

KEPPELITE

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Driving collaboration as OneKeppel

38

MCI (P)
027/01/2019

Fostering
innovation

26

Doing well,
doing good

48

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*Printed in Singapore by
Image Printers Pte Ltd.*

Editor's Note

We are pleased to present you with a new design for Keppelite, with a more contemporary layout that enhances readability and reflects the Keppel of today, as we transform to meet the challenges in an increasingly complex and dynamic operating environment.

The refreshed look is also part of our overall plan to reach out to our different stakeholders through multiple platforms, including through complementary media such as our corporate website and LinkedIn account, as well as Yammer, the online platform for the exchange of ideas among Keppelites.

In his New Year Message to Keppelites, CEO of Keppel Corporation Mr Loh Chin Hua reflected on the transformational journey for the company, and the positive impact that Keppel is making around the world, through providing critical solutions for sustainable urbanisation. Mr Loh encouraged Keppelites across business units to work collaboratively as OneKeppel to co-create solutions for a sustainable future. He also emphasised the importance of innovation, speed and agility for Keppel to thrive in a fast-changing world. We include highlights of the message in this issue (page 2).

The themes of collaboration and agility are also featured prominently in the story on the new workplace design adopted at the

Group's flagship address at Keppel Bay Tower in Singapore. The new agile, open office environment seeks to better connect people and ideas across business units. Read on to find out how the new spaces are helping to foster a stronger sense of community among Keppelites (page 38).

In our Special Focus story, we look at recent initiatives by Keppel to spur innovation. This includes the 21st Keppel Technology Advisory Panel meeting which was attended by Keppel Corporation's Board of Directors and senior management across the Group, as well as the Keppel Tech Symposium organised by Keppel Young Leaders, where young Keppelites from across the globe competed to develop and market innovative ideas (page 26).

Keppel continues to live up to its mantra of doing good as it does well. From delivering food items to bring cheer to the underprivileged in Singapore, imparting financial literacy to students in Vietnam, or raising funds to benefit hearing-impaired children in China, Keppel is touching lives wherever we operate. May these stories inspire even more Keppelites to reach out and make a difference in their communities (page 48).

We hope you enjoy your read of Keppelite.

Keppelite Editor

New year message

From the CEO

CEO of Keppel Corporation Mr Loh Chin Hua addressed Keppelites in his New Year Message on 1 January 2019, reflecting on this transformational time for the company, and rallying Keppelites to step up to make a difference in shaping a sustainable future.

Mr Loh spoke on how Keppel is making a positive impact around the world through tapping the synergies of its businesses to meet pressing urbanisation needs.

He recounted, "A young colleague recently shared with me that what mattered most to her was having a sense of purpose, 'to make a difference, and have a real and positive impact on the world.' I have heard similar aspirations from other Keppelites around the world, during my visits to different business units."

Mr Loh shared how Keppel is making a positive impact around the world every day, through providing critical solutions needed for sustainable urbanisation, be it in the areas of energy, urban spaces, environmental solutions and connectivity. He said, "Keppel's track record spans six continents, and continues to grow as we expand our offerings to meet the world's evolving needs."

Highlighting the key strategic moves in 2018 to grow the Group's business, Mr Loh cited examples including the company's entry into promising new property markets such as Nanjing, its growing presence in B2C businesses, its collaboration to develop a new Smart IoT City in Wuxi, and the launch of a strategic initiative, together with Singapore Press Holdings, to seek majority control of M1.



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As the Group continues its growth momentum in 2019, the company will continue to execute its existing businesses, actively explore new opportunities and build future growth engines. Mr Loh said, "We will look into areas such as smart, urban solutions, senior living and renewable energy infrastructure, which harness the Group's collective strengths and capabilities, and augment our mission as a provider of solutions for sustainable urbanisation."

Mr Loh also reaffirmed the company's commitment to be a responsible corporate citizen. He said, "Keppel is deepening its commitment to sustainability, both as a responsible corporate citizen, and as a provider of sustainable solutions."

He reiterated that in addition to actively managing its environmental impact, the Group will continue to strive for the highest safety standards and strengthen compliance policies and procedures. He also noted that the company had celebrated its 50th anniversary by making a \$10 million donation to Singapore's Institute of Technical

Education and organising more than 50 major volunteer activities.

Recognising people as the company's most important resource, Mr Loh shared that the company has increased its bench strength to bring on board new skillsets and capabilities, and will continue to invest in training and people development to help all Keppelites realise their full potential.

On innovation, Mr Loh noted the progress made by Keppel Technology & Innovation in areas such as business analytics and artificial intelligence, as well as advancements in digitisation across the Group's businesses. He said, "In this fast-changing world, speed and agility are critical and we must foster an environment where Keppelites feel empowered to act, and contribute to charting the company's future."

In concluding, Mr Loh called on Keppelites to continue to innovate and work collaboratively as OneKeppel, and with partners to co-create solutions for a better world.

The full text of the message is accessible at: www.keppcorp.com.

1. Hilli Episyo, the world's first FLNG vessel conversion, has produced its first LNG.
2. The company is contributing to urban cityscapes with projects such as Empire City in Ho Chi Minh City.
3. President Halimah Yacob (seated, centre), Dr Lee Boon Yang (standing, rightmost), Chairman of Keppel Corporation, and Mr Loh Chin Hua (standing, third from right), CEO of Keppel Corporation, joined Keppel's beneficiaries from Monfort Care and Care Corner in a moss art activity, as part of the Keppel 50 Charity Run.
4. Hong Kong Integrated Waste Management Facility.
5. The company is investing in new growth sectors such as senior living.

Transforming for growth

Against a volatile backdrop, 2018 was a transformational year for Keppel, as the Group continued to re-invent and position itself for long-term growth. Keppelite reproduces the speech by Mr Loh Chin Hua, CEO of Keppel Corporation, at the Company's 4Q & FY 2018 results webcast and briefing to media and analysts.



Keppel O&M secured new contracts totalling \$1.7 billion in 2018, more than \$600 million of which are from LNG and scrubber projects.

The international economic outlook has turned more uncertain in recent months, with slowing global growth and trade tensions among the world's largest economies.

In China and Singapore, property market cooling measures have affected sentiments, although we continue to see healthy demand in key Chinese cities such as Chengdu and Nanjing, where we have deepened our presence.

We are also seeing growing demand for cleaner forms of energy such as LNG, environmental solutions such as WTE plants, and data centres, all of which are solutions provided by the Keppel Group.

Beyond executing our existing businesses, we are actively exploring and investing in new businesses, such as senior living and renewable energy infrastructure, with a view to developing future growth engines. We remain disciplined in picking only businesses that fall within our mission of providing solutions for sustainable urbanisation.

We are also growing our presence in B2C businesses. We have gained traction in urban logistics, including last mile delivery and channel marketing, through UrbanFox. Now, with over 50,000 household customers in the retail electricity market, we are one of the leading electricity retailers in Singapore.

We have also undertaken a strategic initiative, together with SPH, to gain majority control of M1, with the goal of transforming the business to compete more effectively, and harnessing synergies from collaboration with other parts of the Keppel Group.

On 21 January 2019, M1 published the opinion of its independent financial adviser that "the financial terms of the Offer are fair and reasonable and not prejudicial to the interests of shareholders as a whole". The independent directors of M1 concur with the advice of the independent financial advisor with respect to the Offer and have recommended to shareholders to accept the Offer and the Options Proposal. The Offeror has subsequently announced that it does not intend to increase the Offer Price of \$2.06 under any circumstances.

We have also announced a scheme of arrangement to privatise Keppel T&T, to better align its interests with the rest of the Group.

Despite the challenging economic outlook, through steps we have taken in recent years to strengthen our core, build resilience and stay relevant with new business models and better value propositions for our customers, we will continue to execute on our plan to make Keppel a preferred solutions provider for sustainable urbanisation.

Financial performance

The Group performed well for 2018. We achieved a net profit of \$944 million, up 382% from \$196 million in 2017, or up 16% from \$815 million, if we exclude the one-off financial penalty of \$619 million for the global resolution and related costs.

This was underpinned by improved performance across our Offshore & Marine (O&M), Property and Infrastructure divisions, with Property making the biggest contribution to the Group.

Our Return on Equity (ROE) was 8.3% while the Group's Economic Value Added was \$252 million in 2018.

Our free cash inflow stood at \$515 million in 2018 against \$1,802 million in 2017.

Net gearing was 0.48x at end-2018, slightly higher than 0.46x at end-2017.

The Board of Directors will be proposing a final dividend of 15.0 cents per share. Together with the interim cash dividend of 10.0 cents per share and special cash dividend of 5.0 cents per share distributed last August to celebrate Keppel's golden jubilee, we will be paying out a total cash dividend of 30.0 cents per share to shareholders for the whole of 2018. Excluding the special dividend, this represents a payout ratio of 48% of our net profit.

Recurring income amounted to \$247 million, compared to \$307 million in 2017. We remain focused on improving the quality of our earnings and growing recurring income to be a stable contributor to the Group.

Offshore & Marine

Notwithstanding the recent volatility in oil prices, there is growing optimism in the O&M sector, with more projects sanctioned at oil prices of between US\$55 and US\$65 a barrel. With the gradually declining rig supply overhang, as well as increased tendering activity, there are signs of improvements in the offshore rig sector, though we do not envisage a V-shaped recovery.

In the immediate future, we are cautiously optimistic about the offshore production market. We see opportunities in FPSOs, especially conversions, with several projects approaching Final Investment Decisions (FID) in 2019 and 2020. Global demand for gas, led by Asia, continues to grow, with a few FSRU projects also targeting FID later this

year. Keppel Shipyard has also seen a pick-up in ship repair works boosted by exhaust gas scrubber retrofits. We secured 65 of such contracts last year from a variety of customers.

Keppel O&M made a profit at both the operating and attributable levels for the full year, excluding RIDs, on the back of our extensive rightsizing efforts and new contract wins. However, the Division registered a loss of \$109 million, after provisions, including an additional provision of \$167 million for expected losses on the rigs for Sete Brasil, partially offset by write-backs for provisions for claims.

We secured new contracts totalling \$1.7 billion in 2018 which is more than the \$1.2 billion of new orders won in the whole of 2017. Significantly, LNG and scrubber projects made up more than \$600 million of the new contracts secured in 2018. Keppel O&M's net order book has grown to \$4.3 billion as at end-2018, compared to \$3.9 billion at end-2017.

Keppel O&M has received a limited notice to proceed from Golar LNG to commence early conversion works on Golar Gimi for BP's Greater Tortue-Ahmeyim field. Full construction activities will commence when Keppel Shipyard receives the final notice to proceed. Hilli Episeyo, the world's first converted FLNG vessel which we delivered in late 2017, has maintained 100% uptime since she began commercial operations and has despatched 13 LNG cargoes to date. Hilli's successful proof of concept as a quick and cost-efficient solution for monetising stranded gas reserves continues to add momentum to new opportunities in the liquefaction vessel space.

The Group remains committed to putting in place effective and robust compliance and governance regimes and discharging the undertakings given as part of the 2017 global resolution Keppel O&M

had reached with the relevant criminal authorities. The enhancements to the compliance processes and procedures included increasing the resources of the Group's internal audit function and conducting anti-corruption compliance audits. In 2018, Keppel O&M engaged an ISO 37001 consultant to conduct a risk review and audit of anti-corruption compliance at Keppel O&M and in November 2018, Keppel O&M's entities in Singapore achieved certification for the ISO 37001 Anti-Bribery Management System. We will continue to strengthen our policies and procedures to ensure that we win business legally and ethically.

Property

Our Property Division recorded a net profit of \$938 million for 2018, up 44% from \$650 million a year ago.

Keppel Land made a net profit of \$940 million, 41% higher than the \$666 million in 2017.

ROE for Keppel Land was 11.4%, while its gearing was 0.19x as at end-2018.

In line with our goal to make Keppel Land a real estate company with one of the highest returns in Asia, we will continue to increase our asset turns and make our property portfolio work harder for us.

We completed acquisitions totalling about \$0.8 billion in 2018, including residential sites in China and Indonesia and a commercial development in Singapore in the fourth quarter. Over the year, Keppel Land also completed divestments and en bloc sales totalling about \$1.7 billion.

We sold about 4,440 homes, half of which were in China, achieving a total estimated sales value of about \$1.8 billion. This does not include the sale of five projects which is equivalent to approximately 11,500 units sold en-bloc.

We expect to recognise revenue for some 8,410 overseas homes that have already been sold amounting to about \$2.7 billion, upon completion and handover from 2019 to 2021.

Over the course of 2018, we replenished our landbank with the addition of about 3,600 units in China and 500 units in Indonesia, bringing our total landbank to close to 50,000 homes.

