

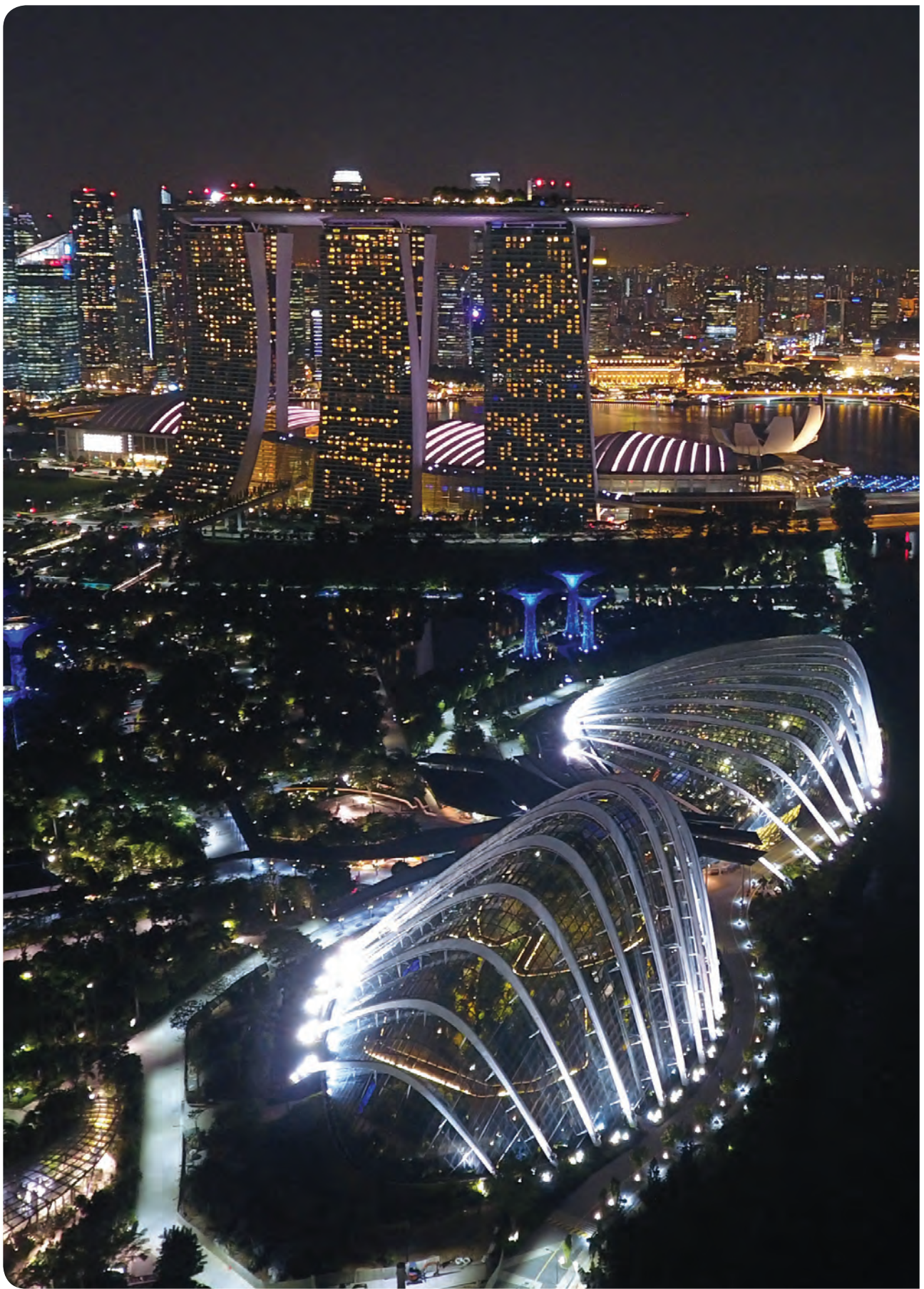


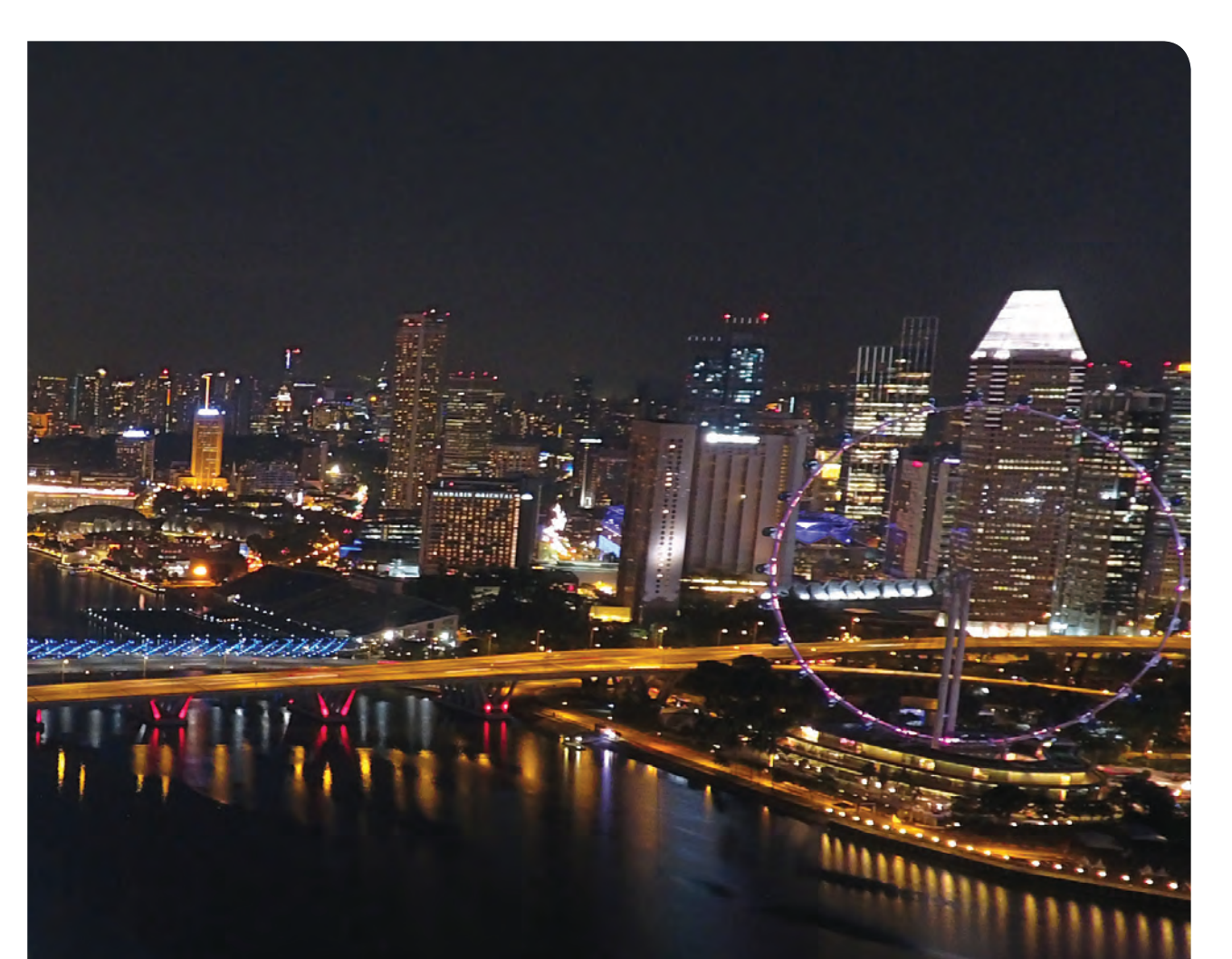
**O U R F U T U R E
O U R M I S S I O N**

SINGAPORE POWER ANNUAL REPORT 2015/16



**SINGAPORE
POWER**





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CORPORATE PROFILE

Singapore Power (SP) Limited is a leading energy utility company in Asia Pacific. One of Singapore's largest corporations, SP recorded revenues of S\$4.0 billion and assets of S\$16.7 billion in FY 15/16. SP owns and operates electricity and gas transmission and distribution businesses in Singapore and Australia. It also owns and operates the world's largest underground district cooling network in Singapore, and is setting up district cooling operations in China. More than 1.4 million industrial, commercial and residential customers in Singapore benefit from SP's world-class transmission, distribution and market support services. The SP networks in Singapore are amongst the most reliable and cost-effective worldwide. In Australia, SP's 40 per cent-owned SGSPAA, a diversified energy utility company, and 31.1 per cent-owned AusNet Services, which is publicly listed on the Australian and Singapore Stock Exchanges, collectively serve 3.9 million customers.

OUR MISSION

We provide reliable and efficient energy utility services to enhance the economy and the quality of life.

OUR VALUES

COMMITMENT

- We commit to creating value for our customers, our people, and our shareholders.
- We uphold the highest standards of service and performance.

INTEGRITY

- We act with honesty.
- We practise the highest ethical standards.

PASSION

- We take pride and ownership in what we do.

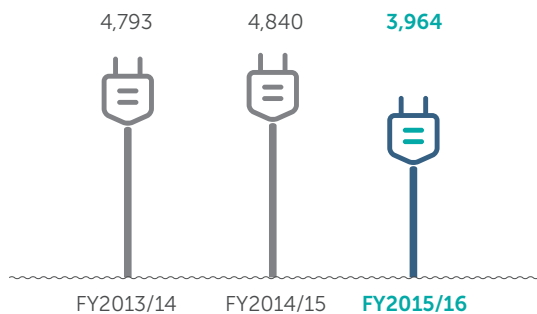
TEAMWORK

- We support, respect and trust each other.
- We continually learn, and share ideas and knowledge.

FINANCIAL HIGHLIGHTS

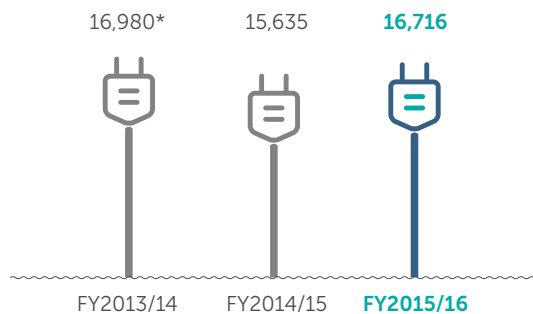
REVENUE FROM CONTINUING OPERATIONS

(S\$million)



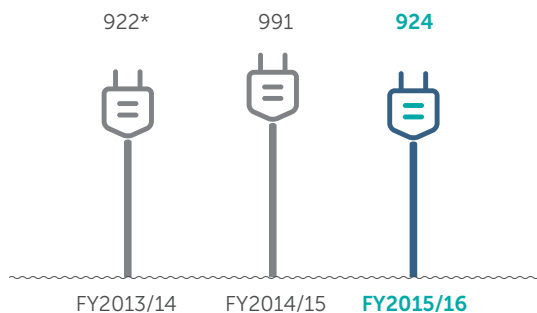
TOTAL ASSETS

(S\$million)



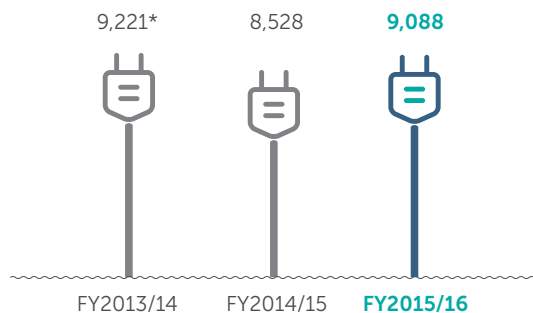
NET PROFIT AFTER TAX

(S\$million)



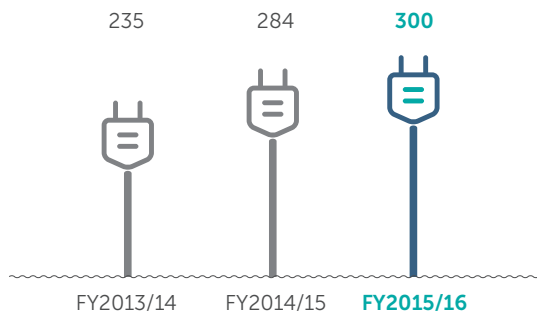
SHAREHOLDERS' EQUITY

(S\$million)



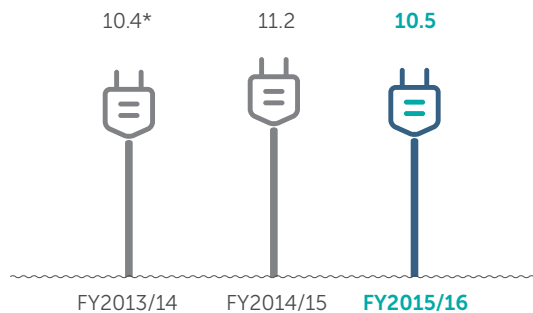
ECONOMIC VALUE ADDED (EVA)

(S\$million)



RETURN ON EQUITY

(%)



* Restated

BOOSTING PRODUCTIVITY AT WORK

- Embarked on more than 100 improvement initiatives in 2015, with projected savings of S\$16 million when implemented
- Leaner work processes from the use of new technology tools and applications has reduced manpower and man-hours required. One example is the Automated Coiling Machine which sees fewer people needed (from 7 men to 4 men) and less time used (from 60 minutes to about 30 minutes) to re-coil cables
- Pilot project to put Lean tools into practice at Pasir Panjang District Office Inventory Management store led to 5 per cent reduction in man-hours, and S\$1.3 million in outright savings



S\$16 million

in projected savings
with the implementation
of more than 100
improvement initiatives






From Left
Michael Tan Mien Duan
Deputy Director, Productivity (Maximus)
Herman Bin Harun
Storekeeper, Procurement
Gurcharan Singh
Manager, Procurement
Tommy Lim Soon Kong
Deputy Director, Procurement
Law Chin Ho
Head, Procurement

CHAIRMAN'S MESSAGE



"The year turned out to be a very memorable one not only for us at SP but also for Singapore as we journeyed through unprecedented developments, surmounted difficult challenges and recorded notable achievements while continuing to forge ties that further advanced our mission to improve quality of life."

 In behalf of the Board of Directors of Singapore Power (SP), it gives me great pleasure to present the SP Annual Report 2015/2016.

The year turned out to be a very memorable one not only for us at SP but also for Singapore as we journeyed through unprecedented developments, surmounted difficult challenges and recorded notable achievements while continuing to forge ties that further advanced our mission to improve quality of life.

2015 was a double joy for us as we celebrated our 20th Anniversary while Singapore celebrated her 50th birthday. We proudly participated in all major National Day events including the historic National Day Parade and made sure all related events were backed by 24/7 power reliability. Our SG50 Gift of Power to Singapore provides the public with power on the go, with free charging of mobile devices at 200 locations island-wide. We continue to give

back to the community through our 20 Good Deeds of community service and volunteer outreach programmes to commemorate our 20th anniversary, which was very well received and exceeded expectations.

The SP family stood with the nation at the passing of Singapore's founding Prime Minister Lee Kuan Yew, joining millions in the tremendous outpouring of tributes to a luminary who has and will continue to inspire generations. To commemorate the first year anniversary of his passing, we collaborated with Mapletree Investments to publish and distribute a workbook, "Follow That Rainbow, Go Ride It" for secondary school students so that they may build on Mr Lee's legacy to create an even brighter future for themselves, their families and the country.

