

# Directors' Statement

For the financial year ended 31 December 2023

The Directors present their statement together with the audited consolidated financial statements of the Group, and balance sheet and statement of changes in equity of the Company for the financial year ended 31 December 2023.

In the opinion of the directors, the consolidated financial statements of the Group, and the balance sheet and statement of changes in equity of the Company as set out on pages 136 to 226, are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2023, and the financial performance, changes in equity and the cash flows of the Group and changes in equity of the Company for the financial year then ended and at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts when they fall due.

## 1. DIRECTORS

The Directors of the Company in office at the date of this statement are:

Danny Teoh (Chairman)  
 Loh Chin Hua (Chief Executive Officer)  
 Till Bernhard Vestring  
 Veronica Eng  
 Jean-François Manzoni  
 Teo Siong Seng  
 Tham Sai Choy  
 Penny Goh  
 Shirish Moreshwar Apte  
 Olivier Pascal Marius Blum  
 Jimmy Ng Hwee Kim  
 Ang Wan Ching (appointed on 1 July 2023)

## 2. AUDIT COMMITTEE

The Audit Committee of the Board of Directors comprises five independent non-executive Directors. Members of the Committee are:

Tham Sai Choy (Chairman)  
 Veronica Eng  
 Penny Goh  
 Ang Wan Ching (appointed on 1 July 2023)  
 Jimmy Ng Hwee Kim (appointed on 1 January 2024)

The Audit Committee carried out its function in accordance with the Companies Act 1967, AC Guide issued by Singapore Institute of Directors, Rule 1207(10) of the Listing Manual and Code of Corporate Governance, which include the following:

- Reviewed financial statements and announcements relating to financial performance, and significant financial reporting issues and judgments contained in them;
- Reviewed and reported to the Board at least annually on the adequacy and effectiveness of financial, operational, compliance and information technology controls, as well as risk management systems in relation to financial reporting and other financial-related risks;
- Reviewed the Board's comment on the adequacy and effectiveness of the Group's internal control systems and risk management systems, and state whether it concurs with the Board's comments; and if there are material weaknesses identified in the Group's internal controls systems, to consider and recommend the necessary steps to be taken to address them;
- Reviewed the assurance from the CEO and CFO on the financial records and financial statements and the assurance and steps taken by the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the Group's internal control systems;
- Reviewed the adequacy, effectiveness, independence, scope and results of the internal and external auditors at least annually and reported the Audit Committee's assessment to the Board;
- Ensured that the Head of Internal Audit and external auditors have direct and unrestricted access to the Chairman of the Audit Committee, and that they are able to meet separately and privately to discuss matters and concerns;
- Monitored and assessed the role and effectiveness of the internal audit function, including the internal audit charter, plans, activities (including consulting services), staffing, budget, resources and organisational structure of the internal audit function;

- Ensured that the internal audit function is adequately resourced and staffed with persons with the relevant qualifications and experience, and has appropriate standing within the Company;
- Reviewed audit plans and reports of the external auditors and on a periodic basis the internal auditors, management's responsiveness to any findings and recommendations to the extent set out/identified, and effectiveness of any follow up actions taken;
- Ensured that a Quality Assurance Review on internal audit function is independently conducted at least once every five years;
- Decided and approved the appointment, termination, evaluation and remuneration of the Head of Internal Audit, or the accounting/auditing firm or corporation to which the internal audit function is outsourced;
- Made recommendations to the Board on the proposals to the shareholders on the appointment, re-appointment and removal of the external auditors, and approved the remuneration and terms of engagement of the external auditors;
- Reviewed the nature and extent of non-audit services performed by external auditors;
- Met with external auditors (without the presence of management and internal auditors) and internal auditors (without the presence of management and external auditors), at least annually;
- Oversee the establishment and operation of the whistleblowing process. Reviewed the whistle-blower policy and the Company's procedures for detecting and preventing fraud and other arrangements for concerns about possible improprieties in financial reporting or other matters to be safely raised, independently investigated and appropriately followed up on;
- Reviewed interested person transactions to ensure they are on normal commercial terms and are not prejudicial to the interests of the company or its minority shareholders, and determine methods or procedures for assessing that the transaction prices are adequate for transactions to be carried out on normal commercial terms, and that they will not prejudice the company or its minority shareholders;
- Investigated any matters within the Audit Committee's purview, whenever it deemed necessary;
- Perform such other functions as the Board may determine;
- Reported to the Board on the Committee's proceedings on significant issues and judgements that the Committee considered in relation to the financial statements, and how these issues were addressed, the Committee's assessments on internal control and risk management systems, the internal audit function and external auditors, as well as any material matters, findings and recommendations;
- Ensured proper disclosure and reporting to shareholders on interested party transactions as required by the SGX Listing Manual;
- Produced a report on its activities to be included in the Company's annual report. The report should also disclose the measures taken by the Committee members to keep abreast of changes to accounting standards and issues which have a direct impact on financial statements; and an explanation of how the prospects of the Group have been assessed, over what period it has done so, and why the Board should consider it to be appropriate to use that period; and
- Reviewed the Audit Committee's terms of reference annually and recommended proposed changes to the Board for approval.