We currently have about 19,000 homes in key Asian cities which are launch-ready.

In its commercial portfolio, Keppel Land has about 1.5 million square metres of gross floor area, of which about 60% is under development.

Capturing opportunities in China

In China, we are positioning ourselves to capture more opportunities by selectively expanding and deepening our presence in high-growth regions and cities. While property cooling measures have had an impact on the market, urbanisation trends and growing income levels continue to drive demand for quality housing and commercial developments in key regions and cities. We will focus in particular on the Jing-Jin-Ji region, Yangtze River Delta, Greater Bay Area and the Chengdu metropolis, where we see considerable growth potential.

Keppel Land currently has a sizeable landbank of about 21,800 homes in China. In 2018, we completed new investments amounting to \$680 million to expand our portfolio in Nanjing, Chengdu and Sino-Singapore Tianjin Eco-City. We continue to see healthy demand-supply balance in these markets, where the supply of homes with pre-sale permits is expected to be absorbed in less than six months.

Infrastructure

Our Infrastructure Division delivered a net profit of \$169 million for 2018, an increase over the \$134 million for 2017. Keppel Infrastructure continued to perform well, with a net profit of \$117 million in 2018 compared to \$109 million in 2017, mainly due to better performance from environmental infrastructure and infrastructure services.

In 2018, we secured some \$120 million worth of contracts for energy and environmental infrastructure across Singapore, Australia and Europe.

The construction of the Keppel Marina East Desalination Plant has achieved 65%

completion. Meanwhile, the design and engineering for the Hong Kong Integrated Waste Management Facility are on track and the project will contribute to our bottomline from this year.

Last year, Keppel Electric became the largest electricity retailer in Singapore in terms of market share in the commercial and industrial sector. It will continue to improve on its offerings to further extend its reach into the household electricity market. Preliminary results show that it is among the electricity retailers with the largest market shares in the Open Electricity Market.

Keppel Logistics continued to grow its omnichannel business. Its channel



Keppel Land is well-positioned to capture opportunities in China with quality developments like Seasons Heights (pictured) in the Sino-Singapore Tianjin Eco-City.

management customer base has grown significantly, while deliveries doubled in the course of 2018. Partly due to impairment loss on an asset, and investments into building new capabilities to transform the urban logistics business, we incurred a loss of \$24 million for logistics and other operations.

Our data centre business contributed \$76 million for 2018, an increase over the \$15 million for 2017.

During the year, the Group acquired four new data centre projects across Asia and Europe. We have expanded our portfolio from nine in 2014 to 22 data centres today with a total value of about \$2.7 billion. The total net lettable area of the Group's data centre portfolio has grown from 0.6 million sq ft in 2014 to 1.7 million sq ft in 2018, registering a 32% CAGR over the past five years. To further grow its capabilities, Keppel T&T is also exploring innovative concepts including

high-rise data centres and floating data centre parks which utilise naturally chilled water to cool the facilities.

Investments

The performance of our Investments Division was affected mainly by our share of losses relating to KrisEnergy. We have also made a provision amounting to \$53 million for impairment on investment in an associated company.

2018 was an active year for Keppel Capital, which announced acquisitions worth over \$2.0 billion and explored new platforms for long-term growth, including expanding into new markets and asset classes.

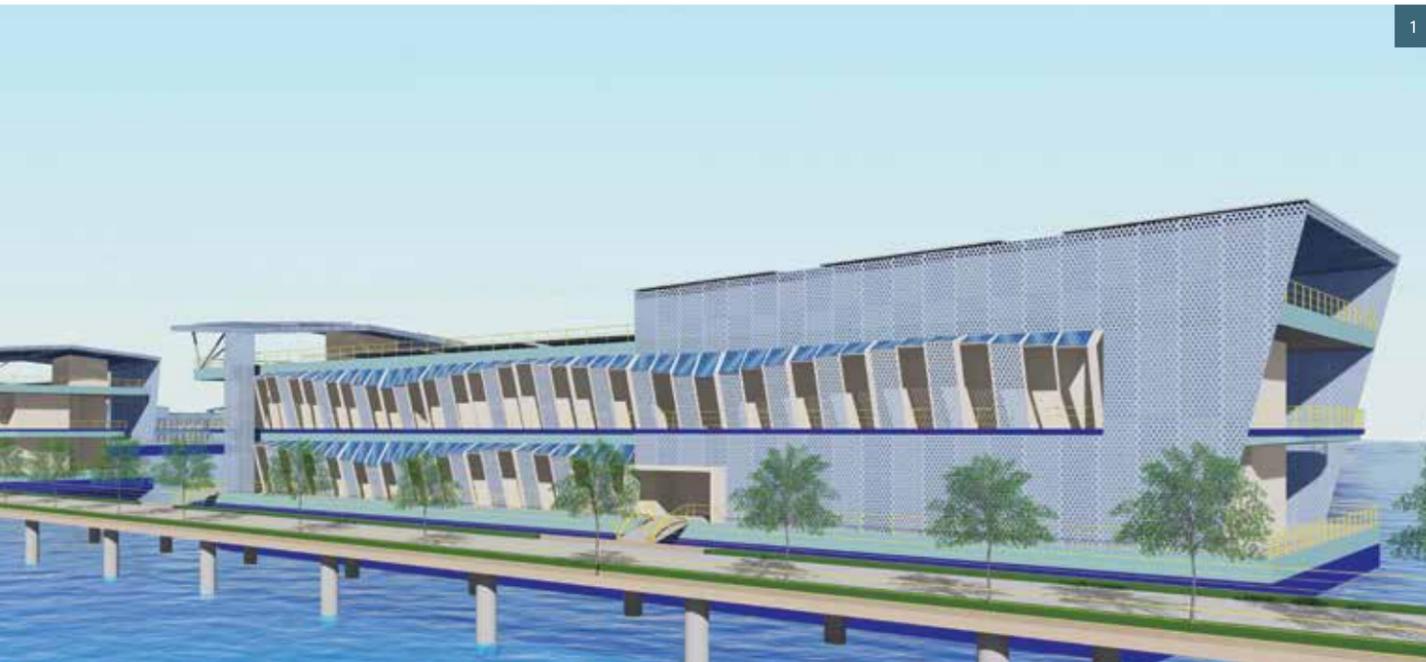
Alpha Investment Partners, Keppel Capital's private fund management arm, has announced the final closing of the Alpha Asia Macro Trends Fund (AAMTF) III, which raised a total of about US\$1.1 billion. AAMTF III is the third value-add pan-Asian fund in the Alpha Asia Macro Trends series which

focuses on mega trends driving long-term growth in the Asia-Pacific.

Our asset management business continued to contribute steadily to the Group, though earnings were lower year-on-year due to higher expenses for growth initiatives, lower fees following the divestment of several assets and lower one-off performance fees.

Our REITs and Trust have continued to expand and optimise their asset base to deliver value for unitholders. Keppel Infrastructure Trust has proposed the acquisition of Ixom, which is among the leading industrial infrastructure businesses in Australia and New Zealand, supplying and distributing water treatment chemicals as well as industrial and specialty chemicals.

Keppel Capital's total AUM remained stable at about \$29 billion as at end-2018, following a few divestments by Alpha.



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1. Keppel T&T is exploring innovative data centre concepts including floating data centre parks (artist's impression) and high-rise data centres to further grow its capabilities.
2. The listed REITs and Trust have continued to expand and optimise their asset base to deliver value for unitholders. Keppel-KBS US REIT announced two acquisitions in 2018 – The Westpark Portfolio in Seattle and Maitland Promenade I (pictured) in Orlando.

Leveraging our track record in master development, Keppel Urban Solutions has signed an MOU to collaborate with Envision Technology Group to develop a new Smart IoT City in Wuxi. We are familiar with Wuxi, where Keppel Land has been active for more than a decade, and see good growth potential in the city.

Reflecting the continued growth of the Eco-City, the Sino-Singapore Tianjin Eco-City Investment and Development Company sold three residential land plots, with total site area of around 28 ha, for RMB 3.4 billion in 2018. One plot was acquired by Keppel Land to build on its strong track record and tap the healthy demand for homes in the Eco-City. So far, Keppel Land

has sold about 98% of the 4,500 homes which it has launched in the Eco-City.

Pursuing growth opportunities

Notwithstanding the challenging macro environment, urbanisation trends continue to present many exciting long-term opportunities for Keppel, whether it is providing energy, property, environmental solutions or connectivity.

We will remain focused on building a nimble and agile Keppel, ready to seize opportunities in our existing businesses even as we grow new engines for the future. We will also further strengthen collaboration, both within the Group and with third parties, to provide more robust solutions to shape a sustainable future. ✓

Strong performance

Keppelite reproduces highlights of the presentation by Mr Chan Hon Chew, CFO of Keppel Corporation, on the Company's financial performance at the 4Q & FY 2018 results briefing to media and analysts.

Keppel Corporation's 4Q 2018 financial performance

\$m	4Q 2018	4Q 2017	% Change	Ex. global resolution & related costs		
				4Q 2018	4Q 2017	% Change
Revenue	1,677	1,545	9	1,677	1,545	9
Operating Profit	5	147	(97)	5	147	(97)
Profit/(Loss) Before Tax	164	(417)	nm ⁺	164	202	(19)
Net Profit/(Loss)	135	(492)	nm ⁺	135	127	6
EPS (cents)	7.4	(27.1)	nm ⁺	7.4	6.9	7

+ Not meaningful.

* 4Q 2017 financial figures have been restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International).

4Q 2018 financial highlights

In the fourth quarter of 2018, the Group recorded a net profit of \$135 million, as compared to a net loss of \$492 million recorded in the same quarter in 2017.

Excluding the one-off global resolution penalty and related costs in 2017, the Group's fourth quarter net profit of \$135 million was \$8 million or 6% higher year-on-year, and EVA correspondingly improved from a negative \$267 million to a negative \$132 million.

The Group's revenue for the quarter was 9% higher than the same period in the preceding year. All divisions, except the Property Division, registered higher revenues during the quarter.

Operating profit for the quarter decreased by 97% or \$142 million, to \$5 million despite registering higher revenues. This was attributed mainly to lower fair value gains on investment properties in the Property Division, higher provisions for expected losses on Sete Contracts and provision for impairment of an associated company in the Investments Division.

Profit before tax decreased by a smaller extent of 19%, mainly due to higher share of profits from associated companies, mainly Sino-Singapore Tianjin Eco-City, Floatel International and Keppel DC REIT.

After tax and non-controlling interests, net profit was 6% higher at \$135 million, translating to earnings per share of 7.4 cents.

Keppel Corporation's FY 2018 financial performance

\$m	FY 2018	FY 2017	% Change	Ex. global resolution & related costs		
				FY 2018	FY 2017	% Change
Revenue	5,965	5,964	-	5,965	5,964	-
Operating Profit	1,043	801	30	1,043	801	30
Profit Before Tax	1,240	442	181	1,240	1,061	17
Net Profit	944	196	382	944	815	16
EPS (cents)	52.0	10.8	381	52.0	44.8	16

* FY 2017 financial figures have been restated following the adoption of the new financial reporting framework, Singapore Financial Reporting Standards (International)

FY 2018 financial highlights

The Group recorded a net profit of \$944 million for the financial year 2018, which was 382% higher than in the preceding year.

Excluding the one-off financial penalty and related costs in 2017, the Group's net profit of \$944 million was 16% or \$129 million higher than in the preceding year due mainly to higher operating profit, partly offset by lower share of profits from associated companies and higher taxation.

Consequently, ROE increased to 8.3% while EVA was also higher at \$252 million.

Free cash inflow for the year was an inflow of \$515 million, as compared to an inflow of \$1.8 billion in 2017. This was due mainly to the payment of the financial penalties to the United States, Singapore and Brazil authorities amounting to \$464 million arising from Keppel Offshore & Marine's global resolution, as well as higher working capital requirements from the O&M and Property divisions.

The Group's net gearing increased slightly from 0.46x at the end of 2017 to 0.48x at the end of this year.

The proposed final dividend to shareholders for 2018 will be 15.0 cents per share. Including the interim dividend and special cash dividend paid, the total distribution for 2018 will be 30.0 cents per share. ✓

In conversation

Keppelite shares highlights of management's responses to questions from the media and investment community at the Company's 4Q & FY 2018 results briefing.

Q: What is the outlook for the Offshore & Marine (O&M) business in 2019? Is profit sustainable, and can we expect a higher volume of order wins?

LCH: Keppel O&M has undergone a few years of rightsizing to lower its operating leverage. We are pleased that we were able to break even last year, and make a small profit before impairments. If things start brightening up and we get more orders, that will flow to our bottom line. We hope for the best, but we do not expect a V-shaped recovery.