At SP, we are focused on meeting the needs of future generations of customers in a rapidly changing environment, through innovation

and collaborations within the power industry and across sectors. Our unwavering commitment is to uphold the standing of Singapore's power network as one of the top utility networks in the world, and to create sustainable solutions to improve quality of life.

FINANCIAL PERFORMANCE

For the financial year 2015/2016, the Group's net profit was S\$924 million. Strong operating performance from our transmission and distribution businesses contributed to this result. There was also higher profit contribution from our investment in Australia, mainly AusNet Services, largely due to one-off tax consolidation benefit arising from a corporate restructuring.

Despite a volatile market backdrop, we successfully raised a benchmark 10-year US\$700 million S144A bond in November 2015 to refinance maturing debt and fund future capital expenditure. This issuance, our first S144A bond since 2003, was well received

by a diverse range of high quality investors, including a strong participation from US institutional investors, resulting in a strong order book of US\$1.4 billion. The strong endorsement by investors reflected their confidence in our high credit quality.

POWERING SUSTAINABILITY

Singapore's electricity and gas networks have remained among the world's highest-rated in reliability and efficiency. Last year, the average electricity customer experienced 0.56 minute of electricity interruption. We achieved zero transmission minutes loss, which means there was no supply interruption at the electricity transmission network level.

The average gas customer experienced 0.16 minute of gas interruption. We continued to expand our gas transmission network by adding pipelines to ensure that gas is delivered to our customers safely and reliably.

District cooling is another important area where we are leading the charge in sustainable development, as buildings are among the biggest energy consumers in Singapore. Singapore District Cooling (SDC), a wholly owned subsidiary of SP, owns and operates the world's largest underground district cooling network. In March 2016, the entire Marina Bay district cooling network was commissioned with the completion of the third phase of capacity expansion. Its two main plants and one satellite

plant supply chilled water for air conditioning in the Marina Bay financial district, including Marina Bay Sands Integrated Resort, Marina Bay Financial Centre and Gardens by the Bay. Customers have reported energy savings of up to 40 per cent.

We look forward to welcoming new customers in the district, and we are currently working with the Urban Redevelopment Authority and Building and Construction Authority to expand the use of district cooling in Singapore. In China, we are building a district cooling system for CapitaLand's Raffles City development in Chongqing.

In our effort to maximise land utilisation to meet Singapore's growing urban environment, our first 66kV underground transmission substation at Changi Business Park was commissioned on 31 December 2015. We will continue to explore more underground power installations for the future.

Our cross island Transmission Cable Tunnel Project is 85 per cent complete and Jurong Island-Pioneer Cable Tunnel project is 40 per cent complete. The tunnels are a cost-effective long-term solution for the provision of reliable, quality electricity supply to the future.

Our engineering capabilities and commitment to sustainable development in Singapore received a major endorsement when the public voted three of our projects as Singapore's top 50 engineering feats. All three SP entries to the

Institution of Engineers Singapore's competition made the list – underground district cooling system, underground cable tunnels and world-class electricity grid.

AT YOUR E-SERVICE

We continue to uphold our "One Call, One Click, One Stop, in One Day" promise to all customers. Besides providing convenience to our customers, we empowered them in our broader drive for sustainability and in using energy efficiently, while helping them bring down the cost of their utilities.

Following a successful pilot programme last year in which 27,000 households had access to e-services that allowed them to keep closer tabs on their energy and water consumption, we have rolled out the service to all our customers. With the service, our customers will be able to view their consumption patterns, set their own consumption targets, and reduce their energy consumption.

Since May 2016, our SP Services mobile application, website and e-bill summary have included user-friendly features that allow consumers to audit their own energy consumption and even compare it against their neighbours'. It also provides tips for efficient energy and water use.

These new features have been incorporated into our newly-designed SP Services bill which is simpler and clearer, with information at a glance, easy ways to track consumption, and ways to bring down both consumption and cost.

CHAIRMAN'S MESSAGE

In supporting the move towards full retail competition and enabling customers a greater choice of power retailers, SP has rolled out approximately 84,000 Advanced Metering Infrastructure meters which measures contestable customers' usage at half-hour intervals, to help consumers decide on the best service provider for them. So far, we have achieved a read rate of about 99.7 per cent.

PEOPLE POWER

Over the course of the year, we continue to build on investments we have made in growing the talent pipeline. We have since 2012 awarded more than 100 scholarships to students with a passion for engineering in the energy sector as we seek to broaden our talent pool. Our Engineering Development for Graduates (EDGE) programme, which was started in 2013, has provided 121 fresh graduates with structured training and job rotation to critical operations to gain broad-based exposure and diverse technical expertise.

We remain committed to staff upgrading, handing out 419 sponsorships for SP staff to pursue part-time education since 2002, including four who are pursuing their Master's degree overseas. Towards strengthening our engineering bench, we now have 100 certified Professional Engineers, who make up 18.5 per cent of our total engineering pool, above the national average of 1.7 per cent. We will continue to sponsor the certification journey for more of our engineers.

SP has made strides in creating a culture of innovation among our employees. On the digital frontier, we have made technology tools available to all staff, automating processes and approvals, and streamlining workflows. This is part of a continuing effort to create an agile, collaborative and mobile workforce.

We embarked on new projects such as an enhanced electronic vendor procurement management system, a condition monitoring app to ensure power supply reliability and a cable and gas pipeline patrolling app. These initiatives helped to boost productivity and improve the quality of life at work.

We also set out to devise leaner work processes and undertook more than 100 improvement initiatives in 2015, with projected savings of S\$16 million when implemented. These were ground-up initiatives by staff which contributed towards more productive ways of working.

We are boosting our capabilities from within, through initiatives that allow our employees to take charge of their own development. With the launch of the iTalent human resource tool in January 2016 and its inclusion on their mobile tablets, employees have easy access to learning and development resources, channels for engagement and feedback, and their performance appraisals. This promotes "development on the go", allows employees to stay engaged, and will have a positive impact on productivity.

ACCELERATING GROWTH

We are seeing rapid changes in the power industry. On the horizon, we foresee that sustainability, energy technology and urbanisation are key global trends that will shape the future of our business. We have developed strategies to leverage on solutions and innovations that can help us to better serve customers' needs and lifestyles.

Supported by Singapore's Economic Development Board, SP launched the S\$30 million SP Centre of Excellence in April 2015 to drive the innovation and commercialisation of next-generation network technologies. During the Singapore International Energy Week in October 2015, the SP Centre of Excellence entered into a Memorandum of Understanding with the Omnetric Group, 3M Singapore and the Economic Development Board under the Singapore Power Energy Advanced Research and Development programme to build and pilot next-generation technologies to enhance Singapore's power value chain.

Other initiatives that we are working on include converting our fleet of vehicles to electric vehicles and developing solar and storage solutions at our facilities. We are also going underground – building underground substations and housing our network cables deep beneath in the cable tunnels – to optimise space in our land-scarce city.

SAFETY AS A PRIORITY

Safety affects the well-being of our workers as well as the public, the

working environment and project costs, and remains an important focus for us.

Our Gas Safety Awareness campaign, launched in August 2015, aims to raise public awareness on the risks and ways to prevent accidents arising from gas fires. The campaign leverages touch points such as the Ministry of Manpower Foreign Domestic Worker training sessions, community events, grassroots platforms and schools. We have participated in 13 community road shows to date. The campaign videos have garnered more than 1.19 million views on YouTube as of March 2016.

We are happy to have seen our efforts in this area show tangible results. Of particular note is our Lost Time Injury Frequency Rate (LTIFR), which dropped to 0.77 per million man-hours in FY15/16, a significant improvement on 1.10 the year before. This improvement reflects the commitment to safety that we have in place and the constant improvements we have made in our safety transformation journey. It has also brought us closer to our "world-class" target LTIFR of 0.57 per million man-hours several years ahead of schedule.

Our contractors play a critical role in creating a safety culture for all. In the past year, we established targeted programmes and processes to help our contractors uphold safe work practices. The Hand Safety Campaign exemplifies our efforts to engage contractors to improve safety processes. The campaign was launched

in September 2015 to promote safe practices of hand-related operations and prevent hand and finger injury among workers. Activities carried out include conducting in-house training on hand safety to increase awareness.

SP PowerGrid's Cable Tunnel team's Gold Award for Health and Safety 2016 from the Royal Society for Prevention of Accidents (RoSPA) affirmed our steady efforts. The award is an endorsement of the Cable Tunnel team's strategic initiatives, the support of management and our collective passion for raising safety standards in the tunneling industry. Our shared commitment to safety, and ensuring we are all aligned in terms of safety requirements and expectations, means our workers are safe, our projects are well managed, and our risks are contained.

THE POWER OF GOOD

SP celebrated SG50 by presenting Singapore with a Gift of Power in July 2015, providing free charging of mobile devices at 200 locations island-wide. Just as SP serves the nation by striving to keep the lights on 24/7, the Gift of Power affirms SP's commitment to always be there for Singapore, by helping Singaporeans to stay connected. This was one of two major projects SP undertook to celebrate Singapore's 50th birthday. The other was the Love from the Stars charity gala dinner and concert in May 2015 featuring international artistes like Jackie Chan. The event raised close to S\$6.4 million for 6 charities, which provided assistance to about 160,000 beneficiaries.

These two projects were part of 20 Good Deeds, a volunteer-led initiative to give back to the community through 20 acts of community service for SP's 20th anniversary in 2015. These activities included programmes to encourage energy-efficiency, outings with underprivileged children and visits to homes and activity centres for the elderly. The activities were driven by our staff volunteers – SP Heart Workers – and every business unit spearheaded at least one good deed. Collectively, we far exceeded our target, rounding off the year with a grand total of 30 good deeds and putting in almost 9,000 volunteer hours across the events.

IN APPRECIATION

On behalf of the Board of Directors, I would like to thank the management and staff union, as well as regulators, government agencies and shareholder, for their valuable advice and support in the last financial year. To the members of the Board, thank you for your guidance and counsel. To my colleagues at Singapore Power, thank you for your tireless efforts and I look forward to powering tomorrow's possibilities with you.



MOHD HASSAN MARICAN

Chairman
July 2016

BOARD OF DIRECTORS



**TAN SRI MOHD
HASSAN MARICAN**

Tan Sri Mohd Hassan Marican is the Chairman of Singapore Power Ltd. He joined the Board on 15 February 2011 and was appointed Chairman on 30 June 2012.

Tan Sri Hassan is also the Chairman of Pavilion Energy Pte Ltd, Pavilion Gas Pte Ltd, Sembcorp Marine Ltd, Lan Ting Holdings Pte Ltd; and a Director of Sembcorp Industries Ltd, Regional Economic Development Authority of Sarawak, Sarawak Energy Berhad, Lambert Energy Advisory Ltd and mh Marican Advisory Sdn Bhd. He is also a Senior International Advisor of Temasek International Advisors, a subsidiary of Temasek Holdings.

Tan Sri Hassan was the President & CEO of Malaysia's Petroliaam Nasional (PETRONAS) from 1995 until his retirement in February 2010, with over 30 years of experience in the energy sector, finance and management.



HO TIAN YEE

Mr Ho Tian Yee joined the Board in May 2003.

He is also a Director of AusNet Services Ltd, Managing Director of Pacific Asset Management (S) Pte Ltd, and an Investment Advisor at Blue Edge Advisors Pte Ltd. He serves on the Board of Mount Alvernia Hospital, and is the Chairman of Fullerton Fund Management Co Ltd.

Mr Ho is also a director of two public-listed companies in the DBS Group, DBS Group Holdings Ltd and DBS Bank Ltd.

He has over 30 years of experience in managing financial products and organisational management, and has served on the Boards of several companies.



TAN CHEE MENG

Mr Tan Chee Meng joined the Board in August 2005. Mr Tan was appointed as a Director of AusNet Services Ltd on 11 May 2016.

A Senior Counsel, Mr Tan is Deputy Chairman of WongPartnership LLP. Mr Tan sits on the boards of Urban Redevelopment Authority, Jurong Town Corporation, St Gabriel's Foundation, All Saints Home, WOPA Services Pte Ltd, TJ Holdings (III) Pte Ltd and the Arts House Ltd. He is also the Chairman of the School Management Committee of Assumption English School.



CHOI SHING KWOK

Mr Choi Shing Kwok joined the Board in August 2006. He is the Permanent Secretary of the Ministry of the Environment and Water Resources.

Mr Choi was formerly the Chairman of PowerGas Ltd and a Director of SP PowerAssets Ltd. He has also served on the boards of many other companies and statutory boards in the past.

Formerly the Permanent Secretary of the Ministry of Transport, Mr Choi has had a long career in government and was awarded the Meritorious Service Medal in 2000 and the Long Service Award in 2004 by the Government of Singapore. He has also received state awards from foreign governments.



OON KUM LOON

Mrs Oon Kum Loon joined the Board in April 2010.

She is also a Director on the boards of Keppel Land Ltd and Jurong Port Pte Ltd.

Mrs Oon has about 30 years of extensive experience with DBS Bank Ltd, and held positions including Chief Financial Officer, Managing Director and Head of Group Risk Management. During her career with the bank, she was responsible for treasury and markets operations, corporate finance, and credit management and for the development and implementation of a group-wide integrated risk management framework.

BOARD OF DIRECTORS



TAN PUAY CHIANG

Mr Tan Puay Chiang joined the Board in April 2012.

Mr Tan is the Chairman of SP Services Ltd and is also a Director on the boards of Neptune Orient Lines Ltd and Keppel Corporation Ltd.

Mr Tan was the Chairman of ExxonMobil (China) Investments Co from 2001 to 2007. During his 37-year career with Mobil and later ExxonMobil, he held extensive executive management roles in Australia, Singapore and the United States. Mr Tan had been a member of various business and industry boards including the Australian Institute of Petroleum, the Washington, D.C.-based National Policy Association, and the American Chamber of Commerce in Hong Kong.



ONG YEW HUAT

Mr Ong Yew Huat joined the Board in February 2013.

He is the Chairman of United Overseas Bank (Malaysia) Bhd, the National Heritage Board, Singapore Tyler Print Institute and the Tax Academy of Singapore. He also serves on the boards of United Overseas Bank Limited, Singapore Mediation Center and Ascendas-Singbridge Pte Ltd.

Mr Ong, a former board member of the Singapore Accounting and Corporate Regulatory Authority, and the Public Accountants Oversight Committee, retired as the Executive Chairman of Ernst & Young Singapore after serving 33 years with the firm.



TIMOTHY CHIA CHEE MING

Mr Timothy Chia joined the Board in June 2014.

Mr Chia is Chairman of Gracefield Holdings Limited and Hup Soon Global Corporation Private Limited. He is a member of the Board of Trustees of Singapore Management University, Advisory Council Member of the ASEAN Business Club ("ABC") and the co-chair of ABC Singapore. Mr Chia also serves on the boards of several private and public-listed companies in Singapore as well as in the region.

Mr Chia was instrumental in the founding of Hup Soon Global. Prior to Hup Soon Group. Mr Chia was a director of PAMA Group Inc from 1986 to 2004 where he was responsible for private equity investments and from 1995 to 2004, he was President of PAMA. Mr Chia also previously served as Vice President of the Investment Department of American International Assurance Company Ltd, President of Unithai Oxide Company Ltd and Chairman – Asia for UBS Investment Bank.



