

# Sembcorp Marine Ltd

## Notice of Annual General Meeting

Company Registration No. 196300098Z  
(Incorporated in the Republic of Singapore)

**NOTICE IS HEREBY GIVEN THAT** the 52<sup>nd</sup> Annual General Meeting of Sembcorp Marine Ltd (the "Company") will be held at 29 Tanjong Kling Road, Singapore 628054 on 17 April 2015 at 11.00 a.m. to transact the following business:

### ORDINARY BUSINESS

- 1 To receive and adopt the directors' report and audited financial statements for the year ended 31 December 2014 and the auditors' report thereon. Resolution 1
- 2 To declare a final one-tier tax exempt dividend of 8 cents per ordinary share for the year ended 31 December 2014. Resolution 2
- 3 To re-elect the following directors, each of whom will retire by rotation pursuant to Article 91 of the Company's Articles of Association and who, being eligible, will offer themselves for re-election:
  - (a) Tan Sri Mohd Hassan Marican Resolution 3
  - (b) Mr Tang Kin Fei Resolution 4
  - (c) Mr Ron Foo Siang Guan Resolution 5
- 4 To approve directors' fees of S\$1,930,231 (2013: S\$1,742,166) for the year ended 31 December 2014 comprising:
  - (a) S\$1,455,600 to be paid in cash (2013: S\$1,357,266); and
  - (b) S\$474,631 to be paid in the form of restricted share awards under the Sembcorp Marine Restricted Share Plan 2010 (2013: S\$384,900), with the number of shares to be awarded rounded down to the nearest hundred and any residual balance settled in cash.Resolution 6
- 5 To approve directors' fees of up to S\$2,037,000 for the year ending 31 December 2015 comprising:
  - (a) up to S\$1,425,900 to be paid in cash; and
  - (b) up to S\$611,100 to be paid in the form of restricted share awards under the Sembcorp Marine Restricted Share Plan 2010, with the number of shares to be awarded rounded down to the nearest hundred and any residual balance settled in cash.Resolution 7
- 6 To re-appoint KPMG LLP as auditors of the Company and authorise the directors to fix their remuneration. Resolution 8

### SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions which will be proposed as Ordinary Resolutions:

- 7 That authority be and is hereby given to the directors to:
  - (a) (i) issue shares in the capital of the Company ("**shares**") whether by way of rights, bonus or otherwise; and/or
  - (ii) make or grant offers, agreements or options (collectively, "**Instruments**") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares,  
  
at any time and upon such terms and conditions and for such purposes and to such persons as the directors may, in their absolute discretion deem fit; and
- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the directors while this Resolution was in force,

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**provided that:**

- (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 5% of the total number of issued shares in the capital of the Company excluding treasury shares (as calculated in accordance with paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares in the capital of the Company (excluding treasury shares) at the time this Resolution is passed, after adjusting for:
  - (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
  - (ii) any subsequent bonus issue or consolidation or subdivision of shares;
- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Articles of Association for the time being of the Company; and
- (4) (unless revoked or varied by the Company in General Meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.

8 That approval be and is hereby given to the directors to:

Resolution 10

- (a) grant awards in accordance with the provisions of the Sembcorp Marine Performance Share Plan 2010 (the "**Performance Share Plan**") and/or the Sembcorp Marine Restricted Share Plan 2010 (the "**Restricted Share Plan**") (the Performance Share Plan and the Restricted Share Plan, together the "**Share Plans**"); and
- (b) allot and issue from time to time such number of ordinary shares in the capital of the Company as may be required to be delivered pursuant to the vesting of awards under the Share Plans,

**provided that:**

- (i) the aggregate number of (i) new ordinary shares allotted and issued and/or to be allotted and issued, (ii) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (iii) ordinary shares released and/or to be released in the form of cash in lieu of shares, pursuant to the Share Plans, shall not exceed 7% of the total number of issued shares in the capital of the Company (excluding treasury shares) from time to time; and
- (ii) the aggregate number of ordinary shares under awards to be granted pursuant to the Share Plans during the period commencing from this Annual General Meeting and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 1% of the total number of issued shares in the capital of the Company (excluding treasury shares) from time to time.