CO: Based on the developments involving oil majors, we expect to see more projects coming online with final investment decisions slated for 2019 and 2020, and we are optimistic. At the same time, Keppel O&M is also expanding beyond oil and gas and is looking at renewable energy.

LCH: Keppel O&M is always looking to grow its top line. While doing so, we have to remain disciplined, especially in today's market. It is not just about winning orders, but about winning the right orders, from



Keppel senior management engaged media and analysts at the 4Q & FY 2018 results briefing.

the right customers with the right profile, and with the right margins.

We have integrated Keppel O&M, and its business units are now working closely together as one. They are sharing resources and construction methodology to harness synergies. Keppel O&M has positioned itself competitively and is waiting for the market to come back.

Q: What were the key reasons behind the decision to make an additional provision for the projects for Sete Brasil?

CHC: The provision was made after looking at various possible scenarios and having a robust review with our auditors. The probability of those scenarios happening will change over time, especially with developments concerning Sete Brasil's creditors' meeting, day rates and exchange rates. All these updates result in adjustments through our provision. We believe that the provision made for the projects for Sete Brasil is adequate at this point in time.

Q: What is your outlook for the property business in Vietnam and China?

TSY: In Ho Chi Minh City, Vietnam, we are experiencing healthy demand and our launches are well received. We are also seeing similar trends in Wuxi, China. In 2018, we ventured into key cities in China, such as Nanjing and expanded in Tianjin Eco-City, where the supply-demand fundamentals are more balanced.

Q: Do you expect some easing in China's property cooling measures?

TSY: We do not see property cooling measures in China being lifted at this point in time. As a property developer, we have

to operate on the basis that the cooling measures may not be lifted. We have to adapt and operate under the existing market conditions.

Q: How did Keppel Capital perform in FY 2018?

CT: Keppel Capital's profits for FY 2018 were slightly lower when compared to FY 2017. This was partly because of our growth plans. As we have announced, we are looking to do quite a few deals and hope to close some of them this year. With this, we should be able to earn some of the fees and profits associated with those deals this year.

Q: What are the expectations of land sales at the Sino-Singapore Tianjin Eco-City in 2019?

LCH: Land sales in the Eco-City have been affected by cooling measures. If these cooling measures continue, then land sales could be affected. However, we see good supply-demand fundamentals in Tianjin Eco-City, where the supply of homes with pre-sales permits could be absorbed within six months. From that score, there is a shortage of homes and developers would likely be attracted to bid for land. ✓

LCH – Mr Loh Chin Hua,
CEO of Keppel Corporation

CHC – Mr Chan Hon Chew,
CFO of Keppel Corporation

CT – Ms Christina Tan,
CEO of Keppel Capital

CO – Mr Chris Ong,
CEO of Keppel Offshore & Marine

TSY – Mr Tan Swee Yiow,
CEO of Keppel Land

Portfolio optimisation



The divestment of a 20% non-controlling stake in Ocean Financial Centre is part of ongoing portfolio optimisation efforts.

Keppel REIT has achieved distributable income (DI) of \$46.2 million for 4Q 2018, bringing DI for the year to \$189.0 million. DI for FY 2018 was comparable to FY 2017 due mainly to the one-off income received from tenants pre-terminating spaces and capital gains distribution of \$3.0 million.

Distribution Per Unit (DPU) for 4Q 2018 was 1.36 cents, bringing total DPU for FY 2018 to 5.56 cents. This translated to a distribution yield of 4.9% based on the market closing price of \$1.14 per Unit as at 31 December 2018.

In December 2018, Keppel REIT divested a 20% non-controlling stake in Ocean Financial Centre to Allianz Real Estate for \$537.3 million. Based on the difference between the agreed property value and the historical purchase price of Ocean Financial Centre, approximately \$77.1 million of capital gains were realised, which translated to an attractive net asset-level return of 8.3% p.a. over the holding period.

The partial divestment allowed Keppel REIT to unlock part of the capital gains from this premium Grade A office building, while maintaining continued exposure to the strengthening Singapore office market through its controlling stake of 79.9%.

The strategic divestment is also part of the Manager's ongoing portfolio optimisation efforts. Proceeds from the divestment will provide the Manager with financial flexibility to continue its DPU-accretive Unit buy-back programme, distribute as capital top-ups, pare down debt or fund growth through reinvestments.

As at end-2018, aggregate leverage was lower at 36.3%, following the repayment of \$300.0 million of loans with part of the divestment proceeds received in 4Q 2018. All-in interest rate was 2.81% per annum with interest coverage ratio at 3.9 times.

The Manager continued its Unit buy-back programme in 4Q 2018. For the whole of 2018, the Manager purchased and cancelled approximately 28.3 million issued Units.

Total committed spaces across the portfolio for the year was approximately 2.9 million sf (attributable area of approximately 1.2 million sf).

New leasing demand and expansions were mainly contributed by government agencies as well as the banking, financial services, energy and natural resources sectors.

Portfolio committed occupancy was 98.4% as at end December 2018 and portfolio tenant retention rate was 83% for the year. The WALE for the portfolio and top 10 tenants remained long at approximately 5.9 years and 8.2 years respectively.

In Australia, the development of 311 Spencer Street in Melbourne is in progress. Upon commencement of the 30-year lease to the Victoria Police in 1H 2020, 311 Spencer Street will contribute a steady income stream with fixed annual rental escalations.

Looking ahead, amidst a volatile macro-economic environment, the Manager remains focused on delivering stable and sustainable distribution through ongoing portfolio optimisation, as well as driving operational excellence in its asset and capital management efforts. ✓

Sustaining growth

Keppel DC REIT delivered distributable income of \$96.1 million for FY 2018, a 16.7% increase from FY 2017. It declared a Distribution Per Unit (DPU) of 3.70 cents for 2H 2018, bringing FY 2018 DPU to 7.32 cents, 5.0% higher than the adjusted DPU of 6.97 cents in FY 2017. Correspondingly, its distribution yield was 5.42% based on the market closing price of \$1.350 per Unit on the last trading day of 2018.

During the year, the Manager expanded the REIT's presence in key data centre hubs across Singapore, Australia and Germany, bringing its assets under management (AUM) to 15 data centres totalling approximately \$2.0 billion as at end-2018, excluding Intellicentre 3 East Data Centre (IC3 East DC) in Sydney, Australia, which is under development. Portfolio occupancy remained strong at 93.1% with a long weighted average lease expiry of 8.3 years.



Keppel DC REIT's higher distributable income for FY 2018 was mainly contributed by the addition of new assets, namely Keppel DC Singapore 5 (pictured), maincubes Data Centre and Keppel DC Dublin 2.

Stable distributions



KIT's proposed acquisition of Ixom is in line with its value proposition to provide long-term resilient cash flows with potential for growth.

Keppel Infrastructure Trust (KIT) announced a Distribution Per Unit (DPU) of 0.93 cents for the quarter ended 31 December 2018, bringing total DPU to 3.72 cents for F2018, translating to a yield of 7.7%.

Group revenue for FY2018 was \$637.4 million, 0.8% higher than FY2017, due mainly to higher contributions from City Gas due to higher town gas tariff as a result of higher fuel prices. This was partially offset by lower fees earned at Basslink due to the service outage between 25 March 2018 and 5 June 2018 as a result of an incident caused by a third party contractor. Basslink resumed service on 5 June 2018.

The Group recorded lower profit attributable to Unitholders of the Trust in FY2018 as compared to FY2017, mainly due to lower contribution from City Gas due to the time lag in the adjustment of gas tariffs to reflect actual fuel cost, lower revenue at Basslink as a result of the March 2018 service outage and higher fair value loss of derivative financial instruments recognised. FY2018 distributable cash flow of \$141.2 million were \$3.0 million lower than FY2017 mainly due to lower contributions from City Gas.

Net Asset Value Per Unit as at 31 December 2018 decreased to 27.3 cents from 29.9 cents as at 31 December 2017 primarily attributable to distributions to Unitholders, partially offset by marked-

to-market movements of derivative financial instruments and profit recognised for the period.

On 15 November 2018, KIT announced the proposed DPU-yield accretive acquisition of Ixom Holdco Pty Ltd (Ixom), a leading industrial infrastructure business in Australia and New Zealand, which supplies and distributes key water treatment chemicals, as well as industrial and specialty chemicals. The strategic addition of Ixom will strengthen KIT's overall portfolio, increase AUM to S\$5.1 billion, and provide KIT with sustainable cash flows and stable distributions to Unitholders over the long term. ✓

Creating long term value

Keppel-KBS US REIT Management, as Manager of Keppel-KBS US REIT (KORE), delivered distributable income (DI) of US\$10.3 million for 4Q 2018, bringing DI for the financial period from listing on 9 November 2017 (Listing Date) to 31 December 2018 to US\$43.8 million. This was 2.0% above the forecast of US\$42.9 million, driven by strong leasing momentum, positive rental reversion and the addition of the Westpark Portfolio in Seattle.

The acquisition of the Westpark Portfolio was completed on 30 November 2018, and contributed US\$1.4 million in gross revenue and US\$1.1 million in net property income (NPI) in 4Q 2018. The added contribution saw KORE's overall NPI for 4Q 2018 increase correspondingly to US\$14.6 million in 4Q 2018, bringing NPI for the period from Listing Date to 31 December 2018 to US\$64.4 million, both above forecast by 7.7% and 3.8% respectively.

Distribution Per Unit (DPU) declared for 4Q 2018 was 1.25 US cents, bringing DPU for the period from Listing Date

to 31 December 2018 to 6.22 US cents, translating to a distribution yield of 8.9%. DPU for both periods were below forecast due to an enlarged Unit base as a result of a rights issue to raise gross proceeds of about US\$93.1 million to partially fund the acquisition of the Westpark Portfolio (Rights Issue). On a like-for-like basis, DPU, excluding effects of the acquisition of the Westpark Portfolio and Rights Issue, would have been 1.51 US cents for 4Q 2018 and 6.83 US cents for the period from Listing Date to 31 December 2018, above forecast by 0.7% and 0.6% respectively.

On 20 December 2018, the United States Department of the Treasury released proposed regulations that clarified its position and treatment of hybrid securities. The proposed regulations are not expected to have any material impact on KORE's consolidated net tangible assets or DPU. The Manager also does not expect further changes to KORE's trust structure to be required.

On the leasing front, total committed space for the period from Listing Date to 31 December 2018 was approximately

741,000 sf (100 leases), with demand mainly from tenants in the fast-growing technology, finance and professional services sectors.

As at 31 December 2018, portfolio committed occupancy remained stable at 91.6%. The weighted average lease expiry by cash rental income for KORE's portfolio and top 10 tenants was 4.0 years and 5.4 years respectively.

Looking ahead, the Manager is committed to delivering stable distributions and creating long term value for Unitholders through driving strong operational performance, as well as with the additional income contribution from Maitland Promenade I in Orlando, which was completed on 16 January 2019.

Maitland Promenade I is KORE's second asset in Florida and is adjacent to Maitland Promenade II, which the REIT currently owns. The purchase consideration for the property is US\$48.5 million, and was negotiated on a willing-buyer and willing-seller basis. ✓



The acquisition of Maitland Promenade I delivers on the Manager's strategy to grow Keppel-KBS US REIT's portfolio by acquiring quality income-producing properties in first choice submarkets with positive macroeconomic and office fundamentals.

Steady progress

Keppel Telecommunications & Transportation (Keppel T&T) posted a net profit of \$65.5 million for FY 2018, an increase of 17% from FY 2017. Revenue for 4Q 2018 and full year 2018 increased by 8% and 4% to \$47.2 million and \$183.2 million respectively compared to corresponding periods in the preceding year. Its net profit for 4Q 2018 was \$18.2 million, down 11% compared to 4Q 2017.

During the quarter, Keppel T&T's data centre division actively pursued expansion opportunities beyond traditional areas of operation, including IndoKeppel DC 1

in partnership with the Alpha DC Fund and the Salim Group, as well as a data centre in Johor, Malaysia, with the Alpha DC Fund. It also signed cooperation agreements to explore data centre projects in China, and showcased innovative high-rise and floating data centre solutions at industry events.

Its logistics division continued its e-channel management platform expansion with more than 300 brands on board UrbanFox's online marketplace. Preparations are underway for expansion in Southeast Asia. ✓



Keppel T&T celebrated the groundbreaking ceremony of IndoKeppel DC 1 together with the Salim Group on 17 January 2019. (From L-R) Mr Thomas Pang, CEO of Keppel T&T, Ibu Ade Munawaroh Yasin, Bupati Bogor, and Mr Axton Salim.