The Audit Committee has recommended to the Board of Directors the nomination of PricewaterhouseCoopers LLP for re-appointment as independent auditors and approved the remuneration and terms of engagement at the forthcoming annual general meeting of the Company.

### **3. ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE SHARES OR DEBENTURES**

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object was to enable the Directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate other than the Keppel Restricted Share Plan, Keppel Performance Share Plan, Keppel Restricted Share Plan 2020, Keppel Performance Share Plan 2020 and Remuneration Shares to Directors of the Company.

## Directors' Statement

For the financial year ended 31 December 2023

### 4. DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

According to the Register of Directors' shareholdings kept by the Company for the purpose of Section 164 of the Companies Act 1967, none of the Directors holding office at the end of the financial year had any interest in the shares and debentures of the Company and related corporations, except as follows:

	Holdings At		
	1.1.2023	31.12.2023	21.1.2024
<b>Keppel Ltd.</b>			
<i>(No. of ordinary shares)</i>			
Danny Teoh	129,825	163,825	163,825
Loh Chin Hua	2,949,667	3,967,246	3,967,246
Loh Chin Hua (deemed interest)	38,500	38,500	38,500
Till Bernhard Vestring	103,000	112,000	112,000
Veronica Eng	56,000	66,000	66,000
Jean-François Manzoni	123,000	131,000	131,000
Teo Siong Seng	14,000	21,000	21,000
Teo Siong Seng (deemed interest)	21,483	21,483	21,483
Tham Sai Choy	170,570	179,570	179,570
Penny Goh	44,000	53,000	53,000
Shirish Moreshwar Apte	3,000	11,000	11,000
Olivier Pascal Marius Blum	–	4,000	4,000
Jimmy Ng Hwee Kim	–	4,000	4,000
<i>(Unvested restricted shares to be delivered after 2020)</i>			
Loh Chin Hua	86,958	–	–
<i>(Unvested restricted shares to be delivered after 2021)<sup>4</sup></i>			
Loh Chin Hua	264,650	189,225	189,225
<i>(Unvested restricted shares to be delivered after 2022)<sup>4</sup></i>			
Loh Chin Hua	–	426,747	426,747
<i>(Contingent award of performance shares issued in 2019 to be delivered after 2022)<sup>1,2</sup></i>			
Loh Chin Hua	365,000	–	–
<i>(Contingent award of performance shares issued in 2020 to be delivered after 2023)<sup>1,3</sup></i>			
Loh Chin Hua	365,000	365,000	365,000
<i>(Contingent award of performance shares issued in 2021 to be delivered after 2023)<sup>1</sup></i>			
Loh Chin Hua	365,000	365,000	365,000
<i>(Contingent award of performance shares issued in 2022 to be delivered after 2024)<sup>1</sup></i>			
Loh Chin Hua	400,000	400,000	400,000
<i>(Contingent award of performance shares issued in 2023 to be delivered after 2023)<sup>1,4</sup></i>			
Loh Chin Hua	–	313,900	313,900
<i>(Contingent award of performance shares issued in 2023 to be delivered after 2024)<sup>1,4</sup></i>			
Loh Chin Hua	–	172,000	172,000
<i>(Contingent award of performance shares issued in 2023 to be delivered after 2025)<sup>1</sup></i>			
Loh Chin Hua	–	450,000	450,000
<i>(Contingent award of performance shares – Transformation Incentive Plan issued in 2021 to be delivered after 2025)<sup>1</sup></i>			
Loh Chin Hua	970,000	970,000	970,000
<i>(Contingent award of performance shares – Transformation Incentive Plan issued in 2023 to be delivered after 2025)<sup>1,4</sup></i>			
Loh Chin Hua	–	417,100	417,100