NG KWAN MENG

Mr Ng Kwan Meng joined the Board in June 2014.

He is the Chairman of Aestiwood Pte. Ltd. and a Director of Tasek Jurong Limited.

Mr Ng retired in August 2013 as Managing Director and Head, Group Global Markets at United Overseas Bank after serving 30 years with the bank. He was also an Executive Director and Chief Executive Officer of UOB Bullion and Futures Ltd, and a Director of Tuas Power Ltd.

Mr Ng was involved in the promotion of the forex and debt capital markets in Singapore. He was a member of the Singapore Foreign Exchange Market Committee, the working group on Financial Industry Competency Standards and National Integration Working Group for the Community.



WONG KIM YIN

Mr Wong Kim Yin is the Group Chief Executive Officer of Singapore Power Ltd. He is also the Chairman of SP PowerAssets Ltd, PowerGas Ltd, SP Telecommunications Pte Ltd, Singapore District Cooling Pte Ltd, SPI Management Services Pty Ltd and Enterprise Business Services (Australia) Pty Ltd as well as a Director of SP Services Ltd.

Mr Wong is also a Director of SeaTown Holdings Pte Ltd, a member of the Board of Governors, Singapore Polytechnic and the Council for Private Education.

Mr Wong was formerly Senior Managing Director, Investments at Temasek International (Pte) Ltd, where he had been responsible for investments in various sectors, including the energy, transportation and industrial clusters. Prior to Temasek, he was with the AES Corporation, a global power company listed on the New York Stock Exchange.

SENIOR MANAGEMENT

IN ALPHABETICAL ORDER

AMELIA CHAMPION

Head
Corporate Affairs

JEANNE CHENG

Chief Risk Officer

LENA CHIA

Chief Legal Officer &
General Counsel

MICHAEL CHIN

Managing Director
Special Projects
SP PowerGrid

CHUAH KEE HENG

Managing Director
SP Services

STANLEY HUANG

Chief Financial Officer

JIMMY KHOO

Managing Director
Singapore District Cooling

PETER LEONG

Managing Director
SP PowerGrid

LIM CHOR HOON

Chief Talent Officer
Human Resource

LIM HOWE RUN

Head
Regulatory Management and
Strategic Investments

CHRIS LIM

Managing Director
SP Training and
Consultancy Company

POH MUI HOON

Chief Executive Officer
SP Telecommunications

SIM KWONG MIAN

Executive Vice President
Chairman, SP Engineering Board

TAN WEI KEONG

Head
Internal Audit

SAMUEL TAN

Chief Information Officer

SAMUEL TSO

Head
Group Safety and Health

WONG CHIT SIENG

Chief Corporate Officer

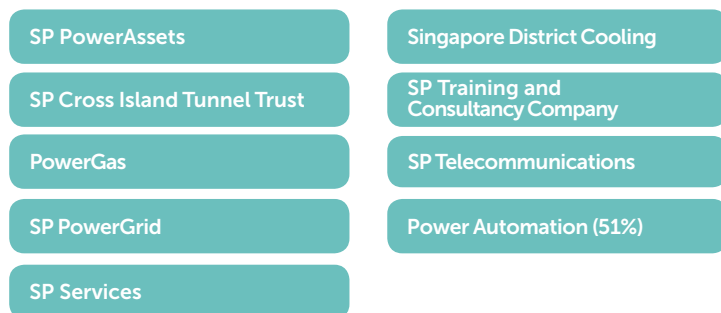
WONG KIM YIN

Group Chief Executive Officer

GROUP STRUCTURE



SINGAPORE OPERATIONS



We own and operate Singapore’s electricity and gas transmission and distribution networks. We also provide meter reading, billing and customer service support for the utilities market.

SP PowerAssets owns the electricity transmission and distribution assets, while **PowerGas** owns the gas transmission and distribution assets.

SP Cross Island Tunnel Trust is a business trust with a portfolio comprising the North-South and East-West transmission cable tunnel assets.

SP PowerGrid manages the electricity and gas transmission and distribution networks owned by SP PowerAssets and PowerGas.

SP Services provides market support services to customers for electricity, gas, water and refuse removal, and facilitates electricity retail market competition.

Singapore District Cooling provides chilled water services for air-conditioning in buildings.

SP Training and Consultancy Company provides consultancy and training, leveraging SP’s expertise in developing and operating energy utility infrastructure and businesses.

SP Telecommunications provides telecommunication infrastructure services.

Power Automation is a joint-venture systems integration company providing power system control, smart grid/metering, protection system and substation automation solutions.

AUSTRALIA INVESTMENTS



SGSP (Australia) Assets (SGSPAA) and **AusNet Services** form the two main arms of our business in Australia. Together, their presence spans eastern Australia, and includes electricity and gas transmission and distribution ownership and operation, as well as related services.

SGSPAA comprises **Jemena**, which owns and operates gas transmission pipelines, and gas and electricity distribution networks in New South Wales, Queensland, Victoria and the Australian Capital Territory, and **Zinfra Group**, which provides engineering, operations, maintenance and construction services to Jemena and external clients.

AusNet Services owns and operates Victoria’s electricity transmission network, an electricity distribution network in eastern Victoria, and a gas distribution network in western Victoria.

CORPORATE GOVERNANCE

ETHICS & ACCOUNTABILITY

The Group endeavours to enhance shareholder value by ensuring the highest standards of corporate governance, transparency, accountability and integrity.

The Group adheres closely to the principles and guidelines set out in the Singapore Code of Corporate Governance 2012 (the Code) for listed companies.

The Company has adopted the Code as its guide for best practice standards and put in place an internal framework to ensure good corporate governance in its business practices and activities. The Whistleblower Policy, implemented since 2005, seeks to strengthen ethical business conduct in the Group.

SETTING DIRECTION

The Board provides broad strategic directions for the Group and undertakes key investment and funding decisions. In addition, the Board ensures that Management maintains a robust system of internal controls to protect the Group's assets and reviews the Group's financial performance. The Board typically meets at least four times a year. Special Board meetings may be convened as and when necessary to consider urgent corporate actions or specific issues of importance. During the financial year, two Board Strategic Reviews were also held. Directors with potential conflict in specific subject matters are recused from the relevant information flow, deliberation and decisions of such matters.

ACCESS TO INFORMATION

The Board is provided with relevant information prior to Board meetings and on an ongoing basis so as to enable them to make informed decisions to discharge their duties and responsibilities. Board papers include management financial reports, annual budgets and performance against budget, updates on key outstanding issues and updates on new legislative developments.

The Board has separate and independent access to Senior Management. Should the Directors, whether as a group or individually, require independent professional advice to carry out their duties, the Company will arrange to appoint, at the Company's expense, professional advisors to render due advice.

Newly-appointed Directors attend an orientation programme to familiarise themselves with the Group's business and governance practices.

Directors are encouraged to attend appropriate courses, conferences and seminars so as to be better equipped to effectively discharge their duties as Directors.

BOARD COMPOSITION

There is a strong element of independence in the Board composition. Other than Mr Wong Kim Yin, who is the Group CEO, all the directors are independent.

The Nominating Committee reviews the independence of each Director annually and provides its views to the Board for the Board's consideration in accordance with the Code. It also evaluates the Board's performance on an annual basis.

The current Board size of 10 is appropriate for effective decision-making, taking into account the scope and nature of the Group's operations. Collectively, the Directors have a wealth of expertise and experience in the management of business at senior and international levels.

BOARD COMMITTEES

The SP Board is supported by board committees to facilitate effective supervision of the Management. These are the Board Executive Committee, the Audit Committee, the Board Risk Management Committee, the Nominating Committee and the Staff Development and Compensation Committee.

As and when required for specific projects, special board steering committees and due diligence committees are formed to provide support and guidance to Management.

BOARD EXECUTIVE COMMITTEE

The Board Executive Committee (ExCo) comprises five Directors, four of whom are independent. The ExCo assists the Board in overseeing the performance of the Company, its subsidiaries and its associated companies. It also reviews, endorses, approves or recommends to the Board for approval, acquisitions, financing plans, and the annual operating and capital expenditure budgets of the Group.

The ExCo typically meets at least four times a year.

AUDIT COMMITTEE

Currently, the Audit Committee (AC) comprises five independent Directors. Members of the AC have recent and relevant accounting or related financial management expertise and experience to discharge their responsibilities.

The main function of the AC is to assist the Board in discharging its statutory and oversight responsibilities relating to the financial reporting and audit processes, the systems of internal controls and the process of monitoring compliance within applicable laws, regulations and codes of conduct.

Responsibilities of the AC include:

- Review and approval of the audit plans of external and internal auditors;
- Review of the adequacy of the internal audit function;
- Review of the financial statements of the Group and the Company;
- Review of the independence and objectivity of the external auditors; and
- Nomination of external auditors for re-appointment.

The AC typically meets at least three times a year.

BOARD RISK MANAGEMENT COMMITTEE

The Board Risk Management Committee (BRMC) comprises five members, four of whom are independent. The BRMC assists the Board in fulfilling its oversight responsibilities by reviewing:

- the type and level of business risks that the Company, its subsidiaries and associated companies undertake on an integrated basis to achieve their business strategy; and
- the policies, procedures and methodologies for identifying, assessing, quantifying (where appropriate), monitoring and mitigating risks.

The BRMC is supported by the Group Risk Management Office in its risk governance responsibilities. While the BRMC oversees the SP Group's risk management framework and policies, the risk ownership remains with the business groups.

The BRMC typically meets at least three times a year.

NOMINATING COMMITTEE

The Nominating Committee (NC) comprises four Directors, all of whom are independent. The NC is responsible for formulating policies and guidelines on matters relating to Board appointments, re-appointments, retirement and rotation of Directors.

The NC, in consultation with the Chairman of the Board, considers and makes recommendations to the Board on the appropriate size and needs of the Board. New Directors are appointed by the Board after the NC has endorsed their appointment. New Directors must submit themselves for re-election at the next Annual General Meeting (AGM) of the Company pursuant to the Constitution of the Company. The Constitution of the Company also require not less than one-third of the Directors to retire by rotation at every AGM.

The NC typically meets at least twice a year.

CORPORATE GOVERNANCE

STAFF DEVELOPMENT AND COMPENSATION COMMITTEE

The Staff Development and Compensation Committee (SDCC) comprises four Directors, all of whom are independent Directors. The SDCC oversees the remuneration of the Group Chief Executive Officer and senior executives. The SDCC establishes and maintains an appropriate and competitive level of remuneration to attract, retain and motivate senior executives to manage the Group successfully.

No Director is involved, or has participated, in any proceedings with respect to his or her own remuneration.

The SDCC typically meets at least twice a year.

COMPOSITION OF BOARD AND BOARD COMMITTEES

Board Members	Audit Committee	Board Executive Committee	Board Risk Management Committee	Nominating Committee	Staff Development & Compensation Committee
Tan Sri Mohd Hassan Marican, Chairman	-	Chairman	-	Member	Chairman
Mr Ho Tian Yee	-	Member	Chairman	-	-
Mr Tan Chee Meng	Member	Member	-	Chairman	-
Mr Choi Shing Kwok	Member	-	-	Member	-
Mrs Oon Kum Loon	Member	-	Member	-	Member
Mr Tan Puay Chiang	-	Member	Member	-	-
Mr Ong Yew Huat	Chairman	-	-	Member	-
Mr Timothy Chia Chee Ming	-	-	Member	-	Member
Mr Ng Kwan Meng	Member	-	-	-	Member
Mr Wong Kim Yin*	-	Member	Ex-officio	-	-

* Non-independent

RISK AND BUSINESS CONTINUITY MANAGEMENT

SP is committed to ensuring that a strong and robust risk management system is in place for effective corporate governance, sound decision-making and efficient operational management. In addition to the generic framework of risk identification, assessment and treatment, SP proactively considers emerging risks in order to ensure business resilience. All this has translated into sustainable business performance that enables reliable and efficient utilities supply all year round.

The SP Group's guiding principle is that every employee is a risk manager in his respective area of work. Key risk issues and mitigation plans are proactively highlighted to the Risk Management Committees of the respective subsidiaries, as well as to the Board Risk Management Committee (BRMC). Key risk issues are monitored and necessary actions are taken, including remediation and business continuity planning.

We continue to promote a culture of risk awareness amongst staff through initiatives such as induction courses and workshops, publishing relevant articles in company periodicals, and regular interaction between risk management teams and risk owners.

KEY INITIATIVES OF RISK AND BUSINESS CONTINUITY MANAGEMENT (BCM) IN FY15/16

- Conducted risk assessment workshops with SP principal operating subsidiaries
- Conducted a review of SP's Enterprise Risk Management framework
- Enhanced existing risk management processes
- Maintained risk governance oversight of major projects including Full Retail Competition
- Distributed N95 respirators and digital thermometers to staff, and installed air purifiers as part of the haze response plan
- Successfully conducted business continuity exercises, including mobile power sub-station deployment and contact tracing, to ensure emergency preparedness and operational resilience in the event of any major incident or business disruption from local power outages to outbreaks of pandemics.
- Conducted monthly BCM briefings for 460 new staff

CERTIFICATION AND ACCREDITATION

BCA-IDA Green Mark SS564 (Energy & Environment Management System)

Singapore Power Group
by Building Construction Authority, 2015

ISO50001 (Energy Management)

Singapore Power Group
by Building Construction Authority, 2015

Singapore Innovation Class Certification, Singapore Quality Class Certification (STAR) Singapore Service Class Certification

SP Services
by SPRING Singapore, 2010 to 2018

People Developer Standard

Singapore Power, 2000 to 2017
SP PowerGrid, 2005 to 2017
SP Services, 2005 to 2018
by SPRING Singapore

ISO/IEC 17025:2005 in Electrical Testing for Electricity Meters

SP PowerGrid
by the Singapore Accreditation Council – Singapore Laboratory Accreditation Scheme, 2000 to present

ISO/IEC 17025:2005 in Electrical Testing for Current Transformers

SP PowerGrid
by the Singapore Accreditation Council – Singapore Laboratory Accreditation Scheme, 2000 to present

ISO 9001:2008 Certification For Quality Management System

SP PowerGrid (Distribution Control & Customer Services Section)
by Certification International, FY06/07 to present

SP PowerGrid (Network Development) (Electricity)
by Certification International, FY02/03 to present

SP PowerGrid (Network Management) (Electricity)
by Certification International, FY02/03 to present

SP PowerGrid (Gas Operations)
by SGS International Certification Services Singapore Pte Ltd, FY00/01 to present

SP Services
by BSI Management Systems, FY04/05 to present

ISO/IEC 17025:2005 in Calibration and Measurement for Gas Flow Meters

SP PowerGrid
by the Singapore Accreditation Council – Singapore Laboratory Accreditation Scheme, 2005 to present

ISO/IEC 27001:2013 in Operations and Maintenance of Downstream Gas Transmission and Distribution

SP PowerGrid (Gas Operations)
by TÜV SÜD PSB Pte Ltd, 2014 to 2017

ISO/IEC 27001:2013

SP PowerGrid (SCADA Section)
by DNV GL Business Assurance, 2016 to 2019

BS OHSAS18001:2007 Certification for Occupational Health & Safety Management System