Mr Li Xiaomin (sixth from left), Member of the Standing Committee of the Jiangsu Provincial Committee of the Communist Party of China (CPC) and Party Secretary of the Wuxi Municipal Committee of the CPC, and Mr Loh Chin Hua, CEO of Keppel Corporation (seventh from left), among others, attended the MOU signing ceremony. The MOU was signed by Mr Zhang Lei, Founder and CEO of Envision (seated, far left), Mr Ma Liang, Deputy Secretary-General of the Wuxi Municipal Committee of the Communist Party of China and Chairman of the Administrative Committee of Jiangsu Wuxi Economic Development Zone (seated, centre), and Ms Cindy Lim, MD of KUS (seated, far right).

New townships

Paving the way

On 5 December 2018, Keppel Urban Solutions (KUS), the Envision Group (Envision) and the Administrative Committee of Jiangsu Wuxi Economic Development Zone in Taihu New City (Wuxi Government), signed a non-binding Memorandum of Understanding (MOU) to develop a Smart Internet of Things (IoT) City, including a smart IoT industry park, in the 3.5 sq km Xuelang Town, Taihu New City, Wuxi, China.

Wuxi is at the forefront of IoT development and a prominent showcase of smart city development in China. Capitalising on this, the project in Xuelang Town aims to house high-technology industries in the fields of artificial intelligence and IoT (AIoT), as well as vibrant, connected and liveable urban spaces for the community.

Envision intends to set up its Global AIoT Innovation Centre in Taihu New City, to congregate global top talents

and develop a leading IoT platform for smart cities through innovative research and development.

Adopting a city-industry integration model, the new Smart IoT City is envisaged to be an exemplary integrated urban development and industrial transformation model that is replicable and scalable, with a view to leading the development of the IoT industry and smart city transformation in China and other parts of the world. ✓

Provider of choice



Marine contracts worth \$300 million

Keppel Offshore & Marine (Keppel O&M) ended 2018 on a high note with the securing of marine contracts worth about \$300 million. The contracts were announced on 26 December 2018.

Ice-class LNG bunker vessel

Keppel Singmarine has secured a contract with Shturman Koshelev LLC for the design and construction of an ice-class LNG bunker vessel. When completed in 4Q 2020, the vessel will be chartered to Gazpromneft Marine Bunker Ltd for operations in the Baltic Sea.

FPSO refurbishment

Keppel Shipyard has secured a contract with a leading global operator of floating production vessels for the fabrication of a new aft hull for a Floating Production Storage and Offloading vessel (FPSO). The installation will also include a new accommodation block which can house up to 140 personnel. Delivery of the FPSO is expected by the end of 2020.

Scrubber retrofits

Keppel Shipyard has also recently secured a total of 65 contracts from a variety of customers for exhaust gas scrubber retrofit projects involving project management,

1. Keppel Singmarine has a strong track record in building ice-class vessels such as MPV Everest (pictured), which was delivered in 2017.
2. Keppel Shipyard has secured a contract for the modification and upgrading of SJ Production Barge.

Appointments

Mr Sebastien Lamy

Mr Sebastien Lamy, Director, Group Strategy & Development at Keppel Corporation, has taken on the concurrent role of MD, Keppel Technology & Innovation, effective 1 January 2019. Mr Lamy will continue to accelerate the digitalisation efforts of the Group and transform how Keppel harnesses technology and innovation to create value for our stakeholders.

Mr Ho Tong Yen

Mr Ho Tong Yen, Director, Group Corporate Communications at Keppel Corporation, has taken on the concurrent role of CEO of Keppel Care Foundation, effective 1 November 2018. Mr Ho will lead the Foundation's philanthropic efforts and work closely with Keppel Young Leaders and Keppel Volunteers to tap the talents and spirit of volunteerism among Keppelites.

Ms Bridget Lee

Ms Bridget Lee was appointed as CEO of Keppel Capital Alternative Asset (KCAA), effective 1 January 2019. Ms Lee will lead KCAA's efforts to offer investors new quality asset classes and generate stable cash flow for investors. Prior to her appointment, Ms Lee was Head of Strategic Investments at Keppel Capital, where she spearheaded investments in new initiatives and platforms.

"Keppel O&M stands ready with a suite of advanced and cost-effective solutions such as scrubber retrofits and LNG-fuelled vessels, as the International Maritime Organisation implements the 0.5% global sulphur cap on marine fuel from January 2020."

Mr Chris Ong, CEO, Keppel O&M

integration design engineering, installation and retrofitting, as well as testing and commissioning works.

Gimi FLNG project advances

Keppel Shipyard announced on 17 December 2018 that it has received a limited notice to proceed (LNTP) from Golar Gimi Corporation, a subsidiary of Golar LNG Limited, to commence early conversion works for the Gimi Floating Liquefaction (FLNG) vessel, worth up to \$50 million. The Gimi FLNG is slated to support Phase 1 of the Greater Tortue/Ahmeyim project located offshore West Africa. Full construction activities, further to the early conversion works under the LNTP, will commence when Keppel Shipyard receives the final notice to proceed.

BP had also announced that project execution activities are expected to commence in 1Q 2019.

Production barge upgrade

Keppel Shipyard announced on 9 November 2018 that it has clinched a contract worth about \$30 million for the modification and upgrading of a production barge for SJ Production Barge, a wholly-owned subsidiary of KrisEnergy. When completed in or around 3Q 2019, the production barge will be capable of processing up to 30,000 barrels of fluid per day, and will be equipped with gas, oil and water separation facilities. It will be deployed in the Apsara oil field, which lies in Block A of the Khmer Basin in the Gulf of Thailand.





China Expanding footprint

Riding on its strong track record in China, Keppel Land China has deepened its presence in the country through the successful bidding of two residential sites in Tianjin and Chengdu, as well as the acquisition of a commercial property in Beijing.

Tianjin

On 19 December 2018, Keppel Land China secured a 10.97-hectare (ha) residential site in the Sino-Singapore Tianjin Eco-City (Eco-City) for a total consideration of RMB 1.07 billion (approximately \$214 million).

The new site will be developed into an eco-community comprising 392 units of terrace houses and 180 units of low-rise apartments. Targeted at upper middle-income homebuyers, the project is expected to be launched in 4Q 2019.

Mr Ben Lee, President of Keppel Land China, said, "The Keppel Group leads the Singapore Consortium in the development of the Sino-Singapore Tianjin Eco-City. Over the past decade, Keppel Land has been participating actively in and contributing to the Eco-City's

development. Our eco-friendly homes have been well-received by the market. To date, Keppel Land has launched about 4,500 units of homes in the Eco-City, of which about 98% have been sold. A further 346 units of homes will be launched in 2019. We are confident that our new development will continue to attract homebuyers seeking well-located and high-quality green homes."

The site is located within the mature Start-Up Area of the Eco-City, in close proximity to various amenities. It is about 20-minute drive away from Tianjin Economic-Technological Development Area, one of the first national-level economic and technological development areas in China. Upon completion of the Z4 rail line, the Eco-City's connectivity to other parts of Tianjin will be enhanced.

Chengdu

On 27 December 2018, Keppel Land China secured a 4.7-ha residential site in the Chengdu Tianfu New Area for a total consideration of RMB 889.7 million

(approximately \$183.4 million) in a government land tender. The Tianfu New Area is a state-level development zone in Sichuan Province, China.

The new site will be developed into a residential community comprising 768 units of high-rise apartments and 96 units of low-rise apartments. Targeted at home upgraders, the project is expected to be launched in 4Q 2019.

Keppel Land China also entered into a cooperation agreement with Chengdu Jin Se Hua Fu Real Estate Development Co., Ltd (Chengdu Jin Se Hua Fu). In accordance with the agreement, Keppel Land China has established a wholly-owned subsidiary to develop the new site, and Chengdu Jin Se Hua Fu has subscribed for a 70% interest in this company.

The site is located in the CBD of the Tianfu New Area with convenient transport options and access to educational institutions, commercial amenities and medical facilities.

Beijing

Keppel Land China, through its wholly-owned subsidiary, has entered into an agreement to secure a 100% equity interest in Beijing Chang Sheng Business Consulting Co., Ltd. which owns a completed commercial property (the property) in Haidian District, Beijing, for an aggregate cash consideration of RMB 555 million (approximately \$111 million). The transaction is expected to be completed in 1Q 2019.

The property is in the Greater Wuluju Area of Haidian District which is China's first information technology base and home to Zhongguancun, widely known as China's Silicon Valley.

The property, comprising nine storeys of office space covering 8,532 square metres (sm) of gross floor area, over 2,100 sm of retail space and about 20 car park lots, is about 97% occupied as at September 2018. It is directly above the existing Subway Line 6 Haidian Wuluju Station, connecting it to Beijing's city centre as well as Tongzhou, Beijing's new municipal centre. ✓



1. The Keppel Group leads the Singapore Consortium in the development of the Sino-Singapore Tianjin Eco-City (pictured), where its business units continue to contribute towards the Eco-City's growth by providing various urban solutions.
2. Located in the Greater Wuluju Area of Haidian District, Beijing, the commercial property to be acquired by Keppel Land China has nine storeys of office space and two storeys of retail space, and is about 97% occupied as at September 2018.

Jakarta

Deepening presence

Keppel Land, through its wholly-owned subsidiary, PT Sukses Manis Indonesia, has entered into an agreement on 18 December 2018 with leading Indonesian property developer, PT Metropolitan Land Tbk (Metland), to jointly develop a 12-hectare residential site in the established Metland Menteng township in East Jakarta, Indonesia.

Keppel Land will hold a 50% stake in the joint operation which will yield approximately 500 landed homes with ancillary shophouses for sale. Keppel Land's share of the total development cost for the project is estimated to be about Rp. 600 billion (approximately \$57 million). The partners will jointly manage the project, which will be developed in phases.

This follows the General Collaboration Agreement signed in early December between Keppel Land and Metland to collaborate on residential projects owned

and occupied by Metland in Greater Jakarta, with an investment value of up to Rp. 5 trillion (approximately \$470 million). Under the agreement, Keppel Land and Metland will each inject an equal amount of capital for joint residential projects.

The joint operation will also be Keppel Land and Metland's second collaboration following The Riviera at Puri, a gated riverfront landed estate in Tangerang, Greater Jakarta, which comprises about 500 landed homes. The project has received positive response, with about 98% of the development sold as at end-December 2018.

The site is located in a mature residential precinct. Future residents will enjoy a spectrum of shopping, dining and leisure amenities. Reputable schools as well as medical institutions are also located nearby. ↗

“Indonesia is one of Keppel Land’s key markets and we are committed to grow our presence in the country with a focus on Greater Jakarta. We are confident that Indonesia, with its steady economic growth, continued urbanisation as well as growing middle-class, will continue to see demand for high-quality homes.”

Mr Goh York Lin, President (Indonesia), Keppel Land



Keppel Land has partnered Indonesian property developer, PT Metropolitan Land Tbk (Metland), to jointly develop a 12-hectare residential site in the established Metland Menteng township in East Jakarta, Indonesia. Pictured are (from left) Mr Supardi Ang, Head of Residential, Keppel Land (Indonesia), Mr Mohammad Rosli Mohammad Salleh, Head of Finance, Keppel Land (Indonesia), Mr Thomas Angfendy, CEO of Metland, and Mr Anhar Sudradjat, Vice President Director of Metland.

Collaborating for A digital future

The Alpha Data Centre Fund (Alpha DC Fund) and Keppel Data Centres Holding (Keppel Data Centres) inked agreements in November 2018 to develop and operate their first greenfield data centre in Malaysia for a leading technology company. The initial development of the data centre and subsequent facilities management will be undertaken by Keppel Data Centres.

The data centre will be situated within an industrial park in Johor, Malaysia, which has been earmarked to be a data

and research hub for the state. It will sit on approximately 261,000 square feet (sf) of land and feature minimum Tier III equivalent specifications for concurrent maintainability, spread over 100,495 sf of gross floor area. Upon its expected completion in 2020, the data centre will be fully committed by the customer.

Mr Wong Wai Meng, CEO of Keppel Data Centres, said, "Our customers recognise the value that Keppel Data Centres brings to the table when planning future IT workloads and data

centre deployments. We are proud to be partners enabling our customers' regional expansion requirements."

Mr Alvin Mah, CEO of Alpha Investment Partners, the manager of the Alpha DC Fund, said, "Demand for data centres has been increasing with the expansion of the digital economy and the Alpha DC Fund is pleased to be able to capitalise on such growth in the Asia-Pacific region for its investments. The addition of this greenfield investment provides diversification to the fund's existing portfolio." ✓

Value-add fund

Alpha Investment Partners (Alpha) has announced the final closing of the Alpha Asia Macro Trends Fund (AAMTF) III. Including co-investments, the fund raised a total of about US\$1.1 billion, exceeding its initial target of US\$1.0 billion.

