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Media Release

Keppel launches Sustainability-Linked Financing Framework and secures S$1 billion of sustainability-linked revolving credit facilities

- *Framework outlines KPIs and targets to reduce Keppel's absolute Scope 1 and 2 carbon emissions, grow portfolio of renewable energy assets, and maintain a good rating in the Singapore Governance and Transparency Index.*

- *In conjunction with the launch of the Framework, Keppel has secured S$500 million of sustainability-linked revolving credit facilities from DBS and UOB respectively, each with tenure of up to 3 years.*

Singapore, 23 January 2024 – Keppel Ltd. (Keppel) has launched its Sustainability-Linked Financing Framework (Framework), further integrating sustainability into the Company's financing strategy. Developed in collaboration with DBS Bank Ltd. (DBS) and UOB, the Framework spells out individual Key Performance Indicators (KPIs) and Sustainability Performance Targets (SPTs) that Keppel aims to achieve, tying the preferential interest margins of the sustainability-linked revolving credit facilities secured from the two banks to Keppel's achievement of certain SPTs.

The Framework, developed in accordance with the relevant international principles and guidelines, includes KPIs and SPTs which are core and material to Keppel's sustainability strategy and operations. They outline Keppel's commitment and plans to enhance its sustainability performance across the following three areas:

- Reduce absolute Scope 1 and 2 carbon emissions by 50% compared to 2020 baseline by 2030, based on straight-line reduction;

- Grow Keppel's portfolio of renewable energy assets, including renewable energy imports and projects under development, to 7GW by end 2030, with an interim target of 4.9GW by end 2027; and

- Maintain a good rating of at least 95th percentile in the Singapore Governance and Transparency Index, published by the NUS Business School's Centre for Governance and Sustainability, CPA Australia and the Singapore Institute of Directors.

Further details and the rationale for the choice of KPIs and SPTs can be found in the attached Framework. Keppel will publish updates on its progress against the SPTs in its annual Sustainability Report, which will be subject to independent external assurance.

ERM, the world's largest advisory firm focused solely on sustainability, has reviewed the Framework and provided a Second-Party Opinion Report. The Framework was assessed to be aligned with the International Capital Market Association Sustainability-Linked Bond Principles and Sustainability-Linked Loan Principles from the Loan Market Association in Europe, the Loan Syndications and Trading Association in the US, and the Asia Pacific Loan Market Association. ERM has also assessed Keppel's KPIs and SPTs and considers the SPTs to be "Strong" across the three criteria of alignment with Keppel's sustainability strategy, credibility of the strategy to achieve the SPTs, and ambitiousness. They are also aligned with and contribute to the United Nations Sustainable Development Goals and Singapore's Green Plan 2030.

In conjunction with the launch of the Framework, Keppel has entered into sustainability-linked revolving credit facilities with DBS and UOB of S$500 million each, with tenures of up to 3 years. The facilities come with preferential interest margins which are tied to Keppel's achievement of certain SPTs and would be stepped-up if Keppel does not achieve those SPTs. Keppel intends to use the sustainability-linked facilities for general corporate purposes as well as the pursuit of business opportunities in the sustainability space.

Since 2019, Keppel, including the listed REITs and business trust that it manages, has secured over S$5 billion in green and sustainability-linked financing, including these latest facilities.

Mr Kevin Chng, CFO of Keppel Ltd., said, "Keppel is committed to running our business sustainably and investing in solutions that contribute to a sustainable future. The launch of the Sustainability-Linked Financing Framework reflects our determination to embed sustainability targets across different aspects of our operations, including financing. Leveraging the SLFF, we have collaborated with our valued partners, DBS and UOB, to secure attractive revolving credit facilities, thus strengthening our financial resilience

amidst a volatile environment. We will continue to tap sustainability-linked financing where possible to realise Keppel's purpose of creating solutions for a sustainable future."

Ms Tan Su Shan, Group Head of Institutional Banking, DBS, said, "The private sector plays a key role in leading the pace of change for the global energy transition. Engaged businesses like Keppel underscore how a commitment to sustainability can drive collective action – by setting out clear and transparent targets to help investors and banks work more seamlessly with the group to create long-term impact through sustainable financing. As a purpose-driven bank, DBS is excited to join our long-time partner, Keppel, on this next chapter of its sustainability journey."

Mr Frederick Chin, Head of Group Wholesale Banking and Markets, UOB, said, "Keppel is instrumental in leading companies across the region to accelerate their energy optimisation plans towards meeting the international agenda for sustainable development. This latest strategic partnership with Keppel follows our recent MOU to drive the adoption of sustainability solutions for businesses across the region, enabling us to double-down on our shared ambitions to pursue environmentally and socially positive outcomes. As the One Bank for ASEAN, we look forward to create new pathways for businesses towards a more sustainable and resilient future."

DBS and UOB acted as joint ESG advisors for the development of the Framework.

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About Keppel Ltd.

Keppel Ltd. (SGX:BN4) is a global asset manager and operator with strong expertise in sustainability-related solutions spanning the areas of infrastructure, real estate and connectivity. Headquartered in Singapore, Keppel operates in more than 20 countries worldwide, providing critical infrastructure and services for renewables, clean energy, decarbonisation, sustainable urban renewal and digital connectivity. Keppel creates value

for investors and stakeholders through its quality investment platforms and diverse asset portfolios, including private funds and listed real estate and business trusts.