SP Services
by Bureau Veritas, 2014 to 2017

Singapore District Cooling
by TÜV SÜD PSB Pte Ltd, 2014 to 2017

SS506 Part 1:2009 BS OHSAS 18001:2007 Certification for Occupational Health and Safety Management System

SP PowerGrid
by Certification International, 2014 to 2017

SS 506 Part 3:2013 Certification for Occupational Safety & Health Management System

SP PowerGrid (Gas Operations)
by Certification International, 2015 to 2018

AWARDS

Top 50 Engineering Feats
District Cooling System for Marina Bay
Singapore District Cooling

Cross-Island and Jurong Island - Pioneer Cable Tunnels
SP PowerGrid (Special Projects – Cable Tunnels Section)

World Class Electricity Grid Reliability
Singapore Power Group

by Institute of Engineering Singapore (IES), 2016

District Cooling Utility of the Year Award (2015)
Singapore District Cooling
by Fleming Gulf, 4th Asia Pacific District Cooling Conference, 2015

MND Minister's Award (Team)
Singapore District Cooling
by Ministry of National Development (MND), 2016

Asian Utility Week Awards: Best Customer Engagement Project Award for SP Services App
SP Services, 2016

Gold Award – Community Service
SP Services
by Mob-Ex Awards, 2016

Gold Award – Health & Safety
SP PowerGrid (Special Projects – Cable Tunnels Section)
by Royal Society for Prevention of Accidents, 2016

Minister's Honour Roll (Star)
Singapore Power Group
by the Ministry of Home Affairs, 2013 to 2018

Advocate of NS (Organisations)
Singapore Power Group
by the Ministry of Defence, 2015 to 2018

Singapore H.E.A.L.T.H. Platinum Award
Singapore Power Group
by the Health Promotion Board, 2004 to 2018

Most Innovative Project in The Energy Sector for Knowledge Management (KM) System
Singapore Power
by OpenText Elite Awards, 2015

International APEX award Grand Award for Design and Illustration – Design and Layout
20 Power Facts for spectrum Magazine (Feb/Mar 2015)
Singapore Power
by Communications Concept, 2016

International APEX award Award of Excellence for Design and Illustration – Print Ads and Advertorials
The Electricity Times
Singapore Power
by Communications Concept, 2016

International APEX award for Gas Safety Awareness campaign: Award of Excellence for Campaigns, Programs and Plans – Public Service
Gas Safety Awareness Campaign
Singapore Power
by Communications Concept, 2016

Asia-Pacific Stevie Awards: Bronze Award for Innovation in Community Relations or Public Service Communications
Gift of Power campaign
Singapore Power
2016

REMEMBERING

LEE KUAN YEW

Right
Chairman Tan Sri Mohd Hassan Marican delivered a message and led staff in a minute of silence on 23 March 2015.



Above
Staff penned tributes in the Condolence Book before the SP delegation went to Parliament House to pay their last respects.

Singapore's founding Prime Minister Lee Kuan Yew was a trailblazer in every way. Under his visionary leadership, Singapore was transformed from a third to a first world country in a single generation. When he passed away on 23 March 2015, Singapore Power stood alongside the nation to pay tribute to him and honour his legacy.

Condolences penned by staff across the SP Group were compiled into a book that was delivered to the Prime Minister's Office. A delegation of SP staff also paid their last respects to Mr Lee at Parliament House.

SP's senior management joined representatives from other Temasek portfolio companies to distribute umbrellas to members of the public waiting in line to enter Parliament House. Our electricity and gas operations officers were also on standby during both the week-long lying-in-state at Parliament House and the state funeral on 29 March 2015 to ensure that proceedings went smoothly.



Top Left
Mrs Josephine Teo, with UPAGE General Secretary Abdul Samad bin Abdul Wahab (in blue SP polo), listens to Bendemeer Secondary School students share their aspirations.

Top Right
UPAGE leaders and SP senior management prepare the books for distribution.

Left
Mrs Josephine Teo unveils the cover of the book, 'LKY: Follow that Rainbow, Go Ride It'.

LKY'S LIFE LESSONS FOR STUDENTS

SP commemorated the first anniversary of the passing of Singapore's first Prime Minister Lee Kuan Yew by partnering with Mapletree Investments to give all secondary school students a copy of "LKY: Follow that Rainbow, Go Ride It", published by Straits Times Press.

Mrs Josephine Teo, Senior Minister of State, Prime Minister's Office, Ministry of Foreign Affairs and Ministry of Transport, launched the book with SP and Mapletree on 23 March 2016 at Bendemeer Secondary School. Union of Power & Gas Employees (UPAGE) and Building Construction and Timber Industries Employees' Union (BATU) leaders attended the launch.

Targeted at teenagers between 13 and 17-years old, it chronicles the life of Mr Lee, and is structured around the four key guiding values – idealism, courage, resilience and tenacity – that helped him and Singapore's other Founding Fathers overcome seemingly insurmountable challenges. It also captures how Mr Lee led his life through extracts from newspaper articles and interviews, quotes and historical photographs. We hope that new generations of Singaporeans will be inspired by Mr Lee's character, values and vision, and contribute to making Singapore shine even more brightly.

RELIABILITY POWERHOUSE

- Commissioned the world's largest underground district cooling network in Marina Bay in March 2016. Singapore District Cooling helps customers achieve up to 40 per cent in energy savings
- Remained among the world's highest-rated utility companies in terms of reliability and efficiency, with our customers experiencing just 0.56 minute of electricity interruption and 0.16 minute of gas interruption in FY15/16
- Three SP projects were voted among Singapore's top 50 Engineering Feats in the Institution of Engineers (IES) Singapore's IES-SG50 competition – Our World Class Electricity Grid Reliability, District Cooling System for Marina Bay and Cross-Island and Jurong Island-Pioneer Cable Tunnels

Singapore District Cooling helps customers achieve up to **40%** in energy savings



From Left

Benjamin Ng Jet Hon

Executive Engineer, Network Management, Gas Operations

Ken Kong Chee Keen

Principal Engineer, Network Management, Gas Operations

RELIABILITY POWERHOUSE

Reliable energy infrastructure is vital for the smooth running of households, businesses and cities. In Singapore, ensuring that this service is dependable, uninterrupted and safe is a key priority for SP, and a critical component of our business strategy.

We continually invest in improving our systems and processes, and seize opportunities to create sustainable growth. In FY15/16, we broke new ground with a number of major projects. We completed our first underground substation at Changi Expo and commissioned the Changi East and Upper Jurong II 230kV substations. We also commissioned the world's largest underground district cooling network, run by our subsidiary Singapore District Cooling (SDC), which keeps Marina Bay cool.

We upgraded and expanded critical power and gas networks, and network monitoring systems. We also took steps to ensure stable and reliable power supply for the future with major new transmission projects planned, and are on track to complete our Transmission Cable Tunnel Project by 2018.

Our commitment to fulfilling our reliability promise has helped us record among the lowest incidence of power and gas supply interruption in the world. Last year, our customers experienced an average 0.56 minute of electricity interruption. We achieved zero transmission minutes lost, which means there was no supply interruption at the electricity transmission network level. Our gas customers experienced an average 0.16 minute of gas interruption. We continually look for innovative and cost-effective



Minister for National Development Lawrence Wong toured the Singapore District Cooling's Marina Bay plant during the commissioning event on 3 March 2016.

ways to do our work faster, better and more safely, and empower our staff with the knowledge they need to increase productivity and bring value to our customers and stakeholders.

COUNTING ON SOLID NETWORKS

Cooling down the Bay

In March 2016, we commissioned the entire Marina Bay district cooling network following the third phase of capacity expansion. With the expansion, SDC now operates the world's largest underground district cooling network.

Buildings consume some 30 per cent of Singapore's energy, and air-conditioning accounts for half their consumption. SDC's services translate into energy savings of up to 40 per cent for customers. It also means that gardens, restaurants and infinity pools can take the place of unsightly rooftop cooling towers.

The plants have a total installed capacity of 217MW, and serve 1.7 million square metres of Gross Floor Area.

This idea, more than a decade in the making and supported by a robust network design, strong engineering team and high operational standards, contributes

to realising the vision of an environmentally sustainable Marina Bay – and ultimately, a sustainable Singapore.

Even as we look forward to welcoming new customers in the district, we are already working with the Urban Redevelopment Authority and Building and Construction Authority to expand the use of district cooling in Singapore.

Overseas, we are building a district cooling system for CapitaLand's Raffles City development in Chongqing, China. Once completed, the system will enable the development to achieve up to 50 per cent energy savings, and reduce utility cost by about S\$30 million over 20 years. Raffles City Chongqing is the largest single investment by any Singapore firm in China, with total development cost expected to be around S\$4.2 billion.

Powering for Growth

On 31 December 2015, we commissioned our first underground transmission substation, the Changi Expo 66kV substation, at Changi Business Park. It will provide 66kV intake supply to the MRT Downtown Line 3 Extension, and to multinational corporations and industries in the area.

To meet growing electricity demand in the Jurong and Changi areas, 230kV substations were commissioned in Upper Jurong II and Changi East in June 2015 and July 2015, respectively.

Enhanced distribution management

We have upgraded our Distribution Management System (DMS), a critical system for remote monitoring and control functions for our entire 22kV network of 6,600 substations. The system also provides monitoring and control for 3,420 substations in our 6.6kV network.

Following the upgrading, the DMS now includes a biometric access control system. Engineers can use artificial intelligence instead of desktop planning exercises to run contingency scenarios for equipment maintenance. The system also automatically produces and broadcasts reports on network faults as soon as they occur.

Since June 2015, we have progressively implemented remote monitoring and control capabilities at our 6.6kV substations. The system has been upgraded to protect against cyber-attacks, improve system robustness, and streamline network database updating processes.

**Expanded Gas Network
Infrastructure**

We expanded our gas transmission network towards Senoko in the North. Approximately 14km of pipelines – from Jalan Bahar to Mandai and the Mandai Offtake Station II – were completed and commissioned in March 2016. Another 12km of pipelines – from Mandai to Senoko and the Woodlands East Offtake Station – will be constructed by December 2016. This enables the safe and reliable delivery of gas from the Singapore LNG Terminal located at Jurong Island to existing and new customers in the northern part of the island, including power plants.

More Capital Projects

To meet customers' growing power needs and ensure timely renewal of aging assets, we plan to roll out several major transmission projects over the next five years. These include the development of a 400/230kV substation at Jurong Island, and the progressive replacement of 230kV circuits through the North-South and East-West underground cable tunnels.

The new West Jurong 400/230kV Substation, to be commissioned in December 2018, will reinforce our 400kV network and help meet the growth in demand in the western part of Singapore. This will facilitate and increase the transmission of power from Jurong Island to the mainland.



Technical Officer Mohamad Ridhwan Bin Mansor conducting a gas leak survey as part of our regular maintenance to ensure the integrity of our network.

Interconnecting Gas Networks

Singapore's two medium pressure gas networks that serve customers in the Jurong and Tuas areas were successfully interconnected in November 2015. The interconnection improves network supply reliability, and promotes contestability among gas shippers and retailers.

**Transmission Cable Tunnel
Project Milestones**

The North-South and East-West cable tunnels, which will allow the efficient installation and replacement of underground cables, sit below the MRT underground system and are unprecedented in scale. When completed in 2017 and 2018 respectively, they will provide a cost-effective, long-term solution for the supply of reliable, quality electricity to future generations of customers.

We have completed close to 85 per cent of the tunnelling for the project, with distances of 15,327m and 13,643m achieved on the North-South and East-West tunnels respectively as of March 2016.



Our engineers behind the Cable Tunnel project – one of three SP projects named among Singapore’s top 50 engineering feats. (From left) Koh Keng Boon, Tuem Heng Seng, Jack Puang, Shawn Seah, Weng Liwei, Yew Mun Cheong and Winston Lian.

Close to 40 per cent of the Jurong Island-Pioneer Cable Tunnel, which connects the 400kV substation at Jurong Island to mainland Singapore, has also been completed.

In all, we have achieved seven tunnel boring machine (TBM) breakthroughs, negotiating the tightest tunnel curvatures in Singapore.

On 31 January 2016, we made history with the first ever docking of two TBMs in Singapore, 60m under the Holland Village MRT station. All tunnelling for the remaining 11 TBM drives are scheduled for completion by March 2017.

Chan Chun Sing added 7 new photos to the album: Singapore Power Transmission Cable Tunnel. 21 hrs · 🌐

60m underground (20 HDB stories deep) our engineers and workers are building our power distribution tunnels for the next 100 years.

The entire system is designed with a total life-cycle consideration. Worker safety, efficiency of operation, maintenance, crisis management and even the aesthetics and good neighbourliness are taken into account. Kudos to the team.

Proud of our Engineers and their passion.

Visit to SP’s Cable Tunnel North Buona Vista shaft on 28 January 2016 by Chan Chun Sing, NTUC Secretary-General, Minister, Prime Minister’s Office, and Member of Parliament for Tanjong Pagar GRC.

RELIABILITY POWERHOUSE



Our standby crew provides the support that enables major events, such as the 28th SEA Games Singapore 2015, to run smoothly.

At the right place, right time

The upgrading of our SP Services Wireless Workforce Management System (WWMS) was completed in December 2015. The WWMS is an integral part of our service delivery operations. It ensures that our technicians arrive at the right location at the right time for supply activation or termination, installation inspection or meter readings. With the latest upgrade, our field services teams can use the WWMS app on their iPads to get more information on the job while on-the-go. New features, including camera and video functions, have also improved productivity, allowing site photos to be uploaded directly into the system via tablets.

Our engineering feats

Three SP projects – underground district cooling system, underground cable tunnels and world-class electricity grid – were

voted by the public to be among Singapore's top 50 engineering feats. This is an endorsement of our engineering capabilities and our commitment to Singapore's sustainability drive. This competition was organised by the Institution of Engineers Singapore as part of its 50th anniversary celebrations.

Leading by example

SP's Senior Management team are on a 24-hour roster and will be activated to go onsite when there are serious electricity supply disruptions, regardless of the cause of the incident. Together with our engineers, they will be ready to tackle issues and address concerns at the site.

Green enterprise data centre

Our SP Services enterprise data centre received three certifications – BCA-IDA Green Mark, SS564 (Energy & Environment

Management System), and ISO50001 (Energy Management). The data centre was designed and built with environmentally-friendly features, adopting industry best practices and the latest technologies to reduce energy consumption and its carbon footprint. Prominent green features include a cold aisle containment system, highly efficient power equipment, precision cooling and chilled water systems, and the use of natural lighting and LEDs with motion sensors. These features will reduce power consumption at the data centre by 15 per cent every month.

PRODUCTIVITY

A better way to work

We have created a suite of training programmes at our Lean Academy to educate and equip our staff with the necessary skill sets to eliminate wasteful work processes. More

than 95 per cent of our staff have completed the DOWNTIME online training programme, which addresses waste that could be caused by Defects, Over-production, Waiting, Not utilising talent, Transportation, Inventory, Motion and Extra processing. Customised workshops and forums strengthened our managers' and leaders' understanding of Lean techniques, which seek to maximise customer value while minimising waste.

Armed with Lean insights, our staff shared ideas and best practices on the VOICES staff suggestion portal. More than 3,700 ideas were submitted and 100 improvement initiatives pursued in 2015. They are expected to collectively save the company S\$16 million.