The fund has a diverse group of institutional investors including pension funds, endowments and insurance companies. They comprise new investors as well as those from Alpha's existing investor base. To date, the fund has made investments in Shanghai, Tokyo and Brisbane. When fully

leveraged and invested, AAMTF III will have assets under management (AUM) of about US\$2.4 billion.

Leveraging Alpha's disciplined investment approach and innovative asset management strategies, AAMTF III made its maiden divestment in December 2018 with the sale of The Kanda 282 in Tokyo, Japan.

The active asset management and value creation initiatives for The Kanda 282 enabled the fund to raise average rental and also improve operational efficiency to

enhance net property income within the 28-month holding period. The successful execution of these value-adding initiatives allowed the fund to realise an internal rate of return of about 25% on the sale of the asset.

Since its inception in 2004, Alpha has made about US\$10 billion worth of investments across its managed funds. Including AAMTF III, Alpha currently manages six real estate and data centre funds with total AUM of US\$9.5 billion as at 31 December 2018 on a fully leveraged and invested basis. ✓

Driving innovation

Keppel launched new technology and initiatives to spur innovation in recent months.

Annual KTAP Meeting

The 21st Keppel Technology and Advisory Panel (KTAP) meeting was held on 29 and 30 November 2018 at Keppel Leadership Institute. Around 100 participants, including members of Keppel Corporation's Board of Directors and senior management from across the Group, joined the session.

The meeting kicked-off with a lively panel discussion fielded by Dr Lee Boon Yang, Chairman of Keppel Corporation and Mr Loh Chin Hua, CEO of Keppel Corporation. The discussion was chaired by Prof Ng Wun Jern, Chairman of KTAP.

During the discussion, Dr Lee cited climate change as one of the significant issues facing the world. He noted that while climate change poses many challenges, it also presents business opportunities for Keppel as a solutions provider of sustainable urbanisation.

Highlighting Keppel's core value of Customer Focus, Mr Loh emphasised the importance of customer-centric innovation that revolves around customers' needs. He added that in

addition to innovating in-house, Keppel should collaborate and tap on the expertise of external parties.

This year's meeting also featured a technology foresight session which explored emerging trends and nascent technologies that could impact the Group. The session featured a sharing by guest speaker Dr Goh Eng Lim, Vice President and Chief Technology Officer of Hewlett Packard Enterprise, who spoke on new developments in A.I. technologies.

Keppel's digitisation journey was also a key topic at this year's KTAP meeting, where project teams from across the Group presented on their respective digital initiatives. Mr Gabriel Tse, Head of DigitalKeppel at Keppel Technology & Innovation, wrapped up the presentations by illustrating how the various digital elements feed into Keppel's mission.

Separately, Dr Lee acknowledged the contributions of four retiring KTAP members, namely Prof Jim Swithenbank, Prof Chan Eng Soon, Dr Liu Thai-Ker and Prof Foong Sew Bun.

Keppel Tech Symposium

Since 2016, Keppel Young Leaders (KYL) has been organising annual symposiums which provide a platform for Keppelites to test and refine their innovations.

Themed 'Challenge traditional businesses & build value through technologies', the 2018 edition of Keppel Tech Symposium (KTS) encouraged Keppelites to co-create while tapping on technologies in the areas of 3D printing, automation of knowledge network, the Internet of Things, cloud technology, advanced robotics, autonomous vehicles and renewable energy.

The Symposium commenced in June 2018, where teams participated in workshops and activities to generate, refine, execute and market their ideas. At the finale held on 7 November 2018 at Keppel Leadership Institute, five teams from Singapore, China, Brazil and Qatar competed to present groundbreaking new ideas. In addition to presentations, the teams marketed and exchanged ideas with potential sponsors and the audience at the Symposium's Marketplace. Eventually, team 'The Boring Print' emerged as champion of the 2018 event (see box story).

1. The Boring Print introduced a tunneling machine that can 3D print pipe material while tunneling.
2. Senior management and staff from Keppel Shipyard viewing a demonstration of an augmented reality welding training simulator.

Winning team



The problem:

Underground water pipe and electrical cable installations usually require significant surface works, such as excavation, backfilling, road or infrastructure reinstatement and pneumatic drilling. Pipes and cables are typically installed one to two metres below surface due to machinery constraints and surface work economics, which require the installation to follow road layouts and be near accessible open land. Common problems associated with surface works include traffic bottlenecks and noise pollution.

The solution:

The solution proposed by The Boring Print is a tunneling machine that can 3D print pipe material while tunneling.

With this machine, surface works will no longer be required, thereby eliminating associated costs. The proposed process would only require a surface trench sufficiently large for a person and the tunneling machine to fit in. The surface trench can be located in remote areas, reducing inconvenience caused to the community. This process will also result in fewer segments of pipes, reducing incidents of leakage at joined areas.

Exploring new technologies

Keppel Shipyard organised its third innovation roadshow on 3 December 2018 to introduce new technologies in the industry to workers. Named 'Innovation Marketplace', the event was held at the Tuas Shipyard and was attended by over 400 participants.

Attendees were given the opportunity to try innovative products by vendors, such as an augmented reality welding training simulator and autonomous robots, which have the potential to enhance yard operations.

Mr Ivan Lim, GM (Operations), Keppel Shipyard, said, "It was interesting to see how companies are using technologies such as virtual reality, sensors and wireless communication. We must continue to innovate to stay ahead of competition, and I look forward to exploring how we can adopt these ideas to improve safety and productivity at the yards."



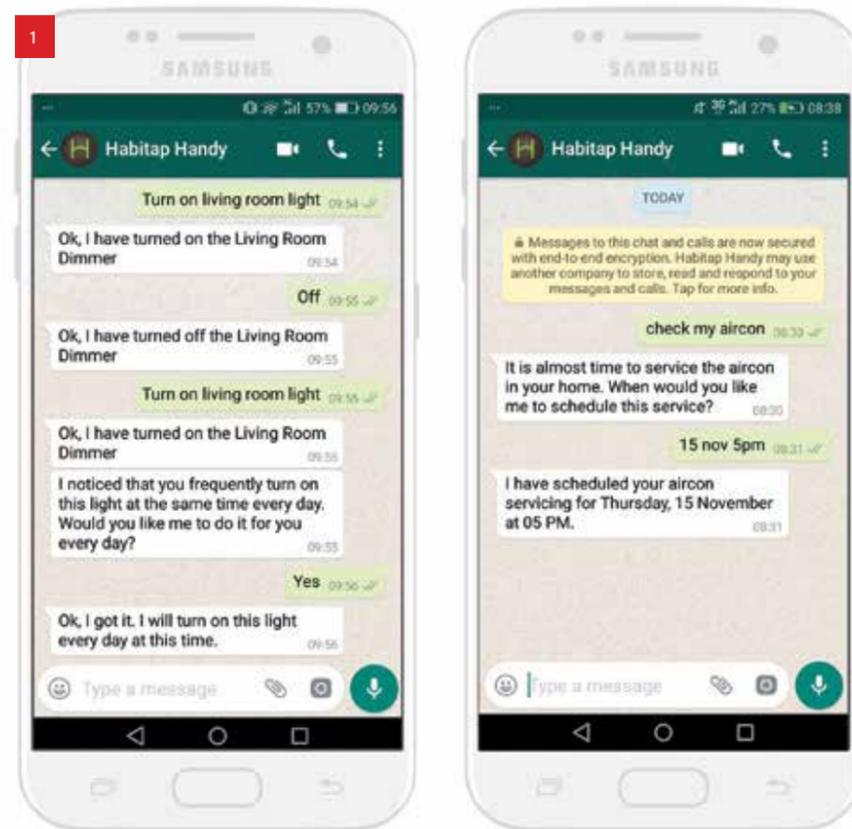
Unveiling Singapore's first A.I. - powered smart home

Keppel Land and Habitap unveiled Singapore's first smart home powered by artificial intelligence (A.I.) on 13 November 2018. This follows an earlier collaboration in 2016 which introduced Asia's first fully integrated smart home management system at Corals at Keppel Bay.

The smart home management system integrates smart home controls, community management and lifestyle services on a single platform. It has now been enhanced with A.I. with machine learning capabilities, enabling the anticipation of users' preferences and

automating settings to provide a seamless experience. Users are also provided with access to their preferred third-party service providers, such as for maintenance of air conditioners and laundry services, and are also alerted via the app on security issues.

The introduction of the "lifestyle assistant", Habitap Handy, also allows users to interact with and easily control devices like door locks, lighting and air-conditioning systems within their homes, access facilities booking and visitor management systems, as well as enjoy lifestyle services using text and voice messaging on popular messaging applications such as WhatsApp and WeChat. ✓



1. With the introduction of the "lifestyle assistant" Habitap Handy, users can easily control devices within their homes and access condominium and lifestyle services via popular mobile messaging applications.
2. Keppel Bay Tower emerged as the winner in the Retrofitted Buildings category of the Energy Efficient Building Award.
3. Mr Wong Wai Meng (centre), CEO of Keppel Data Centres, received the Singapore Wholesale Colocation Service Provider of the Year 2018 award on behalf of Keppel Data Centres.

New connections

Pipenet Pte Ltd (Pipenet), a wholly-owned subsidiary of Keppel Infrastructure, has secured a contract to design, build and operate pipe racks on Jurong Island for approximately \$40 million.

JTC Corporation (JTC) awarded the contract to Pipenet to construct pipe racks along parts of Banyan Drive, Banyan Avenue and the Jurong Island Highway that will facilitate pipeline connection to the Jurong Rock Caverns. After completion in 2020, Pipenet will operate the

project for 15 years, with JTC having the option to extend for another 15 years.

Pipenet currently owns and operates an extensive pipeline corridor network which is strategically located on the island, with the majority stretch running along the Jurong Island Highway. The existing corridor connects the Merbau region to the Banyan and Tembusu regions on Jurong Island, and runs through the chemical cluster at the Sakra region.

Pipenet provides pipe corridor rental services to companies with the need to transport chemical feedstock and products on the island. Through the use of service corridor, customers would be able to reduce initial start-up costs, optimise land usage and lower transportation costs of raw materials and products. The company also offers a portfolio of utilities services, such as steam, de-mineralised water, fire-fighting water and other support services to companies on the island. ✓



Accolades

ASEAN Energy Awards

For its energy-efficient features, Keppel Bay Tower was recognised by the Energy Market Authority at the annual ASEAN Energy Awards. The building emerged as the winner in the Retrofitted Buildings category of the Energy Efficient Building Award.

Asia Pacific Best Practice Awards

Keppel Data Centres was lauded as Singapore Wholesale Colocation Service Provider of the Year 2018 by Frost & Sullivan at its Asia Pacific Best Practice Awards. The award affirmed the company's ongoing commitment to drive development of the data centre industry, in support of sustainable urbanisation.

Green Solutions Awards

The Sino-Singapore Tianjin Eco-City South District edged out over 140 other candidates across 16 countries to win the Sustainable City Grand Prize at the 6th Green Solutions Awards. The awards ceremony on 6 December 2018 was in conjunction with the 24th Conference of the Parties to the United Nations Framework Convention on Climate Change. ✓



1. The Estella Place in District 2 of Ho Chi Minh City opened on 22 December 2018, providing residents in the vicinity convenient access to specialty stores and dining outlets.
2. Keppel Land partnered non-profit organisation Zero Waste Saigon and Starbucks Vietnam to showcase an art installation at the Estella Place called 'The Parting of the Plastic Sea'.



New shopping experience

Residents of District 2 in Ho Chi Minh City, Vietnam, are now able to enjoy myriad retail, lifestyle, educational and recreational services at Estella Place, which was opened on 22 December 2018.

Jointly developed by Keppel Land and its Vietnamese joint venture partner, Tien Phuoc, Estella Place is sited below the Estella Heights condominium and spans 37,000 sm of prime retail space over five

storeys. The eco-friendly mall houses over 110 local and international brands.

To create a different shopping experience, Estella Place will be partnering UrbanFox to introduce a new Online-to-Offline concept which allows shoppers to browse and purchase products on its online webstore through interactive kiosks or its showroom, with the option to collect their purchases in stores.

Separately, to discourage the consumption of single-use plastics, Keppel Land has partnered non-profit organisation Zero Waste Saigon and Starbucks Vietnam to showcase an art installation at Estella Place called 'The Parting of the Plastic Sea'. The installation is made from close to 170,000 plastic straws and plastic packaging recovered from the streets of Ho Chi Minh City by student volunteers. ✓



1. Shoppers at the newly opened K-Plaza can look forward to interesting activities including being able to charge their mobile phones via pedalling a stationary bicycle.
2. Visitors can interact with smart robot assistants at the newly opened China-Singapore Friendship Library.

