

HIGHLIGHTS OF ACHIEVEMENTS IN 2023

In 2023, we divested our offshore and marine business and shed our conglomerate structure to become a global asset manager and operator.

1 Accelerate Business Transformation

Growing Fund Management and Investment Platforms

- Announced strategic acquisition of leading European asset manager Aermont Capital.
- Achieved Funds Under Management (FUM) of \$55 billion by end-2023¹, with a pro-forma FUM of \$79 billion including Aermont Capital's FUM^{1,2}.
- Raised about \$2.3 billion in equity, completed \$2.5 billion in acquisitions and divested \$0.5 billion of assets.
- Continued to make good progress on fund initiatives, including closings for the Keppel Core Infrastructure Fund and the China-focused Sustainable Urban Renewal programme.

Scaling Up in Vision 2030 Growth Areas

- Expanded business in renewables, clean energy and environmental solutions, and secured \$1.6 billion of Energy-as-a-Service contracts in 2023.
- Pioneering utility-scale power interconnection in ASEAN, and expected to contribute 1.3 GW out of Singapore's 4 GW low-carbon electricity importation target.
- Broke ground for Keppel Sakra Cogen Plant, Singapore's first hydrogen-ready power plant.
- Grew portfolio of renewable projects to 4 GW³ from 2.6 GW at end-2022.

- Developed Real Estate-as-a-Service offerings, implementing sustainable urban renewal initiatives in eight projects across Asia Pacific and launched Sindora Living, Keppel's senior living brand and operating platform for Asia, as well as its first assisted living community in Nanjing, China.
- Driving development of energy-efficient data centres with proposed 1 GW Datapark+ and Floating Data Centre Module.
- Making good progress on the Bifrost Cable System, with cable laying operations about 50% completed as at end-2023.
- M1 transforming into a cloud native connectivity platform, with all mass consumers migrated onto new digital platform, and growing enterprise revenues.

Simplifying and Focusing Our Business

- Completed divestment of offshore and marine business.
- Shed conglomerate structure to become one integrated company, with a new governance model and harmonised processes, as well as centralised and optimised support functions.
- Renamed Keppel Corporation as Keppel Ltd. to signal the start of a new chapter with effect from 1 January 2024.

Outperforming Asset Monetisation Targets

- Announced asset monetisation of about \$5.4 billion since 4Q 2020, including \$947 million announced in 2023.
- Exceeded upper range of \$3-\$5 billion asset monetisation target ahead of schedule.
- \$4.1 billion cash released as at end-2023.

Building a Tech-Enabled Company

- Accelerating Keppel-wide digitalisation initiatives, such as the establishment of a data lake providing reliable data to accelerate decision making.

¹ Gross asset value of investments and uninvested capital commitments on a leveraged basis to project fully-invested FUM.

² Assumes that the acquisition of the first 50% stake in Aermont Capital was completed on 31 December 2023.

³ On a gross basis and includes projects under development.

⁴ Excluding discontinued operations and loss from the dividend *in specie* of Keppel REIT units, ROE improved to 9.3% in FY 2023 from 7.3% in FY 2022.

⁵ Amounted to \$2.19, rounded to the nearest two decimal places; calculated based on a division of (a) the cash equivalent amount of the dividend declared by the Company of \$3,845 million, by (b) the Company's issued and paid-up share capital as at the Record Date of 1,751,959,918 Keppel Shares (excluding treasury shares).

⁶ Based on the closing market price of \$0.835 per Keppel REIT unit on 6 November 2023, the cash equivalent amount of the dividend declared by the Company was \$294 million, equivalent to \$0.167 per share.

2 Drive Financial Performance

Net Profit

\$4.1b

more than quadruple of \$927 million in FY 2022

Recurring Income

\$773m

comprising 88% of net profit from continuing operations; 54% higher compared to \$503 million in FY 2022

Gearing

0.90x

at end-2023, compared to 0.78x at end-2022

ROE

37.9%⁴

compared to 8.1% for FY 2022

Total Dividend

\$2.70

dividend per share, comprising 34 cents cash dividend and \$2.36 dividends *in specie* of Sembcorp Marine shares⁵ and Keppel REIT units⁶, compared to 33 cents per share for FY 2022

3 Develop Human Capital

Continue Staff Engagement and Development

- Ranked one of the World's Best Employers 2023 by Forbes and World's Best Companies 2023 by TIME.
- Certified by Top Employers Institute as a Top Employer in Singapore and China for the fifth and second consecutive years, respectively.
- Recognised as one of Vietnam's Best Workplaces 2023 by the Great Place to Work Institute.
- Achieved strong engagement score of 86% amidst transformation, higher than 2022 (84%) and above Mercer's global norm (80%). Significantly improved Employee Net Promoter Score of 24, up from 3 in 2022.
- Achieved average of more than 23 training hours per employee, higher than the target of 20 hours.

