investor Relations Professionals Association (Singapore) and EQS Group.

## Commitment to Good Corporate Governance

Sembcorp won several other awards in 2017, a strong endorsement of the company's excellence in corporate governance and transparency. In addition to the silver award for Best Investor Relations, Sembcorp clinched the silver award for Best Annual Report at the Singapore Corporate Awards in 2017 under the category of large-cap companies with S\$1 billion and above in market capitalisation. At the SIAS 18<sup>th</sup> Investors' Choice Award 2017, Sembcorp also emerged runner-up for the Singapore Corporate Governance Award (Industrials).

We continue to rank among the top companies in Singapore for good corporate governance and transparency. We were the sixth-highest ranked company in the 2017 edition of the Singapore Governance and Transparency Index, Singapore's leading index assessing corporate governance practices of listed companies. The Singapore Governance and Transparency Index is a collaboration between CPA Australia, the Centre for Governance, Institutions and Organisations at National University of Singapore Business School, and the Singapore Institute of Directors. It compares the transparency of 606 Singapore-listed companies based on their annual financial announcements.

## Total Shareholder Return

Sembcorp Industries' last traded share price in 2017 was S\$3.03 and the company ended the year with a market capitalisation of S\$5.4 billion. The company's share price averaged S\$3.12 during the year, registering a low of S\$2.86 in January and a high of S\$3.40 in November. Daily turnover averaged 3.6 million shares.

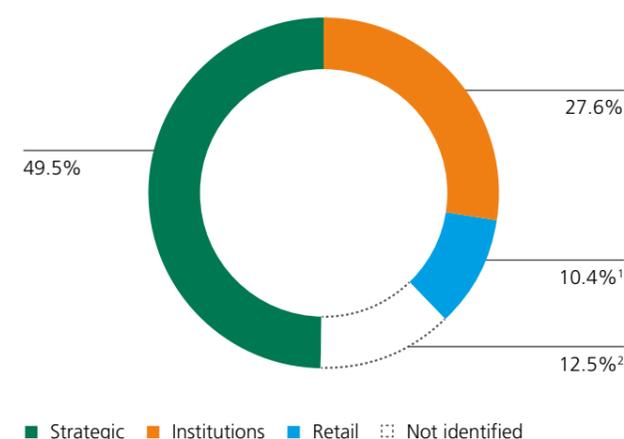
In 2017, Sembcorp Industries' total shareholder return for the year was a positive 9% compared to a negative 3% in 2016. However, this was lower than the Straits Times Index's 22%, which saw the good performance of the banking and property sectors, and the MSCI Asia Pacific ex-Japan Industrials Index's 13%, which reflected stronger economic growth in the region.

Sembcorp remains committed to delivering shareholder value amidst difficult operating conditions. For the financial year 2017, an interim dividend of 3 cents per ordinary share was declared and paid to shareholders in August 2017. In addition, a final dividend of 2 cents per ordinary share has been proposed, subject to approval by shareholders at the coming annual general meeting to be held in April 2018. Together with the interim dividend, this would bring our total dividend for 2017 to 5 cents per ordinary share.

## Shareholder Information

In 2017, institutional shareholders as a group continued to dominate Sembcorp's shareholder base. Other than our major shareholder Temasek Holdings, which held 49.5% of our shares at the end of 2017, institutional shareholders accounted for 27.6% of our issued share capital or around 55% of free float, while retail shareholders<sup>1</sup> and shareholders not identified<sup>2</sup> held 22.9% of issued share capital or around 45% of free float. In terms of geographical spread, excluding the stake held by Temasek Holdings and shareholders not identified, our largest geographical shareholding base was North America with 38%, followed by shareholders from Europe and Asia, which accounted for 30% and 27% of the shares respectively.

### Share Ownership by Investor Category



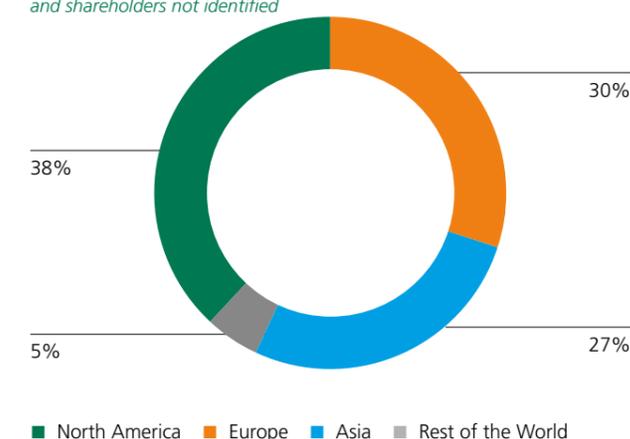
As at December 31, 2017

<sup>1</sup> Retail shareholders include private investors, brokers, custodians and corporates

<sup>2</sup> Shareholders not identified include mainly shareholders that fall below the threshold of 250,000 shares

### Share Ownership by Geographical Distribution

Excluding shares held by the strategic shareholder and shareholders not identified



As at December 31, 2017