Delivering Sustainability

In September 2015, we embarked on an ambitious pilot project – Project Maximus – to embed Lean tools and practices into our operations over a nine-week induction period. The project kicked off at our Pasir Panjang District Office Inventory Management store. Staff came up with 26 ideas and six improvement projects that would potentially lead to a 5 per cent reduction in terms of man-hours, and S\$1.3 million in outright savings for SP. Following the successful pilot, we identified 32 core sections that will undergo the same programme over the next two years. To sustain SP's transformation into a Lean organisation, we integrated productivity with staff reward programmes, and simplified

existing policies to make it easier to recognise staff efforts.

Process Automation

To improve turnaround time for cable preparation during installation, maintenance and repair work, SP invested in an Automated Coiling Machine. This significantly reduces the amount of time needed to prepare cables, and requires only a fraction of the manpower to perform the task manually. The machine comes with a hydraulic lifting mechanism and a digital measuring system, improving both safety and the accuracy of the coiled lengths to minimise re-coiling.

Supporting national events

We supported several national and major events in FY15/16. Close to 500 officers from Electricity and

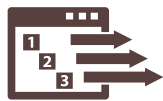
Gas Operations were mobilised for standby duty during National Day and the SG50 celebrations, the National Day Rally, the Formula 1 Singapore Airlines Singapore Grand Prix, the 28th SEA Games Singapore 2015, and the 8th ASEAN Para Games Singapore 2015. Our teams were involved in planning, discussions, practices and rehearsals to ensure there were no electricity or gas interruption during these events. Another poignant example was when our officers were also at hand to support the lying-in-state and state funeral of founding Prime Minister Lee Kuan Yew as we mourned alongside the nation on his passing in March 2015.



The Automated Coiling Machine supports our productivity process by reducing the manpower required and time taken to re-coil cables.

DRIVING INNOVATION

- Developed 17 apps, including iTalent and the Condition Monitoring inspection app, to boost productivity and collaboration among staff
- Rolled out an e-biz portal to make it more convenient for potential partners to work with us
- SP Services' mobile app for customers picked up the Gold Award at Mob-Ex 2016 and was named "Best Customer Engagement Project" at Asian Utility Week 2016



S\$3.4 million

Projected productivity savings over two years as a result of the new electronic and digital tools for all staff.



Standing from left
Than Keng Hwa, Kenny Chiang Kwok Hoo, Leong Fai Choy,
Chua Bing Sheng, Lam Yee Ki, Steven Chew Lai Keat

Front row from left
Ng Kim Yi
Technical Officer, Network Management, Electricity Operations
Ng Guan Jie
Technical Officer, Network Management, Electricity Operations
Lee Kok Kin
Deputy Director, Group CEO's Office



Standing from left
Chua Zhi Xin, Teo Yi Qian, Melvin Ng Cheng Li,
Malcolm Samuel, Kee Yan Hong, Pyae Ko Ko,
Bryan Lee Zhen Yuan, Daniel Quick Rui Wen

Front row from left
Darryl Ng Zhi Wei, Chen Jing Wen

DRIVING INNOVATION

Innovation is the driving force for change. Each wave of progress propels the global economy forward and delivers improvement to the quality of life of our customers. The first industrial revolution was driven by steam power. The introduction of electricity transformed the way people live. Innovation has continued to provide us with significant advances in electronics, computing, digital networks and communications. We are starting to see the potential of sustainable energy.

SP is committed to remain at the forefront of these developments and is driving innovation in every part of our operations so that we are able to continuously improve the quality of life for consumers.

In the past year, as part of our innovation roadmap, we continued to digitalise SP to put power in the hands of our customers, partners and employees by providing them with the tools that give added convenience, increased productivity and support our drive towards greater sustainability.

Beyond actively integrating new technologies for better customer experience and system performance, we are going a step further, already considering the future needs of our customers. To that end, we set up the SP Centre of Excellence to partner companies, research institutes and other innovative parties to co-develop and commercialise next-generation energy network technologies and solutions.

The team from the InfoComm Technology Department Human Resource Systems section behind the iTalent talent management system – (from left) Puli Bhuvaneshwari, Chua Hwee Nee, Andrew Soh, Chee Chee Kin and Cheng Wen Sen.



The SP Services team receiving the Gold Award in the “Best Mobile App – Community Service” category at the Mob-Ex 2016. They are: (from left) Chin Wai Tieng, Bertina Cheong, Jacqueline Chew, Melvin Wong, Lynette Tan, SP Services Managing Director Chuah Kee Heng, Seng Siew Foong, Liong Chee Wei, Saskia Tan and Chief Information Officer Samuel Tan.

One of the key components in enabling innovation to cater to customer's future needs is the ability to have fast and secure connections. SP is using its expertise in providing safe and reliable power in the area of telecommunications, providing consumers more choice in this age of increasing data flow.

Together, SP's innovation efforts in energy and communications networks will form the backbone that supports Singapore's Smart Nation Vision.

DIGITALISING SP

Award-winning mobile apps

We have introduced a number of mobile apps for our customers and staff. Customers have benefited from the SP Services mobile app, which enables them to monitor their utilities consumption patterns, and compare these patterns against those of their neighbours and the national average. They are also able to conduct their own home utilities audits, get energy-saving tips and set targets for lower consumption. The app picked up a Gold Award at Mob-Ex 2016 in the "Best Mobile App – Community Service" category. The Mob-Ex Awards recognises mobile marketing excellence across South Asia, Southeast Asia, and Australia and New Zealand. The app was also named the "Best Customer Engagement Project" during Asian Utility Week 2016, which was held in Bangkok.

Providing convenience to our partners

We rolled out our own e-biz portal, the Supplier Relationship Management system. Our vendors,

developers and government agencies can expect greater convenience and better service when they process tenders, approvals, permits and other documents.

Putting Power in the Hands of our Staff

A key initiative for our 20th anniversary was to empower every staff with electronic tools that improve the way they work and interact with colleagues and partners. All 3,700 SP staff now have an electronic tablet which provides them with information at their fingertips, enabling them to work on the go. Projected productivity savings from this effort is estimated at S\$3.4 million over two years. Our union, the Union of Power and Gas Employees (UPAGE), is a strong advocate of this initiative, which will also see staff benefit from a better quality of life at work.

The iPad tablet has also allowed staff to access a number of productivity apps. We have launched a Cable and Gas Pipe Patrolling app, a Gas Meter Replacement app and a Condition Monitoring app. The Cable and Gas Pipe Patrolling app makes earthworks site monitoring more efficient by enabling staff doing patrols and site checks to create real-time recordings and instantly upload time-stamped photographs into a central database, facilitating investigation work. The mobile app also provides access to site maps and the required forms.

With the Condition Monitoring inspection app, field staff can submit their inspection records immediately. They can also access

live data to guide decision-making in the field. The app, implemented from 1 February 2016, is expected to achieve cost savings of approximately S\$300,000, or 404 man days, during its projected lifespan of five years.

In all, 17 apps have been developed since August 2013 and more are in the pipeline to help drive the efficiency of our operations.

Besides boosting productivity and collaboration, better information and communications channels have helped improve employee engagement. The tools have also sped up the adoption of SP's customised apps such as SParkle, a peer appreciation and recognition software, and iTalent, a talent management app that allows a wide range of functions, such as performance appraisal, to be done anytime, anywhere.

Promoting knowledge exchange

Having their own tablets also means our staff can easily access our newly-launched Knowledge Management (KM) System, an online social community where SP staff can share knowledge and discuss work-related topics.

Our engineers collect and collate content on the job, including standard processes and procedures, case studies and lessons learnt. The KM System allows for this knowledge to be shared, promoting a culture of continuous learning. Knowledge from more experienced SP engineers benefits the newer members of our community.

DRIVING INNOVATION

Some 74 online communities had been formed as of March 2016, including the Professional Engineers Guild House, which provides peer support for aspiring engineers working towards professional certification; the Safety Community, which promotes awareness around safety issues and shares observations and audits; and the Cyber Security forum, where discussions about IT risks and threats on the Internet take place.

The system was recognised as the “Most Innovative Project for Energy Sector” by OpenText, a global leader in Enterprise Information Management solutions, in November 2015.

Documents Registry for better accountability

In line with our mission to proactively improve and add value through systems and processes, SP launched the SP Group Critical Documents Registry last year with representatives from each SP business unit, ensuring all critical documents within the SP Group are properly accounted for and stored, and can be easily traced in a common repository. This improves efficiency and productivity in tracking and retrieval, and ensures accountability.

Leveraging on data analytics

The Data Analytics Task Force was set up in October 2014 for various business units to develop Proof of Value (PoV) projects that use Data Analytics Tools. Our Data Analytics Resources Lab, helps take the successful PoVs to the next stage of development. These projects include Network Management, Geospatial Gas

Leak Location Analysis, and Customer Contract and Debt Recovery, among others.

One success story is the Geospatial Gas Leaks Location Analysis project, with a pilot completed in February 2016. Using Geospatial Data Analytics Tools, the Gas Asset Strategy and Condition Monitoring Section built a prototype that analyses historical data of gas leaks to determine areas that have a higher propensity for recurrence. This helps to optimise inspection resources. The results of this project are being adopted in gas leak inspections.

Consolidating asset management systems

We completed the first phase of Project NOVA, an enterprise-wide asset management system, in January 2016. The system consolidates and automates manual work processes maintained by the different business units. NOVA will enable remote access of information via mobile apps, and increases staff productivity and effectiveness of workflow processes. It also paves the way for the development of a future-proof system that will drive business process automation within the organisation.

SEEING POTENTIAL

Next-Generation Solutions

In April 2015, we launched the SP Centre of Excellence (CoE), a S\$30 million collaboration with the Economic Development Board to drive the innovation and commercialisation of next-generation energy network technologies.



Mr Neo Kim Hai (middle), Head, Knowledge Management, receiving the ‘Most Innovative Project in the Energy Sector’ award at the OpenText Elite Awards 2015.

SP CoE will work with industry partners to co-develop, pilot and proof emerging technologies in SP’s networks. This collaboration does not just develop internal capabilities, but also helps SP’s partners bring their products and solutions to market.

Our partners also benefit from SP’s operational expertise, and are able to test their products and solutions in actual networks, in real-time and with real consumers, measure the impact of these innovations, and commercialise them. It also brings to market solutions that improve our customers’ quality of life. Current areas being worked on include energy network digitisation, smart energy management, network sensing and big data analytics.

Leveraging power experience for fibre networks

Besides providing Singapore with reliable power supply, SP is also providing greater choice as a trusted partner of enterprises in

the telecommunications industry. Our telecommunications network arm SP Telecommunications (SPTel), whose extensive optical fibre network runs alongside SP's nation-wide power lines, will offer connectivity and enabling-technologies to telecommunications carriers, retail service providers, data centres and enterprises.

SPTel's customers include carriers such as China Telecom and HKT, as well as enterprises such as MediaCorp. Through its extensive OpticNet dark fibre network, SPTel also allows data centres, landlords and property developers to strengthen their offerings to their end-customers – enabling organisations, from emerging InfoComm companies to e-commerce brands and entrepreneurs, to be future-ready. Its SmartConnect service combines the power of Ethernet with the reliability of optical fibre to optimise connectivity for high quality, secure and speedy connections – whether between people and businesses, or between data centres and key interconnection hubs. In addition, SPTel will provide fibre links to the Woodlands Causeway and the Tuas Second Link, adding to diversity with off-shore connections outside of Singapore.

As the role of data centres grows, with business applications becoming more data-intensive and requiring more bandwidth, SPTel is on track to meet the increasing demand for connectivity, speed, diversity and reliability by creating a data centre fibre fabric linking the nation's key data centres. To date, SPTel's customers include Keppel

DigiHub, Equinix, Global Switch, 1Net and Kingsland.

Seeding the sustainable future

SP actively promotes renewables and innovation in technology developments. Among our initiatives is a S\$1 million, 5-year sponsorship to help Singapore Polytechnic build solar vehicles and participate in three editions of the World Solar Challenge in 2015, 2017 and 2019.

Just three weeks before their scheduled departure to compete in the 2015 edition of the 3,000km solar car race across Australia, the Singapore Polytechnic team's self-built solar car, SunSPEC4, was destroyed in a fire. With additional funding and logistical support from SP, as well as our undertaking to air freight the SunSPEC4 to save time, both the team and their car were at the starting line on time to be flagged off.

SP's staff, who are also alumni of the polytechnic, travelled with the SunSPEC team to provide additional support and advice on logistics and safety. SP also sponsored a satellite phone with call and data features so the team could keep in touch with families and friends even when in remote areas.

SP also launched the SunSPEC Polytechnic & University Sponsorship scheme, that offers SP academic sponsorship to the Singapore Polytechnic students who were part of the SunSPEC solar car team last year.

The SunSPEC academic sponsorship scheme recognises the determination, tenacity and strong engineering passion of the students, and expands our pool of enthusiastic future engineers.



Singapore Polytechnic's SunSPEC team, sponsored by Singapore Power, at the finishing line of the World Solar Challenge 2015 in Adelaide, Australia.

STRIVING FOR SERVICE EXCELLENCE

- Customers benefit from our “one-call, one-click and one-stop service in one business day” promise when they apply for utilities services
- SP Services mobile app empowers customers to be more energy-efficient by helping them track consumption, compare it with their neighbours and set goals to save energy
- 84,000 smart meters installed as of April 2016, out of a total 280,000 by 2021, in preparation for full liberalisation of the electricity market

1.4 million

The number of customers we serve each month, including fielding some 80,000 calls. Our team reads a total of 3.6 million electricity, water and gas meters every other month. We also process some S\$6 billion in utility payments annually.



ICES

NAME & SECTOR
RE 349277

810-029840-04825

August 2016 Bill
Account No. 89XXXXXXX

Total Amount Payable: **\$131.76**
Payment Due: 07 Sep 2016

This is your tax invoice for
2 Kallang Sector #15-06
Singapore 349277

Billing Period
Jul 2015 - 22 Aug 2015

Account Type: Domestic
Deposit: \$100.00
Total: \$51.52

Consumption Trend



Electricity Services
Usage: 229 kWh

\$51.52



Gas Services
by City Gas Pte Ltd (as Trustee)
Usage: 80 kWh

\$10.40



Water Services
by Public Utilities Board
Usage: 18.5 Cu M

\$41.74

Debris Removal: \$7.00
GST: \$7.75
Current Charges: \$118.19

Utilities Saving Tip
Run the washing machine only on a full load. Collect rinse water from the washing machine for flushing the toilet or mopping the floor.

SP Services Ltd. Co. Registration No. (1985044796) | GST Registration No. (S2-802000-4)

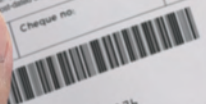
For details on difference between current charges and total amount payable, see Summary of Charges.

Total Amount Payable: **\$131.76**

Payment Due: **07 Sep 2016**

For cheque payment, crossed cheque is to be made payable to 'SP Services Ltd'. Please detach and mail the return with your cheque to: Outcast P.O. Box 241, Singapore 110242. (No receipt will be issued. Payment must be made in cash.)

Please make full payment by the due date to avoid \$0.50 PINK Notice Fee and 1% Late Payment Charge.



xxx 000000013376

Page 1 of 2

STRIVING FOR SERVICE EXCELLENCE



Melvin Chan, Customer Care Officer, helping new condominium homeowners open their utility accounts on-site when they collect their keys.