- <sup>1</sup> Depending on the achievement of pre-determined performance targets, the actual number of shares to be released could range from zero to 150% of the number stated.
- <sup>2</sup> The performance period of the Keppel PSP award issued in 2019 was extended for 1 more year as the targets of the award were set before the onset of the COVID-19 pandemic. The achievements in Year 2019, 2021 and 2022 will be used to determine the vesting level of the award at the end of the extended performance period.
- <sup>3</sup> The performance period of the Keppel PSP award issued in 2020 was extended for 1 more year as the targets of the award were set before the onset of the COVID-19 pandemic. The achievements in Year 2021, 2022 and 2023 will be used to determine the vesting level of the award at the end of the extended performance period.
- <sup>4</sup> The unvested restricted shares and contingent award of performance shares include adjustments made on 27 March 2023 to certain unvested shares under the Keppel Share Plans arising from the dividend *in specie* of the Seatrium Limited (formerly, Sembcorp Marine Ltd) shares ("Consideration Shares") to the Company's shareholders.

## 5. SHARE PLANS OF THE COMPANY

The Keppel Performance Share Plan ("Keppel PSP") and Keppel Restricted Share Plan ("Keppel RSP") were approved by the Company's shareholders at the Extraordinary General Meeting of the Company on 23 April 2010.

At the Annual General Meeting held on 2 June 2020, the Company's shareholders approved the adoption of the Keppel Performance Share Plan 2020 ("Keppel PSP 2020") and Keppel Restricted Share Plan 2020 ("Keppel RSP 2020"), replacing the Keppel PSP and Keppel RSP respectively with effect from 2 June 2020. The Keppel PSP and Keppel RSP were terminated on the same day. The termination of the Keppel PSP and Keppel RSP will not, however, affect awards granted prior to such termination, whether such awards have been released (whether fully or partially) or not, which awards will continue to be valid and be subject to the terms and conditions of the Keppel PSP and Keppel RSP.

Details of share plans awarded under the Keppel PSP, Keppel PSP-M1 Transformation Incentive Plan ("Keppel PSP-M1 TIP"), Keppel PSP 2020, Keppel PSP 2020-Transformation Incentive Plan ("Keppel PSP 2020-TIP") and Keppel RSP 2020-Deferred Shares are disclosed in Note 3 to the financial statements and as follows:

### Contingent awards:

Date of Grant	Number of shares					Balance at 31.12.2023
	Balance at 1.1.2023	Contingent awards granted	Adjustment upon release	Released	Cancelled	
<b>Keppel PSP</b>						
30.4.2019	1,462,847	–	503,512	(1,966,359)	–	–
31.3.2020	1,379,033	–	592,984	–	–	1,972,017
	<u>2,841,880</u>	<u>–</u>	<u>1,096,496</u>	<u>(1,966,359)</u>	<u>–</u>	<u>1,972,017</u>
<b>Keppel PSP-M1 TIP</b>						
17.2.2020 <sup>5</sup>	115,100	–	32,524	(147,624)	–	–
17.2.2020	264,800	–	113,864	–	–	378,664
	<u>379,900</u>	<u>–</u>	<u>146,388</u>	<u>(147,624)</u>	<u>–</u>	<u>378,664</u>
<b>Keppel PSP 2020</b>						
30.4.2021	1,420,000	–	569,020	–	(96,698)	1,892,322
29.4.2022	1,695,000	–	660,725	–	(158,430)	2,197,295
28.4.2023	–	1,845,000	–	–	–	1,845,000
	<u>3,115,000</u>	<u>1,845,000</u>	<u>1,229,745</u>	<u>–</u>	<u>(255,128)</u>	<u>5,934,617</u>
<b>Keppel PSP 2020-TIP</b>						
30.7.2021	10,430,000	–	3,806,318	–	(2,001,867)	12,234,451
29.4.2022	790,000	–	339,700	–	(257,400)	872,300
	<u>11,220,000</u>	<u>–</u>	<u>4,146,018</u>	<u>–</u>	<u>(2,259,267)</u>	<u>13,106,751</u>

- <sup>5</sup> The performance period of the 3-year Keppel PSP-M1 TIP issued in 2020 was extended for 1 more year as the targets of the award were set before the onset of the COVID-19 pandemic. The achievements in Year 2019, 2021 and 2022 will be used to determine the vesting level of the award at the end of the extended performance period.

