

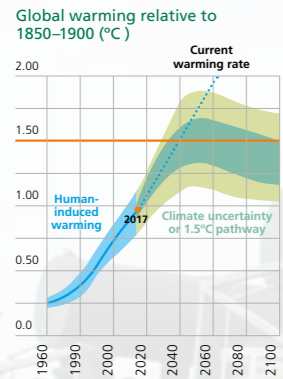
Repositioning Sembcorp

We are repositioning for success in a rapidly changing world, building strong businesses that create value for our stakeholders and support a sustainable future.

Our World

Climate Change

Climate change is becoming a more pressing issue, and urgent action is needed to combat its impact.



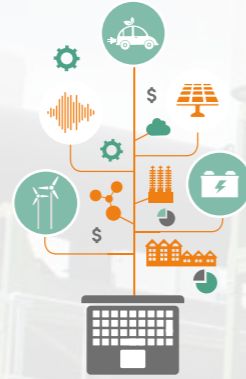
Sustainable Development

Growing recognition of the reality of climate change and increasing pressure on finite resources has underscored the importance of sustainable development.



Market Disruption

Fast-changing trends, advances in technology and new business challenges are creating disruptions and opportunities in the marketplace.

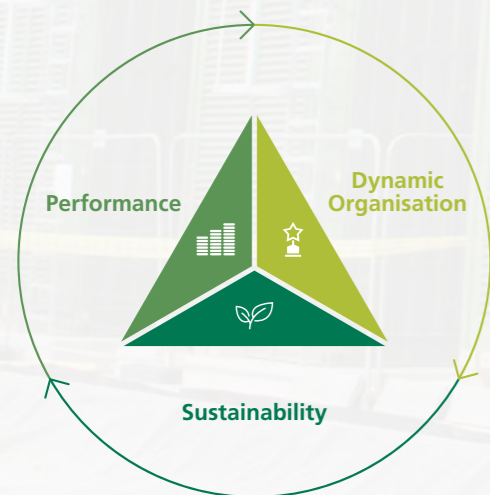


Technological Advancement

Digitalisation and technological advancement are disrupting and transforming almost every sector and fundamentally changing the way we live, work and operate.



Our Strategy



Read more on pages 24 and 25

Our Transformation Journey



Our Priorities

Our Progress

Performance		Utilities	Marine	Urban Development
Lifting Performance and Returns	<ul style="list-style-type: none"> Profit growth of 123% from 2017, up 23% excluding exceptional items India turnaround to profitability 	<ul style="list-style-type: none"> Work volume significantly below peak levels and competition remained intense 	<ul style="list-style-type: none"> Net profit up 4% from 2017, second year of record earnings Record net orderbook secured, up 69% from 2017 	
Reshaping Portfolio	<ul style="list-style-type: none"> Deepening presence in key markets of Singapore, India and the UK, notably in the gas & power, renewables and flexible generation businesses 	<ul style="list-style-type: none"> Moving up the value chain with entry into new product segments, such as renewable energy engineering solutions 	<ul style="list-style-type: none"> Pursuing adjacencies and offering new business models such as specialised business hubs and smart developments 	
Strengthening Balance Sheet	<ul style="list-style-type: none"> Unlocking value through divestments: cash proceeds of ~\$200 million in 2018 			
Sustainability				
Establishing Climate Change Strategy	<ul style="list-style-type: none"> A climate change strategy was established with targets that include <ul style="list-style-type: none"> Reducing greenhouse gas (GHG) emissions intensity to 0.42 tonnes of carbon dioxide equivalent per megawatt hour (tCO₂e/MWh) by 2022 and to <0.40 tCO₂e/MWh by 2030 Increasing renewables capacity to ~4,000 megawatts by 2022 			
Growing Renewables and Other Green Solutions	<ul style="list-style-type: none"> Renewable energy capacity now 2,600 megawatts, up ~20% from end-2017; entry into battery storage 	<ul style="list-style-type: none"> A leading solar player in Singapore with over 20 megawatt peak capacity 	<ul style="list-style-type: none"> More than 1,700 megawatts of renewable energy capacity in India; first to deliver a SECI wind project 	
Embedding Sustainability in the Organisation	<ul style="list-style-type: none"> New Key Performance Indicator Framework incorporates Environmental, Social & Governance (ESG) components 			
Dynamic Organisation				
Building and Deepening Capabilities	<ul style="list-style-type: none"> Building leadership bench strength <p>Augmenting Capabilities:</p> <ul style="list-style-type: none"> Merchant & Retail Digital & Technology Risk Management & Compliance 			
Digitalising and Entrenching Innovation	<ul style="list-style-type: none"> Establishing a strong and secure IT foundation 	<ul style="list-style-type: none"> Digitising the business to improve efficiency, productivity and customer experience 	<ul style="list-style-type: none"> Embedding innovation in our business by developing differentiated solutions 	