From individuals and families to companies and industrial customers, ensuring a convenient, efficient and hassle-free service experience has always been a priority for SP. Whether through technology and innovation, or simply by listening to our customers, we continually strengthen our service culture and strive to enhance every encounter at our service touchpoints. This includes simplifying our bills so they are clear, helping customers make energy-efficient choices, putting utilities management at their fingertips, and providing easy access to assistance and self-help channels.

UTILITIES AUDITS AT YOUR FINGERTIPS

Following a successful pilot run, we rolled out enhanced e-services to all customers, designed to help them adopt more energy-efficient practices. From May 2016, all our customers are able to keep tabs on their energy and water consumption patterns more easily through the SP Services mobile application, website and email bill summary. The app, available from iTunes and the Google Play Store, lets customers compare their current consumption against that of their neighbours, the national average and their own past consumption. They can also conduct their own home utilities audits, get energy-saving tips, and set targets for lower consumption.

The app won the Gold Award – Community Service at the 2016 Mob-Ex Awards, a premier event that celebrates mobile marketing excellence across South Asia, Southeast Asia, Australia and New Zealand. The app also won the “Best Customer Engagement Project” award during Asian Utility Week 2016, held in Bangkok.

CLEANER, CLEARER BILLS

Customers now receive their utilities bill in a new design, intended to promote more efficient utilities consumption and help customers better understand billing information. Past consumption and comparisons with that of neighbours and the national average are also available at a glance. The new bill offers utilities-saving tips and advice that can help customers become more energy and water efficient. Several different versions of the new design were tested with customers before the final design, which is simpler and clearer, was selected.

EASY UTILITIES APPLICATION FOR NEW HOMEOWNERS

Setting up a new utilities account with SP Services has become even more convenient. Customers can apply for utilities services by making one call to our hotline, one click to our website, visiting any of our three customer service centres for one-stop services, and having their utilities connected in one business day. New homeowners can now also open their utility accounts on-site at their new condominiums when they collect the keys. This means having immediate access



Thomas Goh (standing), Assistant Director, manages call centre operations, which includes handling about 80,000 phone calls monthly.

to electricity and water without having to contact SP Services to open an account and then booking a separate appointment for the utilities to be activated. This initiative has been very well received.

ENGAGING COMMERCIAL AND INDUSTRIAL CUSTOMERS

As part of ongoing efforts to build a stronger partnership with our key customers, SP PowerGrid conducted six Power Quality Interest Group (PQIG) meetings between October 2015 and February 2016 for voltage-sensitive customers from seven sectors: Semiconductor & Electronics, Pharmaceutical, Petrochemical & Chemical, Banking, Essential Services, Tourism & Hospitality, and Data Centres. The newly-formed Data Centres cluster was added to the PQIG in view of the sector's rapid growth. The new cluster's members had their first meeting in December 2015.

GEARING UP FOR FULL LIBERALISATION OF ELECTRICITY RETAIL

We continue to gear up for full liberalisation of the electricity market in Singapore, scheduled for the second half of 2018. By then, more than 1.4 million consumers, mainly households, will be able to buy electricity from the retailer of their choice or from the wholesale market.

The contestability threshold has been progressively lowered since 2014. With the downward revision in July 2015, commercial and industrial consumers with an average monthly electricity consumption of at least 2,000 kWh became eligible for contestability. SP continues to work closely with new electricity retailers, helping them with the registration and activation of customer accounts.

We are also making major upgrades to our systems, including equipping

them with the technology and automated processes necessary to handle a higher volume of dealings between consumers and electricity retailers.

More Advanced Metering Infrastructure (AMI) meters, or smart meters, will be deployed to cope with the larger number of opt-in customers. A total of 280,000 smart meters are expected to be installed by 2021, up from about 84,000 as of April 2016. AMI meters are capable of measuring contestable customers' electricity consumption at half-hourly intervals, allowing customers to better manage their consumption and lower their electricity bills.

Beyond that, more communication equipment such as Access Points and Relays will be installed to expand and strengthen the existing Radio Frequency communication network. This will not only support retail competition but also future Smart Grid developments.

AN ENERGISED WORKPLACE

- Strengthened our engineering bench through sponsorship for Professional Engineer certification. To date, we have 100 certified engineers
- Welcomed 121 fresh graduates to our in-house leadership training programme, Engineering Development for Graduates (EDGE) since 2013
- Awarded more than 100 scholarships since 2012
- Sponsored 419 staff in their part-time education since 2002

100 certified engineers

This makes up 18.5 per cent of our total engineering pool who have their Professional Engineer certification, above the national average of 1.7 per cent. We have the most number of certified engineers in-house in Singapore.


* Figures updated as of March 2016.





From Left
Jason Chan Wei Hao
Manager, Human Resource
Anna Ng Lay Tin
Director, Human Resource
Chua Hwee Nee
Assistant Director, Infocomm Technology

AN ENERGISED WORKPLACE

 Our people are integral to our success. We focus on attracting the best talent, developing them with diverse exposure and training, and ensuring that they have enriching and rewarding careers.

We provide our staff with career development and training programmes that are tailored to their strengths and help them keep pace with our digital transformation, even as we continue to reach out to young graduates and other talent through scholarships, awards and internships. Investing in our people ensures both a dedicated workforce and the long-term sustainability of our business.



Senior Engineer Lian Zijuan (left) mentors younger engineers like Chen Zhiyi (middle) and Muhammad Shahid bin Mohamed Jailani.

As our industry continues to evolve and grow, we are committed to building an engaged and experienced workforce that will fuel and sustain the utilities sector in Singapore.

CONTINUAL TALENT DEVELOPMENT

As part of our sustained efforts to groom future-ready leaders, we partnered with Singapore Management University to run two leadership programmes aimed at equipping emerging leaders with critical skills such as decision-making, change leadership and communication skills, to help them navigate the ever-changing business environment. Our core leadership competencies – Strategic Perspective, People Orientation, Result Focus and Change Leadership – and SAIL (Safety, Accountability, Institution First and Learning Continuously) principles are woven into the programmes to reinforce their importance in achieving our vision, mission and strategic thrusts in Commercial, Operations, People and Stakeholders.

Our leadership pipeline programme, Engineering Development for Graduates (EDGE), provides fresh graduates with structured training and job rotation to critical operations so they can gain broad-based exposure and diverse technical expertise. We developed the Enterprise-Tune Up programme for the 2013 cohort of EDGE Engineers as they entered the third year of their careers with SP. This rigorous programme is aimed at helping



Singapore Power is among 17 companies that signed a Memorandum of Understanding with three polytechnics and the Institute of Technical Education to place students on internships in the power sector.

them improve their personal effectiveness and leadership skills, as well as enhancing their core knowledge in Safety, Regulatory Management, Risk Management and emerging trends in the utilities sector.

For new technical staff, we launched the Learning Through Technical Accelerated Programme (LEAP), which will provide them with structured training before they embark on their jobs.

We awarded 419 sponsorships to staff to pursue further education, including to four staff members for their Master's degree in the United Kingdom. Of these, 54 per cent have been appointed to positions of higher responsibility, having performed well in their jobs. We have invested more than S\$2 million to date in upgrading our staff.

We developed a World Class Engineering Bench by complementing core engineering work with continual learning. Mentors and fellow engineers share their experiences with their younger counterparts on SP's Knowledge Management Portal.

We continue to offer our engineers sponsorship for their Professional Engineering certification. To date, we have 100 certified engineers who make up 18.5 per cent of our total engineering pool, above the national average of 1.7 per cent. This makes us the organisation with the most number of certified engineers in-house.

Our investment in the energy sector starts early. Most recently, we committed ourselves to granting S\$10,000 in awards over five years to Singapore University

of Technology and Design (SUTD) students who demonstrate outstanding performance in their Electric Power Systems and Design module. This is in addition to targeted efforts to reach out to students to fuel interest not just in SP but in the energy sector as a whole. A total of 97 sponsorships and book prizes were awarded to students from tertiary institutions. Since 2012, we have also awarded more than 100 scholarships to students with a passion for engineering in the energy sector.

ITALENT AND SPARKLE

In January 2016, we rolled out iTalent, a user-friendly App that allows our staff to take charge of their career development. Accessible via the office workstation or SP-issued iPads, iTalent helps employees identify

AN ENERGISED WORKPLACE



The EDGE programme has nurtured Executive Engineer Gary Tan's leadership skills. He leads a team of 29 technical staff that deals with Gas Operations emergency responses.

their career goals and provides them with "development on the go" – online access to the tools and training that can help them achieve their career goals. Staff can also access their performance appraisals, view their profiles and update their performance on the platform.

For managers, iTalent's dashboard and data-on-demand provides a sound overview of their teams' progress and where their capabilities stand, as well as opportunities for better communication. We believe that iTalent will result in greater work efficiency and productivity as information becomes more available and accessible.

SParkle is a new channel for staff to provide timely recognition to any colleague – peer, supervisor or subordinate. The SParkle App enables staff to send a compliment, word of thanks or commendation at any time, quickly and easily. Since its launch in December 2015, more than 16,000 stars have been sent out. We believe timely affirmation goes a long way in strengthening morale and motivating staff to perform their best.

SAFETY FOR EVERYONE

Safety also continues to feature prominently on SP's agenda, with the implementation of safety courses not just for management and staff, but extending to our contractors as well. Such courses ensure that SP is primed to further enhance safety management and practices, and reinforce SP's safety culture.



Since December 2015, more than 16,000 SParkle stars have been awarded by staff in recognition of their colleagues.

FUELLING SKILLS DEVELOPMENT

As a major player in the energy sector, we established the Singapore Institute of Power and Gas (SPIG) in 2014 as a one-stop training and development centre. SPIG also offers courses to power generation companies to build capabilities within Singapore's energy industry.

In May 2016, we launched the two-day "Sulphur-Hexafluoride SF6: Benefits, Application and Safe Handling" course to boost knowledge and understanding of SF6, a gas used as an insulating medium in electrical equipment, among the technical professionals and technicians handling it.

We also continued to train staff working towards switching certification and began offering a cable jointing expertise course.

SG50 AND SP20 STAFF INCENTIVES

During the year, we rolled out initiatives to motivate staff and boost engagement. To celebrate Singapore's 50th birthday and to commemorate SP's 20th anniversary, we launched the SG50/SP20 Bonus. Staff qualified for this bonus when they fulfilled three meaningful engagement tasks on their SP-issued iPads or SP's mobile apps. They had to award SParkle "Stars" to colleagues exhibiting the SAIL principles, vote on the top three Good Deeds performed by SP Heart Workers and post blog entries on the topics of safety and productivity.

We believe such initiatives fuel employee engagement as we build a resilient and adaptable organisation together.

We also continued to recognise staff who displayed exemplary customer service through awards, including the annual Super Star Awards.



Attendees of the "Sulphur-Hexafluoride SF6: Benefits, Application and Safe Handling" course learn to measure gas quality.

PROMOTING A CULTURE OF SAFETY

- Lowered our Lost Time Injury Frequency Rate* (LTIFR) – a global measure of safety standards – to 0.77 per million man-hours in FY15/16. We are closer to our goal of attaining the world-class standard LTIFR of 0.57 by FY18/19
- Achieved zero controllable traffic accident for FY15/16 since launch of the SP Services Motorcycle Helmet Camera for all field staff in May 2015
- SPPG's Cable Tunnel team received the Gold Award for Health and Safety 2016 from the Royal Society for Prevention of Accidents, an endorsement of our team's efforts to raise safety standards in the tunnelling industry

**0.77 per
million
man-hours**

our Lost Time Injury
Frequency Rate* – a 30%
improvement from the
year before.

* Lost Time Injury (LTI) is a work related injury which results in a person being unfit for work on any day after the day of occurrence of the injury. Lost Time Injury Frequency Rate (LTIFR) is the number of lost time injuries per 1,000,000 man-hours worked.





Back row, from left
Ragunath Balamurugan S/O Paulsamy
Principal Engineer, Group Safety and Health
Leslie Neo Wei Han
Manager, Group Safety and Health
with employees of a contractor's company.

PROMOTING A CULTURE OF SAFETY

At SP, safety is a team effort requiring commitment from every player. It is driven by our management with active staff involvement. Staying free of accident and injury is an important part of our culture, for the public, our staff and our contractors.

In FY15/16, we continued to enhance our safety culture and improve our safety performance. We focussed on building long-term partnerships with our contractors, ensuring that they share our safety philosophy and maintain stringent safety standards. SP has more than 6,500 workers from over 130 contractor companies involved in critical transmission and distribution network projects across Singapore.

We conducted regular safety workshops and campaigns as well as weekly safety inspections and reviews, and involved workers in our efforts to improve on safety. We continue to raise the standards of our contractor safety management practices and strengthen our partnership with contractors to reduce injuries at work.

We are pleased to report tangible results from our joint efforts. In FY15/16, our Lost Time Injury Frequency Rate (LTIFR) was 0.77 per million man-hours worked, a 30 per cent improvement over the previous year.

Beyond worker health and well-being, alignment with our partners on safety also contributed to the success of our projects and helped us better manage risks.



The Gas Safety Awareness committee members (from left, in blue SP polo) Gary Tan, Andrew Ang, Ken Kong, Tan Lih Hong and Joanne Ong with Home Affairs and Law Minister K Shanmugam at a community outreach event in Yishun.



Mr Hawazi Daipi (middle), then Senior Parliamentary Secretary for the Ministry of Manpower and Education, SP Chairman Tan Sri Mohd Hassan Marican and Group Chief Executive Officer, Mr Wong Kim Yin, launching the Gas Safety Awareness campaign during the inaugural Group Safety Summit.

SAFETY AS A WAY OF LIFE

We held our inaugural Group Safety Summit in July 2015 with the theme Safety is Our Way of Life. During the event, Group CEO Wong Kim Yin reiterated SP's priorities on safety and highlighted our journey to becoming a Safety Champion. He shared our five-year roadmap to attaining the world-class safety target LTIFR of 0.57. He joined Guest of Honour Mr Hawazi Daipi, then Senior Parliamentary Secretary for the Ministry of Manpower and Education, and SP Chairman Tan Sri Mohd Hassan Marican, in launching SP's Gas Safety Awareness campaign for the public.

We also presented awards for sound safety culture and best

practices, as well as for a video competition for the best "safety story" at the Summit. The Cable Tunnel team from Special Projects, SP PowerGrid, walked away with both awards, and won for its video entry, "Family Values", a story about the importance of safety and the safe return of our employees to their families at the end of the workday.

GAS SAFETY AWARENESS CAMPAIGN

Launched at the Group Safety Summit, the Gas Safety Awareness campaign aims to equip the public with the knowledge they need to respond safely to a gas leak. It specifically addresses the gaps in gas safety knowledge derived from the findings of a survey conducted in February 2015. We produced

and publicised messages through posters and pamphlets, as well as a series of three videos on the "dos and don'ts" in the event of a gas leak. As of March 2016, the campaign videos had garnered more than 1.19 million views on YouTube.

We also collaborated with partners such as the Ministry of Manpower and Town Councils to educate the public on gas safety issues. Since July 2015, we have participated in 13 such events.

IT'S IN YOUR HANDS

In September 2015, we launched a Hand Safety Campaign to promote safe practices in hand-related operations, and prevent hand and finger injuries among workers.