Eco-friendly mall

Fancy charging your phone with electricity generated from pedalling a bicycle? Or adopting a plant from an indoor farm and watching it grow via remote monitoring? Beyond retail therapy, shoppers at K-Plaza, officially opened on 15 December 2018, can look forward to such eco-activities.

Located within the Jiading New City Core Area in Shanghai, China, K-Plaza is a community mall that is well-connected to residential districts in Shanghai's Northwest region. The development is managed by Keppel Land Retail Management. ✓

Friendship library

The China-Singapore Friendship Library, an important landmark in the Sino-Singapore Tianjin Eco-City (Eco-City), officially opened its doors to the public on 18 November 2018.

The 67,000 sm library is home to a vast collection of books and archival materials, as well as an array of smart technologies such as smart robot assistants and virtual reality technologies.

The library also features a Children's Eco-Library, an exhibit of photos and artworks illustrating the Eco-City's 10-year transformation, and a dedicated section on Singapore's history. The library holds regular cultural workshops for residents of the Eco-City. ✓

Strengthening compliance

Keppel continued to strengthen its regulatory compliance measures in the last quarter.

ISO 37001 Anti-Bribery Management System

Keppel Offshore & Marine (Keppel O&M) and its eight Singapore subsidiaries have achieved accredited certification for the ISO 37001 Anti-Bribery Management System (ABMS).

Mr Dave Cheng, MD of Socotec Certification Singapore, presented the ISO certificates to the heads of the certified business entities on 27 November 2018.

The ISO 37001 Standard has guided Keppel O&M in the implementation of its anti-bribery programme and sets out a systematic approach for identifying and evaluating bribery risks to prevent, detect and respond to incidents of bribery. The successful roll out and implementation of the ABMS was made possible by the strong commitment and active involvement of Keppel O&M employees, and will further entrench the company's

culture of integrity, accountability and compliance.

Building on the lessons learned, Keppel O&M will continue to extend the ABMS programme to its overseas business entities in 2019.

Enhancements to whistleblower reporting channels

Integrity is one of Keppel's core values. Keppel has a Whistleblower reporting channel for its customers, suppliers, employees and other stakeholders to report, in good faith, details of any instances of illegal and/or unethical conduct.

An important element of managing the risks of fraud, corruption and other illegal or unethical conduct is having a secure, confidential channel through which employees feel comfortable raising

concerns. Vendors and employees of any organisation have a unique perspective on the frontline services they provide and are best placed to highlight wrongdoing. However, they need support and encouragement to do the right thing.

To this end, Keppel Corporation has engaged KPMG to provide an independent platform for employees as well as external parties such as customers, suppliers, contractors and applicants for employment, to raise concerns in good faith about any perceived irregularity or misconduct.

Key enhancements to reporting channels include increased geographical coverage for whistle-blower hotlines to cover 10 countries and include Brazil, China, Vietnam and the United States, as well as the provision of online forms in multiple languages. ✓

"The endorsement of this certification by Socotec Certification Singapore demonstrates the effectiveness of Keppel O&M's ABMS. All this was made possible with concerted efforts by all Keppel O&M staff, supported by top management and Board members, and the active participation of Keppel's Group Risk & Compliance department as well as key personnel from its supporting corporate functions."

Mr Dave Cheng, MD of Socotec Certification Singapore



1. Mr Chan Chun Sing (second from right), Singapore Minister for Trade and Industry at Keppel's booth at the CIIE in Shanghai, with Mr Eric Goh (first from right), Chief Representative (China), Keppel Corporation; Mr Edmund Lek (second from left), ED (Operations-China), New Builds, Keppel Offshore & Marine, and President of Keppel Nantong Shipyard/Keppel Nantong Heavy Industry; and Mr Ho Meng Kit (first from left), CEO of Singapore Business Federation. (Photo credit: Singapore Business Federation).

2. A year on, UrbanFox offers expanded logistics solutions and enhanced digital e-commerce services.



China

Showcasing capabilities

Keppel participated in the inaugural China International Import Expo (CIIE) in Shanghai from 5 to 10 November 2018, with a booth at the Singapore Service Trade Exhibition Area which showcased the Group's major projects in China and its solutions that contribute to sustainable urbanisation.

On 6 November 2018, Singapore Minister for Trade and Industry, Mr Chan Chun Sing, led a Singapore delegation who visited the Keppel Group's booth.

The CIIE was launched by Chinese President Mr Xi Jinping in May 2017, and provides a platform for companies to partake in global trade opportunities.✔

UrbanFox celebrates

First anniversary

UrbanFox, a subsidiary of Keppel Logistics, celebrated its first anniversary, recording growth across all its services. It has also set its sights on expanding its regional footprint to cover Vietnam, Malaysia and Indonesia by 2019.

One year since its rebranding from Courex, UrbanFox expanded its logistics solutions business as well as its digital e-commerce capabilities. It introduced a proprietary Multi-Channel Commerce Platform (MCCP) in March 2018 for customers to seamlessly integrate and manage e-marketplaces (B2B, B2C, B2E).

Since the introduction of the MCCP, UrbanFox's fulfilment business has also grown by over 200 percent. The company's brand portfolio has grown from a modest 12 brands and 100 assortments to 270 brands with more than 17,000 assortments today.

Mr Joe Choa, MD of UrbanFox, said, "I would like to acknowledge the hard work and dedication of the UrbanFox team. With our end-to-end capabilities and expanded regional presence, we are on the right track to fulfill our mission of helping businesses to deliver growth, and becoming the preferred partner in omnichannel management in the region."✔

Committed to safety

Keppel is committed to providing a safe workplace for all its stakeholders. The 12th edition of the Keppel Group Safety Convention was held in October 2018. Separately, safety site visits were also conducted for members of the Group's Board Safety Committees and senior management.



Safety is deeply ingrained in the minds of Keppelites. In a recent survey conducted by an external consultant, Keppelites identified "Safety", followed by "Can Do" and "Integrity" when asked for the top three words that came to mind when they thought about the Group.

This was shared by Mr Loh Chin Hua, CEO of Keppel Corporation, during his opening address at the 12th Keppel Group Safety Convention held on 23 October 2018, themed 'Shaping a Safer Future'. The convention

is a platform to share best safety practices and reaffirm the Group's commitment to safety, and was attended by around 500 participants including board members, management, employees, union members, contractors and subcontractors, partners, and business associates.

In his address, Mr Loh also elaborated on the importance of harnessing technology to improve workplace safety and referred to examples such as Keppel FELS' Remotely Operated Underwater Vehicle which conducts inspections underwater.

"As the company grows and operations evolve, so must our safety knowledge, practices and technology. Safety is a collective responsibility and is a never ending journey. We all have to play our part to shape a safer future for Keppel."

Mr Tan Ek Kia, Chairman of the Keppel Corporation Board Safety Committee



1. The Keppel Group Safety Convention is held annually to reiterate Keppel's commitment to a strong safety culture.
2. Keppel FELS was named the winner of the 2018 Keppel Chairman Safety Challenge Trophy. Keppel Corporation Chairman Dr Lee Boon Yang (right) presented the trophy to Mr Tan Leong Peng (left), ED (Offshore), Keppel O&M.

"Such innovations not only make operations safer, but more efficient, and help Keppel to stay competitive across our different businesses", he said.

Other segments of the event included the live performance of the new Keppel Offshore & Marine (Keppel O&M) safety song 'It's up to me' and a sharing session by guest speaker Mr Michael Bigler, Venture SSHE Manager of Guyana Projects at ExxonMobil Development.

To recognise Keppelites for their outstanding contributions to safety and innovation, individual Keppel Group Safety Awards and Safety Innovation Team Awards were also presented.

The coveted Chairman Safety Challenge Trophy for 2018 was awarded to Keppel FELS for its strong safety performance as well as innovative safety projects and initiatives.

In his speech, Mr R K Jaggi, GM, Group Health, Safety & Environment, Keppel Corporation, also elaborated on the Zero Fatality Strategy, which guides the Group's safety approach.

In his closing remarks, Mr Tan Ek Kia, Chairman of the Keppel Corporation Board Safety Committee, emphasised the need to continuously bolster the company's safety culture and enhance safety processes. He urged Keppelites to remain steadfast in this safety journey.



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Keeping our sites safe

Safety is a key focus area for the Keppel Group.

Members of Keppel Corporation and Keppel Infrastructure Board Safety Committees (BSC) visited the Keppel Marina East Desalination Plant's (KMEDP) construction site on 5 December 2018, where they were briefed on the plant's safety measures. The visiting group included Dr Lee Boon Yang, Chairman of Keppel Corporation, Mr Tan Ek Kia, Chairman of the Keppel Corporation BSC, Mr Khoo Chin Hean, Chairman of the Keppel Infrastructure BSC, and Dr Ong Tiong Guan, CEO of Keppel Infrastructure.

Separately, Keppel O&M senior management, led by Mr Loh Chin Hua, CEO of Keppel Corporation and Chairman of Keppel O&M, and Mr Chris Ong, CEO of Keppel O&M, went onboard the CAN DO drillship for a safety walkthrough on 7 December 2018.

Elsewhere, in recognition of its excellent safety record in operations and maintenance, Keppel Seghers Engineering Singapore was named HSE Contractor of the Year 2018 by the Public Works Authority of Qatar. ✓



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1. Mr Goh Eng Kwang (foreground, pointing), GM, Project Development, Environmental Infrastructure at Keppel Infrastructure and project head of KMEDP, briefed Keppel Corporation and Keppel Infrastructure BSC members on the safety measures at the site.
2. Onboard the CAN DO drillship for a safety walkthrough were Mr Loh Chin Hua (front row, centre), CEO of Keppel Corporation and Chairman of Keppel O&M, Mr Chris Ong (far left), CEO of Keppel O&M, Mr Tan Leong Peng (front row, second from right), ED (Offshore) of Keppel O&M, and Mr Mohamed Sahlan Bin Salleh (right), ED (Operations), New Builds of Keppel O&M.



The MOU signing ceremony between Keppel O&M and NUS was attended by management from both organisations, including Mr Chris Ong (seventh from right), CEO of Keppel O&M, and Professor Ho Teck Hua (eighth from right), Senior Deputy President and Provost, NUS.

A future-ready workforce

Keppel Offshore & Marine (Keppel O&M) on 23 November 2018 signed a Memorandum of Understanding (MOU) with the National University of Singapore (NUS) as part of efforts to promote continuous learning and prepare employees to take on the fourth industrial revolution.

The MOU, which is part of the NUS 'All-You-Can-Learn' initiative, will enable employees from Keppel O&M to sign up for a range of NUS modules and executive programmes on topics such as data analytics, robotics and engineering,

as well as finance and business. About 2000 to 3000 training places will be made available.

Mr Chris Ong, CEO of Keppel O&M, said, "We invest in our employees so that they are empowered to be agents of change and innovation. We are collaborating with NUS on several fronts, such as the Keppel-NUS Corporate Laboratory, to boost research efforts and address key challenges. These initiatives enable us to strengthen our capabilities and stay ahead in the offshore and marine industry."

As part of the MOU, Keppel O&M will work with NUS on a range of initiatives, including seminars to encourage upskilling and reskilling, and an organisational training plan to enhance employee capabilities.

Keppel O&M has also extended its partnership with the Institute of Technical Education by committing to provide training places for the Work Learn Technical Diploma programme in Marine and Offshore Engineering. The signing ceremony for the partnership took place on 2 November 2018 and was witnessed by Minister for Education Mr Ong Ye Kung. ✓

Under one roof

Keppelites from Keppel Corporation rolled out the welcome mat and pulled back the curtains on a brand new renovated smart office in December 2018 as they welcomed colleagues from Keppel Capital and Keppel Land under one roof at Keppel Bay Tower.

In the spirit of strengthening collaboration as OneKeppel, the Group's flagship address features an agile workplace configuration that is designed to enhance interactions and facilitate cross business unit networking. State-of-the-art technology such as facial recognition for building access and mobile-app integration for printing, meeting room bookings and HR functions were integrated into the office redesign, allowing Keppelites seamless access to various facilities at Keppel Bay Tower.

Beginning with integration of finance and HR functions under Project Autobots and HaRmony, the move marks a culmination of the Group's efforts to embrace a new collaborative and agile working style across its business units.



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“Compared to our old office at Bugis Junction Towers, the new agile office feels more modern. My favourite feature is the staircase connecting the floors, as it’s easier for me to reach out to colleagues across the Group. Another plus point of moving here is the variety of food options for lunch.”