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9 To transact any other business.

By Order of the Board

Tan Yah Sze/Kem Huey Lee Sharon  
Joint Company Secretaries

1 April 2015

### Explanatory Notes:

Resolutions 3 to 5 – Detailed information on these directors can be found under the Board of Directors and Corporate Governance Report in the Annual Report 2014.

Resolution 5 – If re-elected, Mr Ron Foo Siang Guan, an independent director, will remain as a member of the Audit Committee.

Resolution 6 – This resolution is to approve the payment of directors' fees, comprising a cash component and a share component, for the year ended 31 December 2014. Detailed information can be found under the Supplementary Information section in the Annual Report 2014. Directors and their associates will abstain from voting on Resolution 6.

The directors' fees for year 2014 will only be paid after shareholders' approval has been obtained at the forthcoming Annual General Meeting ("2015 AGM"). To align the interests of the non-executive directors with the interests of shareholders, up to 30% of the aggregate directors' fees approved by shareholders may be paid out in the form of restricted share awards under the Sembcorp Marine Restricted Share Plan 2010.

For year 2014, the awards granted under the Sembcorp Marine Restricted Share Plan 2010 to all directors as part of their directors' fees (except for (i) Mr Wong Weng Sun, who is the President & Chief Executive Officer, and who does not receive any director's fees and (ii) Mr Eric Ang Teik Lim, whose director's fees will be paid entirely in cash to his employer, DBS Bank Ltd) will consist of the grant of fully paid shares outright with no performance and vesting conditions attached, but with a selling moratorium. Non-executive directors are required to hold shares (including shares obtained by other means) worth at least one-time the annual base retainer; any excess may be sold as desired. A non-executive director can dispose of all of his shares one year after leaving the Board.

The actual number of shares to be awarded to each non-executive director (other than Mr Eric Ang Teik Lim who, as stated above, will not receive any director's fees in shares) will be determined by reference to the volume-weighted average price of a share on the SGX-ST over the 14 trading days from (and including) the day on which the shares are first quoted ex-dividend after the 2015 AGM (or, if Resolution 2 is not approved, over the 14 trading days immediately following the date of the 2015 AGM). The number of shares to be awarded will be rounded down to the nearest hundred and any residual balance will be settled in cash. A non-executive director who steps down before the payment of the share component will receive all of his director's fees for year 2014 (calculated on a *pro rata* basis, where applicable) in cash.

Resolution 7 – If passed, will facilitate the payment of directors' fees during the financial year in which the fees are incurred, that is during the financial year ending 31 December 2015. Directors and their associates will abstain from voting on Resolution 7.

The amount of directors' fees is computed based on the anticipated number of board and committee meetings for year 2015, assuming full attendance by all the non-executive directors. The amount also caters for new or additional non-executive directors who may be appointed and additional ad-hoc board and committee meetings, and includes travel allowances for overseas non-executive directors.

In the event that the amount proposed is insufficient, approval will be sought at the next Annual General Meeting in year 2016 ("2016 AGM") before payments are made to directors for the shortfall.

As with the directors' fees for year 2014, the directors' fees for year 2015 will comprise a cash component and a share component, and up to 30% may be paid out in the form of restricted share awards under the Sembcorp Marine Restricted Share Plan 2010, which will consist of the grant of fully paid shares outright with no performance or vesting conditions attached, but with a similar selling moratorium. With the new directors' fee framework which can be found in the Corporate Governance Report in the Annual Report 2014, non-executive directors are required to hold shares (including shares obtained by other means) worth S\$75,000; any excess may be sold as desired. A non-executive director can dispose of all of his shares one year after leaving the Board.