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For the financial year ended 31 December 2023

## 5. SHARE PLANS OF THE COMPANY (continued)

## Awards released but not vested:

Date of Grant	Number of shares					Balance at 31.12.2023
	Balance at 1.1.2023	Released	Vested	Cancelled	Other adjustments	
<b>Keppel PSP</b>						
30.4.2019	–	1,966,359	(1,966,359)	–	–	–
	–	1,966,359	(1,966,359)	–	–	–
<b>Keppel PSP-M1 TIP</b>						
17.2.2020	–	147,624	(147,624)	–	–	–
	–	147,624	(147,624)	–	–	–
<b>Keppel RSP 2020-Deferred Shares</b>						
15.2.2021	1,442,179	–	(2,048,054)	(6,427)	612,302	–
15.2.2022	3,812,169	–	(2,951,470)	(113,664)	1,617,505	2,364,540
08.2.2023	–	140,059	(46,686)	–	–	93,373
15.2.2023	–	5,345,420	(2,956,851)	(204,390)	2,278,270	4,462,449
01.3.2023	–	651,640	(217,204)	(4,772)	–	429,664
	5,254,348	6,137,119	(8,220,265)	(329,253)	4,508,077	7,350,026

Following the dividend *in specie* of the Seatrium Limited (formerly, Sembcorp Marine Ltd) shares (“Consideration Shares”) to the Company’s shareholders, adjustments have been made on 27 March 2023 to certain unvested shares under the Keppel Share Plans. The increase in unvested shares due to the adjustments were:

- 1,222,008 unvested shares under the Keppel PSP;
- 163,357 unvested shares under the Keppel PSP-M1 TIP;
- 1,229,745 unvested shares under the Keppel PSP 2020;
- 4,146,018 unvested shares under the Keppel PSP 2020-TIP; and
- 4,510,021 unvested shares under the Keppel RSP 2020-Deferred Shares.

No Director of the Company received any contingent award of Shares granted under the Keppel PSP, Keppel RSP 2020 and Keppel PSP 2020 except for the following:

## Contingent awards:

	Contingent awards granted during the financial year	Contingent awards released during the financial year	Aggregate awards granted since commencement of plans to the end of financial year	Aggregate other adjustments since commencement of plans to the end of financial year	Aggregate awards released since commencement of plans to the end of financial year	Aggregate awards not released as at the end of financial year
<b>Keppel PSP</b>						
Executive Director						
Loh Chin Hua	–	(490,633)	2,250,814	(655,731)	(1,073,133)	521,950
<b>Keppel PSP 2020</b>						
Executive Director						
Loh Chin Hua	450,000	–	1,215,000	328,950	–	1,543,950
<b>Keppel PSP 2020-TIP</b>						
Executive Director						
Loh Chin Hua	–	–	970,000	417,100	–	1,387,100

## Awards:

	Awards granted during the financial year	Awards released during the financial year	Aggregate awards granted since commencement of plans to the end of financial year	Aggregate other adjustments since commencement of plans to the end of financial year	Aggregate awards released since commencement of plans to the end of financial year	Aggregate awards not released as at the end of financial year
<b>Keppel RSP 2020-Deferred Shares</b>						
Executive Director						
Loh Chin Hua	492,921	(492,921)	1,150,766	298,389	(1,449,155)	–

## Awards released but not vested:

	Aggregate awards released since commencement of plans to the end of financial year	Aggregate awards vested since commencement of plans to the end of financial year	Aggregate awards released but not vested as at the end of financial year
<b>Keppel RSP 2020-Deferred Shares</b>			
Executive Director			
Loh Chin Hua	1,449,155	(833,183)	615,972
<b>Keppel PSP</b>			
Executive Director			
Loh Chin Hua	1,073,133	(1,073,133)	–

No Director or employee received 5% or more of the total number of contingent award of Shares granted during the financial year and aggregated to date, except for the following:

	Contingent shares granted during the financial year (%)	Aggregate contingent shares granted to date (%)
Executive Director		
Loh Chin Hua		
– Keppel Performance Share Plan (“Keppel PSP”)	–	6.96
– Keppel Restricted Share Plan 2020 (“Keppel RSP 2020”) and Keppel Performance Share Plan 2020 (“Keppel PSP 2020”)	10.62	9.78

There are no contingent award of Shares granted to any of the Company’s controlling shareholders or their associates under the Keppel RSP 2020, Keppel PSP and Keppel PSP 2020.

## 6. INDEPENDENT AUDITOR

The independent auditor, PricewaterhouseCoopers LLP, has expressed its willingness to accept re-appointment.

On behalf of the Board



**Danny Teoh**  
Chairman



**Loh Chin Hua**  
Chief Executive Officer

Singapore  
1 March 2024