Enhance Succession Planning

- Met succession planning targets for identified critical positions.

4 Enhance Governance, Compliance, Risk Management and Safety

Governance

- Augmented Board's skills, knowledge, experience and diversity with appointment of new independent director with global experience in alternative private fund investments.
- Passed ISO 37001 surveillance audits as well as maintained ISO 37001 certification across all in-scope entities.
- Conferred the Gold Award at the Singapore Corporate Awards for having the Best Managed Board among listed companies with a market capitalisation of \$1 billion and above.

Compliance and Risk Management

- Enhanced risk assessments to include macro-economic and topical risks.
- Tracked risks related to Keppel's transformation and enhanced measures to manage key transformation-related risks.
- Established Suspicious Transaction Reporting Framework to strengthen Anti-Money Laundering controls across Keppel.
- Established Artificial Intelligence (AI) Governance and Data Governance frameworks to manage the rising risks associated with the use of AI within Keppel, and to promote standards for how data is used, managed and protected.
- Conducted financial impact assessment of climate-related physical risks for key assets across different climate scenarios.

Safety

- Achieved zero fatalities across global operations.
- Received two Workplace Safety and Health Performance Awards (Silver).

5 Champion Sustainability

Work Towards ESG Goals, Including Carbon Emissions Reduction Targets¹

- Received the President's Award for the Environment, the highest environmental accolade for individuals, educational institutions and organisations that have made outstanding contributions towards the environment and sustainability, as well as building a climate-resilient future for Singapore.
- Named winners in the Singapore Corporate Sustainability Award (Big Cap) at the SIAS Investors' Choice Awards 2023 and the Sustainable Solutions category at the Singapore Apex Corporate Sustainability Awards 2023, organised by UN Global Compact Network Singapore.
- Continued to be included in the DJSI World and Asia Pacific Indices; maintained MSCI AAA ESG rating.
- Continued to work on reducing Scope 1 and 2 carbon emissions, as well as waste and water.
- Tracking all 15 relevant categories of Scope 3 emissions and working with value chain and portfolio of investments to enhance energy efficiency and reduce emissions where possible.
- Unveiled new Keppel-wide Diversity, Equity and Inclusion Policy.

Make a Positive Impact on the Community Volunteers

- Completed more than 11,000 hours of community service, exceeding target of 8,000 hours.

Social Investments & Industry Advancement

- \$4.3 million contributed to social investment spending and industry advancement.



FOCUS AREAS IN 2024



Accelerate Vision 2030 Transformation and Growth as Global Asset Manager and Operator

- Work towards FUM targets of \$100 billion by 2026 and \$200 billion by 2030.
- Complete Phase 1 of proposed acquisition of Aermont Capital.
- Deliver strong performance across segments.
- Continue efforts to reach \$10-\$12 billion in cumulative asset monetisation by end-2026.
- Work towards attaining \$60-\$70 million in savings from synergy capture by end-2026.
- Continue digitalisation efforts to support business transformation.



Drive Financial Performance

- Achieve Vision 2030 financial targets, including mid- to long-term ROE target of 15%.
- Grow recurring income.
- Maintain net gearing below 1.0x.



Develop Human Capital

- Continue to deepen staff engagement.
- Develop talent pool and grow capabilities in line with Vision 2030 transformation.
- Enhance succession planning.



Enhance Discipline & Controls

- Ensure strong governance, risk management, compliance, controls and safety standards.
- Continue to execute Zero Fatality Strategy.



Champion Sustainability

- Work towards ESG goals, including long-term carbon emissions reduction targets.
- Make a positive impact on the community.

¹ Further details will be provided in Keppel's Sustainability Report to be published in May 2024.