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The cash component of the directors' fees for year 2015 is intended to be paid half-yearly in arrears. The share component of the directors' fees for year 2015 is intended to be paid after the 2016 AGM has been held. The actual number of shares to be awarded to each non-executive director holding office at the time of the payment is intended to be determined by reference to the volume-weighted average price of a share on the SGX-ST over the 14 trading days from (and including) the day on which the shares are first quoted ex-dividend after the 2016 AGM (or, if no final dividend is proposed at the 2016 AGM, or the resolution to approve any such final dividend is not approved at the 2016 AGM), over the 14 trading days immediately following the date of the 2016 AGM). The number of shares to be awarded will be rounded down to the nearest hundred and any residual balance will be settled in cash. A non-executive director who steps down before the payment of the share component will receive all of his director's fees for year 2015 (calculated on a *pro rata* basis, where applicable) in cash.

### Statement pursuant to Article 54 of the Articles of Association of the Company:

Resolution 9 – This resolution is to empower the directors to issue shares in the capital of the Company and to make or grant Instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such Instruments, up to a number not exceeding 50% of the total number of issued shares in the capital of the Company excluding treasury shares, of which up to 5% may be issued other than on a *pro rata* basis to shareholders. The aggregate number of shares which may be issued shall be based on the total number of issued shares in the capital of the Company excluding treasury shares at the time that Resolution 9 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that Resolution 9 is passed, and (b) any subsequent bonus issue or consolidation or subdivision of shares.

Resolution 10 – This resolution is to empower the Directors to offer and grant awards pursuant to the Sembcorp Marine Performance Share Plan 2010 and the Sembcorp Marine Restricted Share Plan 2010 (collectively, the "**Share Plans**") and to issue ordinary shares in the capital of the Company pursuant to the vesting of awards granted pursuant to the Share Plans provided that: (a) the aggregate number of (i) new ordinary shares allotted and issued and/or to be allotted and issued, (ii) existing ordinary shares (including shares held in treasury) delivered and/or to be delivered, and (iii) ordinary shares released and/or to be released in the form of cash in lieu of shares, pursuant to the Share Plans, shall not exceed 7% of the total number of issued shares in the capital of the Company (excluding treasury shares) from time to time; and (b) the aggregate number of ordinary shares under awards to be granted pursuant to the Share Plans during the period commencing from this Annual General Meeting and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 1% of the total number of issued shares in the capital of the Company (excluding treasury shares) from time to time. Approval for the adoption of the Share Plans was given by shareholders at an Extraordinary General Meeting of the Company held on 20 April 2010. The grant of awards under the Share Plans will be made in accordance with their respective provisions.

### Notes:

1. A member of the Company entitled to attend and vote at the Annual General Meeting is entitled to appoint not more than two (2) proxies to attend and vote in his stead. A proxy need not be a member of the Company.
2. The instrument appointing a proxy or proxies must be lodged at the registered office of the Company at 29 Tanjong Kling Road, Singapore 628054 not later than 48 hours before the time of the Annual General Meeting.

### Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "**Purposes**"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representatives for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.

### NOTICE OF BOOKS CLOSURE AND DIVIDEND PAYMENT DATE

**NOTICE IS HEREBY GIVEN** that the Register of Members and Share Transfer Books of the Company will be closed on 30 April 2015 to determine the members' entitlements to the proposed dividend.

Duly completed transfers of shares received by the Company's Share Registrar, KCK Corpserve Pte Ltd, 333 North Bridge Road #08-00 KH KEA Building, Singapore 188721, up to 5.00 p.m. on 29 April 2015 (the "Book Closure Date") will be registered to determine members' entitlements to the proposed dividend. Subject as aforesaid, shareholders whose securities accounts with The Central Depository (Pte) Limited are credited with ordinary shares in the capital of the Company as at 5.00 p.m. on the Book Closure Date will be entitled to the proposed dividend.

The proposed dividend, if approved by the members at the 52<sup>nd</sup> Annual General Meeting, will be paid on 14 May 2015.