



## **INDEPENDENT PRACTITIONER'S LIMITED ASSURANCE REPORT ON SUSTAINABILITY INFORMATION OF SEMBCORP MARINE LTD**

### **Attention to the Board of Directors of Sembcorp Marine Ltd**

We have been engaged by Sembcorp Marine Ltd (the “Company” or “SCM”) to undertake a limited assurance engagement in respect of the selected sustainability information from the 2021 Sustainability Report of the Company described below for the year ended 31 December 2021 (“the Identified Sustainability Information”).

### **Identified Sustainability Information**

The respective Identified Sustainability Information for the year ended 31 December 2021 is set out below:

- GRI 201-1: Direct economic value generated and distributed
- GRI 205-2: Communication and training about anti-corruption policies and procedures
- GRI 206-1: Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices
- GRI 301-1: Materials used by weight or volume
- GRI 302-1: Energy consumption within the organisation
- GRI 305-1: Direct (Scope 1) GHG emissions
- GRI 305-2: Energy indirect (Scope 2) GHG emissions
- GRI 306-3: Waste generated
- GRI 307-1: Non-compliance with environmental laws and regulations
- GRI 401-1: New employee hires and employee turnover
- GRI 401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees
- GRI 404-2: Programmes for upgrading employee skills and transition assistance programmes
- GRI 404-3: Percentage of employees receiving regular performance and career development reviews
- GRI 405-1: Diversity of governance bodies and employees
- GRI 406-1: Incidents of discrimination and corrective actions taken
- GRI 408-1: Operations and suppliers at significant risk for incidents of child labour
- GRI 409-1: Operations and suppliers at significant risk for incidents of forced or compulsory labour
- GRI 413-1: Operations with local community engagement, impact assessments, and development programmes
- GRI 416-1: Assessment of the health and safety impacts of product and service categories

Our assurance engagement was with respect to the year ended 31 December 2021. We have not performed any procedures with respect to (i) earlier periods and (ii) any other elements included in the Company's 2021 Sustainability Report, and in the annual report, website and other publications, and therefore do not express any conclusion thereon.

### **Reporting Criteria**

The Identified Sustainability Information has been assessed against the Global Reporting Initiative ("GRI") Sustainability Reporting Standards 2020 ("the Reporting Criteria").

### **Management's Responsibility for the Identified Sustainability Information**

Management of the Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Reporting Criteria. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

### **Practitioner's Independence and Quality Control**

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standard on Quality Control 1 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.

## Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We performed our limited assurance engagement in accordance with Singapore Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Identified Sustainability Information, Singapore Standard on Assurance Engagements 3410 – Assurance Engagements on Greenhouse Gas Statements (“SSAE 3410”) (collectively the “Standards”). These Standards require that we plan and perform our work to form the conclusion about whether the Identified Sustainability Information is free from material misstatement. The extent of our procedures depends on our professional judgment and our assessment of the engagement risk.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Reporting Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures selected included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, we also performed the following:

- interviewed management and personnel in Legal & Corporate Secretariat, Compliance, Human Resources (including Organisation Design, Training & Development, and Sub-Contractor Management), Operations (including Health, Safety & Environment, Production (Yard Operation Support, and Piping)), Document Control Unit, Procurement, Engineering Design (Compliance), and Sustainability Secretariat in relation to the Identified Sustainability Information;
- obtained an understanding of how the Identified Sustainability Information is gathered, collated and aggregated internally;
- performed limited substantive testing, on a selective basis, of the Identified Sustainability Information (i) to verify the assumptions, estimations and computations made in relation to the Identified Sustainability Information; and (ii) to check that data had been appropriately measured, recorded, collated and reported, to the extent we considered necessary and appropriate to provide sufficient evidence for our conclusion; and
- assessed the disclosure and presentation of the Identified Sustainability Information.

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. Consequently, the level of assurance in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

## **Inherent Limitations**

In designing these procedures, we considered the system of internal controls in relation to the Identified Sustainability Information and reliance has been placed on internal controls where appropriate. Because of the inherent limitations in any accounting and internal control system, errors and irregularities may nevertheless occur and not be detected.

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure subject matter allows for different, but acceptable, measurement techniques that can affect comparability between entities.

The quantification of the greenhouse gas emissions data underlying the Identified Sustainability Information is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases, and the estimation uncertainty from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge. This can affect the ability to draw meaningful comparison of the Company's greenhouse gas emissions over time.

## **Conclusion**

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information for the financial year ended 31 December 2021 is not prepared, in all material respects, in accordance with the Reporting Criteria.

## **Purpose and Restriction on Distribution and Use**

This report, including our conclusion, has been prepared solely for the Company in accordance with the letter of engagement 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.

Yours faithfully

A handwritten signature in black ink that reads "PricewaterhouseCoopers LLP". The signature is written in a cursive, flowing style.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants

Singapore

24 March 2022