PROMOTING A CULTURE OF SAFETY



The introduction of the Motorcycle Helmet Camera has helped SP Services achieve zero controllable traffic accidents for FY15/16.

We conducted workshops for contractors to share hand safety statistics and incidents from the previous year. We also discussed the root causes of such injuries and control measures that could be taken. Other campaign activities included conducting risk assessments, reviewing safe work procedures and participating in SP's in-house training on hand safety.

As of March 2016, some 125 contractors' supervisors and safety coordinators had undergone the train-the-trainer session, and more than 2,100 workers had been through hand safety briefings. Within six months of the campaign's launch, we saw a 63

per cent improvement in our LTIFR for hand-related injuries.

ACTIVITY BASED SAFETY IMPROVEMENT SYSTEM (ABSIS)

In March 2015, the Cable Tunnel team from Special Projects, SP PowerGrid, introduced the Activity Based Safety Improvement System (ABSIS), a systematic approach to ensuring the safety of our workers as they carry out critical tunnel construction operations. Throughout the year, the team captured video footage as workers conducted tunnelling activities, focussing on one specific activity each week. The 52 videos are used to educate workers on safe work

procedures, enhancing their safety awareness and vigilance. This form of audio visual communication cuts across the various languages our workers speak and provides them with essential information to stay safe. The initiative has been well received by contractors and project consultants.

DRIVING HOME THE SAFETY MESSAGE

Our goal of zero safety accident means ensuring that our field staff are aware of the hazards that might exist in any given situation, and are well-equipped to minimise the risk of accidents. We introduced the SP Services Motorcycle Helmet Camera in May 2015 for all field

staff to help us evaluate their safety awareness of riding behaviour. Using the footage collected, we were able to identify gaps in riding safety and establish appropriate safety measures while raising safety awareness among our riders. Since its launch, SP Services has achieved zero controllable traffic accident for FY15/16.

CUSTOMISED SAFETY EFFORTS

The Singapore Institute of Power and Gas conducts safety training courses for SP's contractors. The courses help them understand the importance of workplace safety and health, and enable them to apply safe practices at the worksite. The courses are customised, specifically for cable tunnel operations, building construction

and for SPPG's road works and installations. They are conducted in English as well as in Tamil, Bengali and Mandarin. In FY15/16, there were 6,500 contractors who underwent safety training at SIPG.

BREAKING NEW GROUND FOR SAFETY

The Cable Tunnel team from Special Projects, SP PowerGrid, received the Gold Award for Health and Safety 2016 from the Royal Society for Prevention of Accidents (RoSPA). The UK-based company has a more than 100-year history of promoting health and safety around the world. This is an endorsement of the team's strategic initiatives, the support of management and our collective passion for raising safety standards in the tunneling industry.



The video-based ABSIS system educates workers on safe work procedures, enhancing their safety awareness and vigilance.



Mr Michael Chin (right), Managing Director (Special Projects) receiving the RoSPA Gold Award for Health and Safety from RoSPA Trustee Harpeet Kondel.

POWERING A BETTER WORLD

- For SG50, we gave Singapore the Gift of Power – free mobile device charging stations at 200 locations island-wide
- For SP's 20th anniversary, we rallied SP staff to carry out 20 Good Deeds of community service through 6,000 volunteer hours to help the less fortunate. We exceeded the target, with 30 deeds in almost 9,000 hours of service
- More than S\$10 million has been raised for the SP Heartware Fund over the past 10 years, helping more than 31,000 beneficiaries through 26 programmes annually

9,000



The number of hours clocked by SP Heart Workers participating in 30 community service initiatives in FY15/16.





From left, in blue SP polo

Thor Wen Lei

Senior Engineer, Network Development, Electricity Operations

Gavin Ong Hongjie

Senior Engineer, Network Management, Electricity Operations

Tiong Heng Liong

Assistant Director, Strategic Development

In 2015, we celebrated Singapore's 50th birthday and SP's 20th anniversary with a series of unprecedented initiatives. To the nation, we presented a Gift of Power, setting up free mobile device charging stations at 200 locations island-wide. Through Love from the Stars, a charity gala dinner and concert featuring international artistes like Jackie Chan, we helped raise close to S\$6.4 million for six charities.

These initiatives were among the "20 Good Deeds" of community service which we had committed to undertake to mark SP's 20th anniversary. Our staff volunteers, also known as SP Heart Workers, initially set a target of 6,000 volunteer hours to accomplish 20 Good Deeds. They far exceeded this target, putting in almost 9,000 hours to perform 30 Good Deeds.

Our community service initiatives benefitted low-income families, children with special needs, and the needy elderly.

To help the public save energy and contribute to a sustainable Singapore, SP also initiated programmes to promote energy efficiency and the use of renewable energy.

CELEBRATING SG50

We celebrated Singapore's 50th birthday by presenting the nation with a Gift of Power in July 2015 – 200 mobile device charging stations in high traffic locations across the city-state. Our aim is to help Singaporeans stay connected on the go, and our gift reflected our commitment to always be there for Singapore.

The charging stations can be found at hospitals, polyclinics, universities, polytechnics, supermarkets and libraries, among other places. Besides giving mobile devices a boost, the stations also screen public service videos on safety, energy efficiency, healthy living, charitable causes and other useful topics.

Another SG50 initiative was the Love from the Stars charity gala dinner and concert featuring international artistes Jackie Chan, Wakin Chau, Jonathan Lee and Eric Tsang. SP was the presenter and main sponsor of the event. Close to S\$6.4 million was raised for six charities which provide assistance to about 160,000 beneficiaries in three key areas – elderly care, caring for children with cancer and sponsoring tertiary education for students from low-income backgrounds. SP also ran the event secretariat and undertook all project expenses so that every dollar raised went directly to the beneficiary organisations.

SP also sent a 44-strong marching contingent to the SG50 National Day Parade. Our staff underwent rigorous training sessions over 18

weeks, sacrificing their weekends to perfect their marching drills before donning their blues and greys to represent SP at the parade on 9 August 2015. We were proud to be among a small group of 16 companies that were selected to participate based on SP's role in nation-building. For our staff, who typically work behind the scenes to ensure safe and reliable energy for Singapore, participating in the NDP was a rare moment of being centre stage.

HEART AT WORK

Our SP Heart Workers took on the challenge to complete 20 staff-led community service initiatives in April 2015, with the target of contributing 6,000 volunteer hours within a year.

We ended the year far exceeding our target, performing 30 Good Deeds and contributing almost 9,000 volunteer hours helping the underprivileged in the community.

Our Gift of Power and Love from the Stars charity gala dinner and concert were among the 20 Good Deeds we pledged to undertake to commemorate SP's 20th anniversary. These were led by staff volunteers, also known as SP Heart Workers. The list of Good Deeds is diverse, and includes outings with underprivileged children, visits to elderly residential homes and activity centres, and energy efficiency campaigns, among other things.

The 20th Good Deed – the packing and distribution of 3,150 Power Packs containing essential food

items to underprivileged families – was completed on 22 January 2016. In just one afternoon, our SP Heart Workers reached more than 3,000 families in the care of 12 voluntary welfare organisations. Besides the time and effort that went into acquiring, assembling and distributing the Power Packs in their own vehicles, the SP Heart Workers also contributed S\$63,000 to purchase the food items.

POWER SAVERS FOR A CAUSE

On 31 January 2016, Singapore Power and Southwest District launched Power-Savers-for-Charity @ Southwest, Singapore's first district-wide energy-saving challenge, aimed at reducing household energy consumption in the district by 35 per cent. More than 2,000 households across 17 blocks in Singapore's Southwest district are participating in a friendly competition with their neighbours to see who can save the most electricity.

During the three-month competition period that kicked off in July 2016, participating residents will monitor their energy consumption using the SP Services mobile app, and compare it with the energy consumption of households in competing blocks. To help spread the energy-efficiency message, SP Heart Workers will join grassroots leaders and students from the Institute of Technical Education (ITE) College West on house-to-house visits, distributing public education materials, sharing energy efficiency tips and encouraging participation.

Besides saving energy, participating households also play a role in helping the needy. South West CDC and SP will match the energy savings achieved by these households, and donate the amount to needy families in the district.

RALLYING YOUNG ENERGY HEROES

We continued to bring energy awareness to schools with our Energy Heroes mobile exhibition, reaching out to 16,526 students at 45 schools in 2015. Upper primary and lower secondary school students learnt about energy conservation via interactive exhibits, engaging game stations, and fun-filled activity kits.

Our Energy Efficiency web portal, launched in 2015 in collaboration with the Energy Market Authority, provides another way for members of the public to pick up energy efficiency tips.

As part of the initiative, we also launched a short film competition for secondary and tertiary students in Singapore from July to October 2015. We received a number of impressive entries that offered excellent cost-effective electricity-saving ideas, with the team from Nanyang Polytechnic taking first place with their short film entitled "Cents and Sensibility for Energy Efficiency".

POWERING A
BETTER WORLD

Target
20 Good Deeds
6,000 hours

Achieved
30!
9,000 hours



1 VIVA Foundation for Children with Cancer outreach at National University of Singapore



2 Love from the Stars charity gala dinner



3 SP HeartWare Fund June fundraising appeal in utilities bill



4 Hougang Sheng Hong Family Service Centre visit to Gardens By The Bay



5 Gift of Power free charging of mobile devices



6

Rainbow Centre Yishun Park School at Singapore Science Centre



7

SP Heartware Fund Charity Golf 2015



8

River Safari Tour with MINDS IEDC



9

Singapore Polytechnic's SunSPEC solar car team sponsored by Singapore Power



10

NorthLight School at Orto Yishun (former Bottle Tree Park)



11

AWWA Family Service Centre at Resorts World Sentosa (RWS) SEA Aquarium

POWERING A BETTER WORLD



12

Rotary Family Service Centre and THK Family Service Centre at SP's Electricity Efficiency Centre



13

Recreational activities and gifts of groceries to residents at St Joseph's Home for the Elderly



14

Sunlove Home lunch outing at Dignity Kitchen



15

Christmas carolling at Assisi Hospice and Mount Alvernia Hospital



16

SP HeartWare Fund December fundraising appeal in utilities bill



17

"Donate-A-Cake" Initiative



18

Hands-on activity with youths from The Salvation Army Gracehaven Home at Singapore Institute of Power and Gas



19

Lunch and shopping at NTUC FairPrice for residents from Bright Hill Evergreen Home



20

SP Power Packs distribution to more than 3,000 underprivileged families



21

Spreading Lunar New Year cheer at St Andrew's Community Hospital



22

Buffet lunch and activities with beneficiaries from Lions Befrienders Seniors Activity Centre (Clementi)



23

Lunar New Year celebrations at TOUCH Seniors Activity Centre



24

Spring cleaning for needy households in South West CDC

POWERING A BETTER WORLD



25

Lunar New Year celebrations at Sunshine Welfare Action Mission (SWAMI) Home



26

Reading and craft activities with pre-school and lower primary level students at We Love Learning (WeLL) Centre @ Henderson Road



27

Lunch with beneficiaries of Lions Befrienders (Ghim Moh) Seniors Activity Centre at Satay by the Bay



28

Songs and games with students at Metta School



29

Care Corner & THK Family Service Centre children visit SP's Electricity Efficiency Centre



30

Gift of Lee Kuan Yew Workbook to secondary school students

An aerial night view of Singapore, featuring the Marina Bay Sands hotel with its iconic three towers and skybridge, and the Gardens by the Bay with its illuminated, curved conservatories. The city lights are reflected in the water of the bay.

FINANCIAL SUMMARY CONTENTS

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SUMMARY DIRECTORS' STATEMENT

IMPORTANT NOTE

The summary financial statements as set out on pages 66 to 73 contains only a summary of the information in the summary directors' statement and financial statements of Singapore Power Limited's ("the Company") annual report. It does not contain sufficient information to allow for a full understanding of the results and the state of affairs of the Company or of the Company and its subsidiaries (collectively "the Group"). The full annual report, including the summary directors' statement and the independent auditor's report on those financial statements, can be found on the Group's website www.singaporepower.com.sg.

1. DIRECTORS

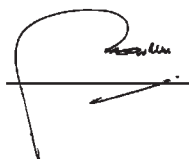
The directors in office at the date of this report are as follows:

Tan Sri Mohd Hassan Marican
Mr Ho Tian Yee
Mr Tan Chee Meng
Mr Choi Shing Kwok
Mrs Oon Kum Loon
Mr Tan Puay Chiang
Mr Ong Yew Huat
Mr Timothy Chia Chee Ming
Mr Ng Kwan Meng
Mr Wong Kim Yin

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are that of investment holding and provision of management support services. Its subsidiaries are engaged principally in the transmission and distribution of electricity and gas, provision of related consultancy services and investments in related projects.

The summary financial statements set out on pages 66 to 73 was approved by the Board of Directors on 2 June 2016 and was signed on its behalf by:



TAN SRI MOHD HASSAN MARICAN

Chairman



MR WONG KIM YIN

Director / Group Chief Executive Officer

2 June 2016

INDEPENDENT AUDITOR'S REPORT

ON THE SUMMARY FINANCIAL STATEMENTS

REPORT TO THE MEMBER OF SINGAPORE POWER LIMITED

The accompanying summary financial statements of Singapore Power Limited ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2016, the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the income statement and statement of comprehensive income of the Company for the year then ended, and related notes as set out on pages 66 to 73, are derived from the audited financial statements of the Group for the year then ended. We expressed an unmodified audit opinion on those audited financial statements in our report dated 2 June 2016.

The summary financial statements do not contain all the disclosures required by the Singapore Financial Reporting Standards. Reading the summary financial statements, therefore, is not a substitute for reading the audited financial statements of the Group.

Management's Responsibility for the Summary Financial Statements


Management is responsible for the preparation of a summary of the audited financial statements in accordance with Section 203A of the Singapore Companies Act, Chapter 50 ("the Act"). In preparing the summary financial statements, Section 203A of the Act requires that the summary financial statements be derived from the annual financial statements and the Summary Directors' statement for the year ended 31 March 2016 and be in such form and contain such information as may be specified by regulations made thereunder applicable to summary financial statements.

Auditor's Responsibility

Our responsibility is to express an opinion on the summary financial statements based on our procedures, which were conducted in accordance with Singapore Standard on Auditing 810 "Engagements to Report on Summary Financial Statements".

Opinion

In our opinion, the accompanying summary financial statements derived from the audited financial statements of the Group for the year ended 31 March 2016 are consistent, in all material respects, with the audited financial statements and the Summary Directors' statement of the Group for the year ended 31 March 2016 from which they are derived and comply with the requirements of Section 203A of the Act and the regulations made thereunder applicable to summary financial statements.