Raymond Bay, Manager, Corporate Finance and Treasury, Keppel Capital



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“There is definitely more interaction with colleagues from different departments compared to our old office where we were on different floors. There’s also a lot more natural light streaming in, which helps make the office bright, spacious and conducive for work. I’m a fan of the fast-charging feature at our desks. As we’re constantly running in and out for meetings, it’s a life-saver since I don’t have to worry about running to the next meeting with a phone that is not charged!”

Brenda Khoo, Senior Executive, Marketing, Keppel Land

1. A staircase across three floors connects Keppel Corporation and Keppel Capital. Bright and open collaborative spaces surrounding the staircase landing allow for spontaneous breakout discussions among Keppelites.
2. The new agile offices at Keppel Bay Tower feature a wide configuration of workstations such as standing desks and huddle areas that accommodate different working styles and collaborative needs.



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3. Level 2 of Keppel Bay Tower has been transformed into a Business Centre utilised by Keppelites from various business units. Meetings can now be booked seamlessly and remotely via a mobile app or on the spot through panels outside each room.



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“I was pleasantly surprised by how spacious our renovated office is. It’s very refreshing with more common spaces to explore. The trade-off is the limited storage space and clean desk policy for our shared work spaces, but I personally like it as it helps us to reduce clutter and rethink how to fully utilise our allocated space. Now, with no cubicles and partitions, it’s easy to find colleagues for quick discussions at our new, informal collaboration areas.”

**Tan Pi Li, Senior Manager,
Group Tax, Keppel Corporation**



1. Benoît Vanderborgh (centre), Engineering Project Manager, Keppel Seghers, with colleagues at the Bialystok Energy-from-Waste plant, one of Poland's first WTE plants designed to meet the varying energy needs in winter and summer.
2. Benoît and several colleagues harvested honey from an apiary on the rooftop balcony of their office building in Belgium.



Global citizen

Benoît Vanderborgh's career at Keppel Seghers has brought him to numerous countries over the past two decades.

Though based in Belgium, the Engineering Project Manager has spent time in Singapore, China, Poland, Spain and Qatar, among other countries, working on various Waste-to-Energy (WTE) projects.

Benoît considers his first Engineering Procurement and Construction project in Mallorca, Spain, and the completed WTE installation in Bialystok, Poland, the proudest achievements of his career thus far.

Over the past two years, Benoît has been making monthly work trips to Hong Kong to oversee the progress of the Integrated Waste Management Facility, which Keppel Seghers and Zhen Hua Engineering Co. Ltd. jointly won the bid for in 2017.

Born and raised in Belgium's cool climate, it took time for Benoît to grow accustomed to Hong Kong's hot, humid summers and densely populated city. However, he was quick to add, "I am grateful that there are beautiful beaches just an hour's drive from the city centre. Being in touch with nature provides some respite from the sleepless metropolis."

When in Belgium, the father of three spends his free time refereeing his children's field hockey matches, singing in a classical choir, and maintaining an apiary on the rooftop balcony of the office building. He excitedly recounted how he and two other colleagues harvested and refined the honey over several months last year, and distributed jars of honey to colleagues in time for autumn.

On the challenges of working abroad, Benoît shared that as he is not conversant

in Mandarin and Cantonese, he has difficulty conversing with Hong Kongers outside of his office environment. He continued, "Most of the time, I have to rely on gestures or my smartphone."

He opined, "One piece of advice I have for Keppelites posted overseas is to learn the local language. This will allow you to be more immersed in and appreciate the local culture better."

Reflecting on his experiences working in different countries, Benoît shared, "When it comes to doing business, the world today is so interconnected that I hardly feel any difference in the working styles between teams from different countries. The Keppelites that I work with across the world are united by a shared purpose, and are all working towards the common goal of executing the project well and safely!"

Celebrating as OneKeppel

Over 500 Keppelites from Keppel Corporation, Keppel Capital, Keppel Technology & Innovation (KTI) and Keppel Business Solutions put on their best video game costumes at the joint D&D, themed 'Video Games', while close to 300 Keppelites from Keppel Infrastructure donned uniforms from their school days at a 'Back to School' party. Separately, around 300 Keppelites from Keppel Telecommunications & Transportation (T&T) came dressed in bright hues at the 'Colour Me Happy' party.



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1. The companies' Long Service Award recipients were recognised at the Keppel Corporation, Keppel Capital, KTI and Keppel Business Solutions joint D&D party.
2. Keppel showed its appreciation for staff with the year-end D&D parties.
3. Super Marios from Keppel Capital stealing the limelight at 'Video Games' night.
4. Keppel T&T management and staff enjoyed a team-bonding experience at the company's D&D party.
5. Staff enjoyed a trip 'Back to School' at Keppel Infrastructure's D&D party.



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Spotlight on:

Cindy Lim

In the latest instalment of interviews with senior management, Keppelite speaks to Ms Cindy Lim, Director (Group Corporate Development) and MD, Keppel Urban Solutions, who shares with us her views on leadership, work-life integration and what delights her palate.

Q: You have been a Keppelite for almost 20 years, going through various business units in the Group, including Keppel Corporation, Keppel Offshore & Marine, Keppel Infrastructure and most recently, Keppel Urban Solutions. How would you describe your journey in Keppel?

It has been a very fruitful journey. But frankly, when I first joined Keppel, I didn't expect my career in the company to last so long!

As a multi-business company, Keppel is able to offer its staff varied and interesting careers, allowing promising staff to grow, develop diverse capabilities and contribute in different ways. I started as a quality system engineer at Keppel FELS in 2001. In the last 18 years, I have gone on to take on technical, non-technical, business unit and corporate roles.

To use an analogy, I was a seed when I first joined. The leaders of the company are like the farmers. The corporate culture can be likened to the soil conditions. Personnel training and development is akin to sunlight. Over the years, the seed had the opportunity to grow and mature, thanks to the different generations of farmers. There may be dark clouds or stormy weather in the external environment sometimes, but what is important is that the soil remains fertile – that the culture and values that give the seeds and saplings the nourishment to grow into trees and remain strong. As the trees grow, they should provide shade and support to

the subsequent generation of seeds and saplings. Some will blossom and become farmers – i.e. the new leadership team, who will then be responsible for grooming the next generation of leaders.

I am confident that Keppel's culture of people-centredness as well as our tenacity and resilience will continue to make my journey, as well as the journeys of many other Keppelites, very meaningful ones.

Q: Looking back, which milestones would you consider more memorable?

There are many milestones, but I will just name two. The first was in 2009 when I transitioned from a functional role in a business unit to a corporate role at Group Human Resources. Coming from Keppel Offshore & Marine and moving to a group platform allowed me to create impact on a broader scale.

The second very memorable milestone was in 2013 when I was rotated to Keppel Infrastructure to take on a commercial role. Back then, Keppel Infrastructure was newly formed from the integration of Keppel Energy and Keppel Integrated Engineering.

I was tasked to lead Infrastructure Services, which comprises various functions such as operation and maintenance, procurement as well as health, safety and environment. Besides working with the team to resolve project issues, one of the tougher challenges was having to integrate the

teams from what used to be two business units while keeping up staff morale. What drove the successful changes was that the team worked together with a common set of core values, anchored by our operating principles, towards the same goal. The transformation and growth of Keppel Infrastructure since then, with the support of Keppel Corporation and staff on the ground, is something that we should all be proud of.

Q: Do you think that women add a different dimension to a management team? In what way?

My peers and I have never categorised people based on gender. In Singapore and at Keppel, we practise meritocracy and performance based progression. Likewise, I find some of the women's leadership forums and the like non-inclusive and risk being perceived as a form of discrimination.

To me, there should be no limits, no glass ceilings, no gender quotas and no discrimination. Preferential treatment should also not be given. One should just focus on the task at hand and work as a team, regardless of gender. This is the culture at Keppel.

Q: Can you share with our readers Keppel Urban Solutions' (KUS) journey since its formation in 2017?

I am quite pleased with what has been put in place progressively in the past one year. We have a concrete business plan for KUS,



and within the Group, we have also evolved to a stage where we now know how we can best hunt together as a pack and create value across the entire value chain. We are gaining traction in the marketplace and actively pursuing a few projects and sites.

KUS strives to be the platform to advance Keppel's goal of being a choice solutions provider for sustainable urbanisation. We work with the business units in the Group to enter both core and new markets, and seize opportunities to capture a bigger slice of the market in cities where we are present, such as those in China, Vietnam and Indonesia.

To be successful in this, we also need best-in-class partners in our eco-system. We require smart and sustainable enablers, partners that can help us be faster in delivering unique customer propositions. In emerging markets, it is very helpful to work with strong local partners to understand the differentiators that are required to set us apart, especially when we are pitching to city or municipal governments. In addition, we need strong capital partners, and here is where we will have opportunities to leverage Keppel Capital's strengths.

Q: Can you share with readers what are the key highlights of KUS' strategy going forward?

We want to identify and enter the right markets, successfully execute our smart, sustainable developments, provide good solutions for our customers, as well as achieve good returns for the projects that we undertake.

Our intention is not to just build, sell and then exit. We want to continue to evolve to cater to the changing demands and needs of the residents and businesses in the precincts or townships that we own and operate. The dynamic infrastructure component is important. For example, we want to provide a high degree of reliability and efficiency for energy and utilities services. Ultimately, the projects that we undertake and deliver should be use cases that we can continuously point to with pride.

I spoke earlier about two significant milestones in my career. In two to three years' time, I hope to be able to look at my time in Keppel Urban Solutions as a third milestone. The reason I did not highlight it earlier is that I think it is too early for me to speak about this segment of my career and I prefer to talk about it when we have seen results.

Q: On a more personal note, what do you do in your free time? How do you unwind?

I believe in work-life integration. At work, I don't feel 'wound up' so there is no need to 'unwind'. I also believe in taking scheduled breaks. I have a school-going child so my breaks are quite fixed every year, during the school holidays. While on holidays, we have devices that allow us to be updated on work.

I like to read, especially non-fiction books such as autobiographies and business books. I like to collect books and usually buy books faster than I can finish reading them. One of the books I like is 'Why nations fail' by Daron Acemoglu and James Robinson. You can substitute 'nations' with 'companies' and many of the lessons in the book would also be relevant for companies. I also enjoyed reading 'Neither civil nor servant' by Peh Shing Huei.

Q: What is your favourite food?

I enjoy local fare very much, like mee sua, chwee kueh, and especially duck kway teow. When I return to Singapore after a long work trip, I would often head to Boon Tong Kee Kway Chap Braised Duck stall at Zion Riverside Food Centre for the duck kway teow. ✓

Partnerships for Climate action

Eco Action Day

Staff from Keppel Land and Keppel REIT, together with their families, participated in the Ricoh Annual Eco Action Day tree planting event on 27 October 2018 during which over 300 tree saplings were planted.

Guest of Honour for the event, Mr Masagos Zulkifli, Singapore's Minister for the Environment and Water Resources, shared, "Keppel Land and Keppel REIT have been partners of Eco Action Day since 2014. Through active engagement and outreach, 192 tenants and staff of Keppel Land and Keppel REIT have made pledges towards a greener environment. I hope to see more like-minded companies coming together to create a bigger impact."

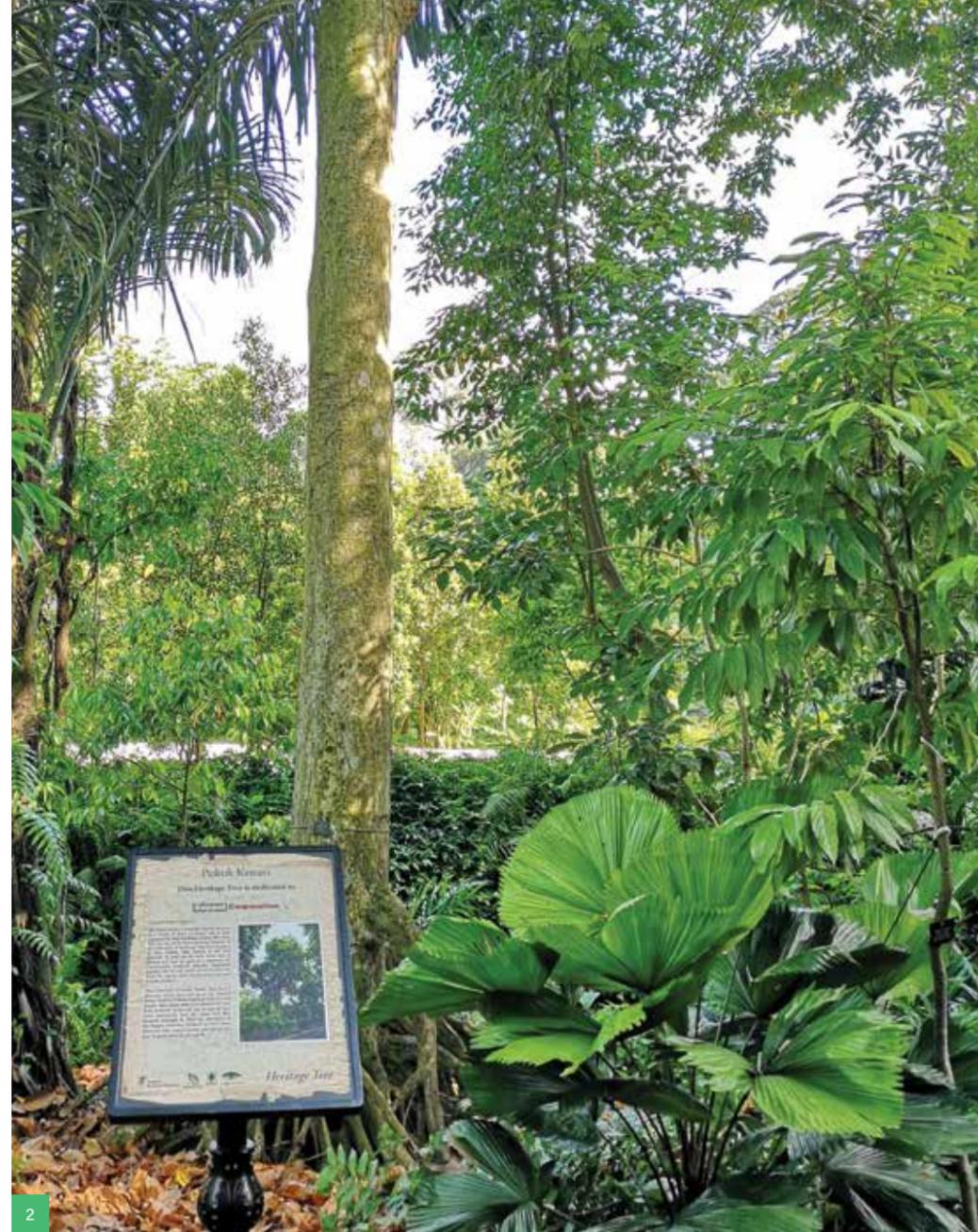
Grow-a-Reef Garden

Separately, on 8 November 2018, Singapore's largest purpose-built reef structure was installed in the waters

off the Small Sister's Island as part of a JTC and NParks' Grow-a-Reef Garden collaboration. As a sponsor of the project, Keppel's contribution helps protect coral reefs around Singapore and enhance marine biodiversity in the island's surrounding waters.

Keppel Heritage Tree

A Heritage Tree at Singapore Botanic Gardens has been dedicated to Keppel to recognise the Group's support of conservation efforts. Keppel's Heritage Tree is a Pokok Kenari, also known as Java Almond, located near the Canarium Pond at Keppel Discovery Wetlands. Mr Lawrence Wong, Minister for National Development, presented the Heritage Tree plaque to Mr Ho Tong Yen, CEO of Keppel Care Foundation and Director of Group Corporate Communications at Keppel Corporation, on 9 January 2019. Keppel's green ambassadors and staff witnessed the dedication ceremony.



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1. Mr Masagos Zulkifli (far right), Singapore's Minister for the Environment and Water Resources with Mr Tan Swee Yiow (left), CEO of Keppel Land, at the Eco Action Day tree planting event.
2. To help protect coral reefs around Singapore and enhance marine biodiversity, Keppel was a sponsor of Singapore's largest purpose-built reef structure installed off the Small Sister's Island.
3. Keppel was conferred the title Champion of Good by the National Volunteer & Philanthropy Centre, which recognises companies that are exemplary in their corporate giving efforts. Receiving the award from Finance Minister Heng Swee Keat (third from left) is Ms Teri Liew (third from right), President of Keppel Volunteers and General Manager of Group Corporate Communications at Keppel Corporation.



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Champion of good

In recognition of its exemplary corporate giving efforts, Keppel Corporation was conferred the title Champion of Good by the National Volunteer & Philanthropy Centre for the second consecutive year, at an awards ceremony on 16 November 2018. This national recognition framework seeks to catalyse the corporate giving movement and acknowledge companies who drive social impact.

Separately, Keppel Corporation clinched National Kidney Foundation's (NKF) Corporate of the Year Award 2018. With the support of Keppel Care Foundation, Keppel Volunteers reaches out to needy dialysis patients through bimonthly food deliveries and home visits as part of NKF's Grains of Hope programme.

Keppel Land was also recognised for efforts to enrich the lives of residents living in Singapore's North West district. The company won the Community Partnership Merit Award at the People's Association Community Spirit Awards on 23 October 2018.

Finally, the Keppel Centre for Art Education at National Gallery Singapore, which Keppel sponsors, has been named Winner of the Children in Museums Award 2018. The international competition, which drew participation from 35 museums around the world, recognised the Centre's excellent, well-designed exhibitions for young visitors.



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Doing well, doing good

Over the past few months, Keppel Volunteers brought cheer to the underprivileged during the Christmas and Chinese New Year seasons. In Vietnam, volunteers completed another run of the Words on Wheels programme to impart financial literacy to students. The dedication of regular volunteers was also recognised at the annual Keppel Volunteers Appreciation Dinner.



1. Over 50 volunteers, led by Mr Loh Chin Hua (second row, ninth from right), CEO of Keppel Corporation, joined Mr Ong Ye Kung (second row, eighth from right), Minister for Education, and Dr Teo Ho Pin (second row, seventh from right), Mayor of the North West District, to distribute festive goodie bags to 250 households at the rental blocks in the Gambas Division.
2. (From L-R) Mr Loh Chin Hua, CEO of Keppel Corporation, Dr Teo Ho Pin, Mayor of North West District, and Mr Ong Ye Kung, Minister for Education, distributed festive goodie bags to the needy residents in the Gambas Division.
3. Volunteers from Keppel Land Tianjin raised over RMB 35,000 in a charity auction.
4. As part of the Words on Wheels programme in Vietnam, Keppel Volunteers imparted the virtues of saving to children through its financial literacy curriculum.

Festive giving

Over 50 volunteers from across the Group participated in the WeCare@ North West – Service Weeks campaign at the Gambas Division. On 12 January 2019, volunteers packed festive goodie bags for 250 households at the rental blocks in the Division. Thereafter, the volunteers, led by Mr Loh Chin Hua, CEO of Keppel Corporation, joined Mr Ong Ye Kung, Minister for Education and Dr Teo Ho Pin, Mayor of North West District, to distribute the items to the households. Separately, 10 volunteers, together with students from Republic Polytechnic, also distributed festive goodie bags and red packets to 300 residents in another rental block cluster within the Gambas Division on 26 January 2019.

Keppel Volunteers had also earlier hosted 90 residents from the Gambas Division to the musical 'A \$ingapore Carol' produced by Wild Rice, on 1 December 2018. This initiative is part of Keppel Land's partnership with the North West Care & Repair Programme.

Separately, 223 underprivileged households under Metropolitan YMCA Singapore's MY Blessings programme received Christmas gifts such as household items and appliances delivered by volunteers from Keppel Land and UrbanFox on 8 December 2018. The gifts were sponsored by Keppel Land, while UrbanFox provided transport and logistics support.

Engaging the elderly

Volunteers from Keppel Offshore & Marine (Keppel O&M) and Keppel O&M Alumni, led by Mr Chris Ong, CEO of Keppel O&M and Mr Hoe Eng Hock, Chairman of Keppel O&M Alumni, jointly organised a morning of games for elderly patients from Yishun Community Hospital on 22 October 2018. The card games were designed to boost the seniors' cognitive abilities and increase their concentration levels.

Mr Hoe shared, "Our Keppel O&M Alumni members were glad to engage the elderly patients. Having spent many years working with the company, we were happy to fly the Keppel flag high and look forward to more of such collaborations with Keppel Volunteers."

Imparting financial literacy

Following the successful launch of the Keppel Land-sponsored Words on Wheels (Phase 2) in Ho Chi Minh City, Vietnam in March 2018, Keppel Volunteers conducted two runs of the programme in several secondary and primary schools in October and November 2018.

As part of the programme, volunteers conducted English lessons on green living and financial literacy, with the aim of inculcating positive values among the local community, and in particular, the youths.

Goh Yi Hui, Operations Engineer at Keppel Shipyard, reflected, "I really appreciated this opportunity to share the importance of financial literacy with the children, and hope that it will help them in their lives."

Keeping it clean

About 100 volunteers from Keppel Shipyard accompanied 80 children from Care Corner for a fun day of games and coastal cleanup at East Coast Park on 23 November 2018.

In collaboration with the Ministry of Municipality and Environment of Qatar and Doha Environmental Actions Project, volunteers from Keppel Seghers Qatar rallied to clean up the two kilometre stretch of beach located at the North tip of Qatar and the Singing Dunes at the South.

Touching lives in China

In October 2018, Keppel Volunteers in Shanghai held their inaugural dance class for hearing impaired children under the 'Keppel Welfare Budding Dancers' programme, which was developed in partnership with the Shanghai Hearing Impaired Children Rehabilitation Centre and J Dance School Shanghai. To raise funds for this programme, volunteers also held a charity sale at the Trinity Tower in Shanghai on 15 and 16 January 2019. Over RMB 10,000 was raised from the two-day sale.

Volunteers from Keppel Land Tianjin and the company's contractors rolled up

their sleeves to renovate and upgrade the Sunshine Welfare Home in Tianjin Binhai New Area in October 2018. Over 90 children have benefited from the refurbished home.

Volunteers from Keppel Land Tianjin also raised over RMB 35,000 in a charity auction held on 23 November 2018. The proceeds will go towards the funding of volunteer activities in schools as well as welfare centres and homes.

Doing Good as OneKeppel

In conjunction with International Volunteer Day, Keppel's regular volunteers were recognised for their dedication and community service at the annual Keppel Volunteers Appreciation

Dinner held on 5 December 2018 at Keppel Leadership Institute.

Addressing the volunteers, Mr Loh Chin Hua, CEO of Keppel Corporation, commended their efforts in uplifting the lives of the underprivileged.

The volunteers were also inspired by Mr Koh Seng Choon, Founder of Dignity Kitchen, who candidly spoke on harnessing innovation to develop customised solutions to help people with special needs.

Special awards were presented to 16 Keppelites from across the Group, in recognition of their work in organising or participating in volunteerism events,

and whose time and efforts have helped Keppel exceed its 2018 target of 10,000 volunteer hours.

Sharing her experience, Janneth Lim, Design Engineer from Keppel O&M, recounted a heartwarming story of how an activity she organised for foster children from Epworth Community Services led to another fellow Keppelite's decision to be a foster parent.

Separately, Ong Wen Qi from Keppel Singmarine shared how her participation in Keppel Land's Words on Wheels programme in Vietnam gave her a deep sense of pride to be part of a company making a difference in the lives of underprivileged communities overseas.



1. Volunteers from Keppel Land and UrbanFox collaborated to deliver Christmas gifts to underprivileged households.
2. Volunteers from Keppel O&M Alumni and Keppel O&M organised games for elderly patients and presented them with hand-made gifts.
3. Keppelites being recognised for their dedication and efforts at the annual Keppel Volunteers appreciation event.



"I am heartened that volunteerism at Keppel is about deeper engagement and enduring impact. Keppelites are befriending and engaging our beneficiaries as well as developing more sustainable and outcome-focused programmes, whether for seniors, children or low-income families."

Mr Loh Chin Hua, CEO of Keppel Corporation



A park for the Community

A tree planting and plaque unveiling ceremony was held on 3 November 2018 to mark the opening of Kim Pong Park. Located next to Keppel Land's condominium development, Highline Residences in Tiong Bahru, the park was developed by Keppel Land in consultation with the National Parks Board.

The event was graced by Ms Indraneel Thurai Rajah, Minister, Prime Minister's Office, Second Minister for Finance and Second Minister for Education, and Adviser to Tanjong Pagar group representation constituency (GRC) grassroots organisations (GROs). Joining in the festivities were Keppel Land senior management, grassroots leaders and community groups.



1. The opening of Kim Pong Park was officiated by Ms Indraneel Thurai Rajah (second from left), Minister, Prime Minister's Office, Second Minister for Finance and Second Minister for Education, and Adviser to Tanjong Pagar GRC GROs.
2. Kim Pong Park, located next to Highline Residences in Tiong Bahru, was developed by Keppel Land in consultation with the National Parks Board.



Shaping a Sustainable Future

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