Ernst & Young LLP
Public Accountants and
Chartered Accountants
Singapore

2 June 2016

BALANCE SHEETS

AS AT 31 MARCH 2016

	Group		Company	
	2016 \$ million	2015 \$ million	2016 \$ million	2015 \$ million
Non-current assets				
Property, plant and equipment	10,967.8	10,292.1	15.9	22.3
Intangible assets	133.1	117.7	8.5	7.6
Subsidiaries	–	–	6,854.9	6,854.9
Associates and joint venture	2,772.9	3,010.3	1.3	1.3
Other non-current assets	498.2	227.3	80.6	60.3
Deferred tax assets	31.9	8.3	–	–
Other investments	191.4	197.2	191.4	197.2
	14,595.3	13,852.9	7,152.6	7,143.6
Current assets				
Other investments	8.9	3.8	8.9	3.8
Inventories	56.3	53.0	–	–
Trade and other receivables	425.1	522.0	3,864.0	3,827.6
Cash and cash equivalents	1,630.2	1,203.3	641.7	544.6
	2,120.5	1,782.1	4,514.6	4,376.0
Total assets	16,715.8	15,635.0	11,667.2	11,519.6
Equity				
Share capital	2,911.9	2,911.9	2,911.9	2,911.9
Reserves	(313.8)	(265.9)	(0.1)	(0.6)
Accumulated profits	6,489.5	5,882.0	5,057.6	4,918.1
Equity attributable to owner of the Company	9,087.6	8,528.0	7,969.4	7,829.4
Total equity	9,087.6	8,528.0	7,969.4	7,829.4
Non-current liabilities				
Bank loans	–	79.7	–	–
Debt obligations	4,119.1	3,174.5	–	–
Other financial liabilities	102.6	71.6	6.6	9.4
Other non-current liabilities	629.3	364.7	3.0	3.5
Deferred tax liabilities	1,239.5	1,150.9	0.6	0.4
	6,090.5	4,841.4	10.2	13.3
Current liabilities				
Trade and other payables	1,312.5	1,531.9	3,675.8	3,668.7
Debt obligations	82.1	582.4	–	–
Other financial liabilities	0.9	13.2	–	–
Current tax payable	142.2	138.1	11.8	8.2
	1,537.7	2,265.6	3,687.6	3,676.9
Total liabilities	7,628.2	7,107.0	3,697.8	3,690.2
Total equity and liabilities	16,715.8	15,635.0	11,667.2	11,519.6

INCOME STATEMENTS

YEAR ENDED 31 MARCH 2016

	Group		Company	
	2016	2015	2016	2015
	\$ million	\$ million	\$ million	\$ million
Continuing operations				
Revenue	3,963.5	4,840.3	524.5	477.3
Other income	162.6	191.7	–	5.0
Expenses				
– Purchased power	(2,073.4)	(2,873.4)	–	–
– Depreciation of property, plant and equipment	(522.4)	(502.4)	(5.4)	(4.9)
– Amortisation of intangible assets	(28.6)	(23.8)	(2.2)	(2.1)
– Maintenance	(97.4)	(87.4)	(5.7)	(5.9)
– Staff costs	(275.8)	(259.0)	(70.3)	(60.7)
– Property taxes	(66.6)	(44.1)	(0.3)	(0.3)
– Other operating expenses	(118.7)	(132.8)	(20.6)	(24.3)
Operating profit	943.2	1,109.1	420.0	384.1
Finance income	44.7	20.1	53.4	27.9
Finance costs	(142.4)	(88.8)	(9.0)	(4.8)
Share of profit of associates, net of tax	244.5	146.3	–	–
Share of profit of joint venture, net of tax	1.9	1.5	–	–
Profit before taxation	1,091.9	1,188.2	464.4	407.2
Tax expense	(168.4)	(191.8)	(8.9)	(5.6)
Profit from continuing operations	923.5	996.4	455.5	401.6
Profit attributable to:				
Owner of the Company	923.5	991.1	455.5	401.6
Non-controlling interests	–	5.3	–	–
Profit for the year	923.5	996.4	455.5	401.6

STATEMENTS OF COMPREHENSIVE INCOME

YEAR ENDED 31 MARCH 2016

	Group		Company	
	2016 \$ million	2015 \$ million	2016 \$ million	2015 \$ million
Profit for the year	923.5	996.4	455.5	401.6
Other comprehensive income				
Items that will not be reclassified to profit or loss:				
Share of defined benefit plan remeasurements of associates	13.0	(11.5)	–	–
	13.0	(11.5)	–	–
Items that are or may be reclassified subsequently to profit or loss:				
Translation differences relating to financial statements of foreign operations	(19.5)	(327.5)	–	–
Effective portion of changes in fair value of cash flow hedges, net of tax	(32.8)	33.0	0.3	(2.7)
Net change in fair value of:				
– Cash flow hedges reclassified to profit or loss, net of tax	(11.4)	(9.4)	0.3	0.1
– Cash flow hedges on recognition of the hedged items on balance sheet, net of tax	1.7	1.5	–	–
– Available-for-sale financial assets	(0.1)	2.0	(0.1)	2.0
Reclassification of translation differences arising from subsidiaries' liquidation process	(6.1)	–	–	–
Share of hedging reserves of associates	7.3	16.6	–	–
	(60.9)	(283.8)	0.5	(0.6)
Other comprehensive income for the year, net of tax	(47.9)	(295.3)	0.5	(0.6)
Total comprehensive income for the year	875.6	701.1	456.0	401.0
Attributable to:				
Owner of the Company	875.6	694.9	456.0	401.0
Non-controlling interests	–	6.2	–	–
Total comprehensive income for the year	875.6	701.1	456.0	401.0

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2016

Group	Share capital \$ million	Currency translation reserve \$ million	Hedging reserve \$ million	Other reserves \$ million	Accumulated profits \$ million	Total equity attributable to owner of the Company \$ million	Non-controlling interests \$ million	Total equity \$ million
At 1 April 2014	3,911.9	26.2	(0.4)	13.9	5,269.4	9,221.0	46.9	9,267.9
Total comprehensive income for the year								
Profit for the year	-	-	-	-	991.1	991.1	5.3	996.4
Other comprehensive income								
Translation differences relating to financial statements of foreign operations	-	(327.5)	-	-	-	(327.5)	-	(327.5)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	33.1	-	-	33.1	(0.1)	33.0
Net change in fair value of:								
- cash flow hedges reclassified to profit or loss, net of tax	-	-	(10.4)	-	-	(10.4)	1.0	(9.4)
- cash flow hedges on recognition of the hedged items on balance sheet, net of tax	-	-	1.5	-	-	1.5	-	1.5
- available-for-sale financial assets	-	-	-	2.0	-	2.0	-	2.0
Share of other comprehensive income of associates	-	-	16.6	(11.5)	-	5.1	-	5.1
Total other comprehensive income	-	(327.5)	40.8	(9.5)	-	(296.2)	0.9	(295.3)
Total comprehensive income for the year	-	(327.5)	40.8	(9.5)	991.1	694.9	6.2	701.1
Transactions with owner, recognised directly in equity								
Contribution by and distribution to owner								
Capital reduction	(1,000.0)	-	-	-	-	(1,000.0)	-	(1,000.0)
Dividends declared	-	-	-	-	(370.0)	(370.0)	-	(370.0)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1.0)	(1.0)
Total transactions with owner	(1,000.0)	-	-	-	(370.0)	(1,370.0)	(1.0)	(1,371.0)
Other								
Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	(70.0)	(70.0)
Transfer from non-controlling interests to other reserves	-	-	-	(17.9)	-	(17.9)	17.9	-
Transfer from other reserves to accumulated profits	-	-	-	8.5	(8.5)	-	-	-
At 31 March 2015	2,911.9	(301.3)	40.4	(5.0)	5,882.0	8,528.0	-	8,528.0

STATEMENTS OF CHANGES IN EQUITY

YEAR ENDED 31 MARCH 2016

Group	Share capital \$ million	Currency translation reserve \$ million	Hedging reserve \$ million	Other reserves \$ million	Accumulated profits \$ million	Total equity attributable to owner of the Company \$ million	Total equity \$ million
At 1 April 2015	2,911.9	(301.3)	40.4	(5.0)	5,882.0	8,528.0	8,528.0
Total comprehensive income for the year							
Profit for the year	-	-	-	-	923.5	923.5	923.5
Other comprehensive income							
Translation differences relating to financial statements of foreign operations	-	(19.5)	-	-	-	(19.5)	(19.5)
Reclassification of translation differences arising from subsidiaries' liquidation process	-	(6.1)	-	-	-	(6.1)	(6.1)
Effective portion of changes in fair value of cash flow hedges, net of tax	-	-	(32.8)	-	-	(32.8)	(32.8)
Net change in fair value of cash flow hedges:							
– reclassified to profit or loss, net of tax	-	-	(11.4)	-	-	(11.4)	(11.4)
– on recognition of the hedged items on balance sheet, net of tax	-	-	1.7	-	-	1.7	1.7
Net change in fair value of available-for-sale financial assets	-	-	-	(0.1)	-	(0.1)	(0.1)
Share of other comprehensive income of associates	-	-	7.3	13.0	-	20.3	20.3
Total other comprehensive income	-	(25.6)	(35.2)	12.9	-	(47.9)	(47.9)
Total comprehensive income for the year	-	(25.6)	(35.2)	12.9	923.5	875.6	875.6
Transactions with owner, recognised directly in equity							
Contribution by and distribution to owner							
Dividends declared	-	-	-	-	(316.0)	(316.0)	(316.0)
Total transactions with owner	-	-	-	-	(316.0)	(316.0)	(316.0)
At 31 March 2016	2,911.9	(326.9)	5.2	7.9	6,489.5	9,087.6	9,087.6

CONSOLIDATED STATEMENT OF CASH FLOWS

YEAR ENDED 31 MARCH 2016

	2016 \$ million	2015 \$ million
Cash flows from operating activities		
Profit for the year	923.5	996.4
Adjustments for:		
Accretion of deferred customers' contribution	(20.8)	(20.9)
Depreciation and amortisation	551.0	526.2
Finance costs	142.4	88.8
Finance income	(44.7)	(20.1)
Loss on disposal of property, plant and equipment and intangible assets	6.6	1.4
Share of profit of associates and joint venture, net of tax	(246.4)	(147.8)
Tax expense	168.4	191.8
Others	1.0	0.6
	1,481.0	1,616.4
Changes in working capital:		
Inventories	(5.3)	(4.7)
Trade and other receivables	40.0	208.9
Balances with related parties (trade)	11.5	8.7
Trade and other payables	81.6	(287.3)
Cash generated from operations	1,608.8	1,542.0
Interest received	33.9	17.0
Net tax paid	(86.2)	(136.1)
Net cash generated from operating activities	1,556.5	1,422.9
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,209.9)	(1,466.4)
Purchase of intangible assets	(48.0)	(40.7)
Capital repayment by an associate	78.7	87.8
Dividends received from associates and joint venture	62.5	66.2
Acquisition of other investments	(6.5)	(195.1)
Proceeds from disposal of property, plant and equipment and intangible assets	5.1	14.1
Proceeds from disposal of other investments	4.0	-
Acquisition of additional interests in a subsidiary	-	(70.0)
Net cash used in investing activities	(1,114.1)	(1,604.1)
Cash flows from financing activities		
Proceeds from bank loans and debt obligations	1,070.5	-
Repayment of bank loans and debt obligations	(658.5)	(214.4)
Dividends paid to owner of the Company	(316.0)	(370.0)
Dividends paid to non-controlling interests	-	(1.0)
Interest paid	(120.5)	(138.1)
Proceeds from termination of swaps	9.8	-
Return of capital to owner of Company	-	(1,000.0)
Net cash used in financing activities	(14.7)	(1,723.5)
Net increase/(decrease) in cash and cash equivalents	427.7	(1,904.7)
Cash and cash equivalents at beginning of the year	1,203.3	3,120.4
Effect of exchange rate changes on balances held in foreign currencies	(0.8)	(12.4)
Cash and cash equivalents at end of the year	1,630.2	1,203.3

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

1 BASIS OF PREPARATION

The summary financial statements are derived from the audited financial statements of the Group for the year ended 31 March 2016. The full annual report, including the independent auditor's report on those financial statements and the summary directors' report, can be found on the Group's website www.singaporepower.com.sg.

2 CHANGES IN ACCOUNTING POLICIES

Adoption of new and revised Financial Reporting Standards ("FRSs") and Interpretation to FRS ("INT FRS")

The Group has adopted all the new and revised FRSs and INT FRS that became mandatory for the financial year beginning on 1 April 2015. The adoption of these new FRSs and INT FRS did not have a significant impact to the Group.

3 RELATED PARTIES

For the purpose of the financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company is a wholly-owned subsidiary of Temasek Holdings (Private) Limited ("Temasek"), which is its holding company and is incorporated in the Republic of Singapore. Temasek is an investment company headquartered in Singapore with a diversified investment portfolio. Accordingly, all the subsidiaries of Temasek are related corporations and are subject to common control. The Group and the Company engage in a wide variety of transactions with related corporations in the normal course of business on terms similar to those available to other customers. Such transactions include but are not limited to sales and purchases of power, provision of consultancy and engineering services, leasing of cables and ducts, agency services and financial and banking services. The related party transactions are carried out on terms negotiated between the parties which are intended to reflect competitive terms.

All transactions with companies in Temasek group are related party transactions. The Temasek group has extensive interests in a large number of companies and it is not practical to compile data on the value of sales to the Temasek group. As the Group's rates for use of system charges, transportation of gas, sales of electricity and Market Support Services Licence fees are based on posted tariffs approved by Energy Market Authority, the Group has concluded that it is not meaningful to present such information.

NOTES TO THE SUMMARY FINANCIAL STATEMENTS

YEAR ENDED 31 MARCH 2016

3 RELATED PARTIES (continued)

Other than electricity sales and transactions to related corporations included under Temasek group and those sales and transactions disclosed elsewhere in the financial statements, significant transactions with related parties are as follows:

	Group		Company	
	2016	2015	2016	2015
	\$ million	\$ million	\$ million	\$ million
Related corporations				
– Agency fee income	22.1	20.7	–	–
– Revenue from leasing of ducts and substations	27.4	31.1	–	–
Subsidiaries				
– Dividend income	–	–	427.2	382.1
– Support service income	–	–	92.2	89.0
– Interest income	–	–	39.9	19.6
– Interest expenses	–	–	(6.4)	(2.8)
Joint venture				
– Dividend income	–	–	3.1	3.1
Key management compensation				
– Short-term employee benefits	18.7	13.7	14.6	11.0

4 DIVIDENDS

	Group and Company	
	2016	2015
	\$ million	\$ million
Declared and paid during the financial year		
Dividends on ordinary shares		
– Final exempt (one-tier) dividend for year ended 31 March 2015: 10.9 cents (year ended 31 March 2014: 12.7 cents) per share	316.0	370.0

5 CONTINGENT LIABILITIES AND CONTINGENT ASSETS (IN RELATION TO SGSP (AUSTRALIA) ASSETS PTY LTD AND ITS SUBSIDIARIES (COLLECTIVELY REFERRED TO AS "SGSPAA"))

Provisions have been recorded in SGSPAA's financial statements for all known environmental liabilities that can be reliably estimated. For environmental matters where there are significant uncertainties with respect to SGSPAA's obligations or the remediation techniques that might be approved, no reliable estimate can presently be made of regulatory and remediation costs.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF SINGAPORE POWER LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Singapore Power Limited ("the Company") and its subsidiaries ("the Group") set out on pages # to # which comprise the consolidated balance sheet of the Group and the balance sheet of the Company as at 31 March 2016, the consolidated income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows of the Group and the income statement, statement of comprehensive income and statement of changes in equity of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act, Chapter 50 ("the Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

EXTRACT OF THE INDEPENDENT AUDITOR'S REPORT

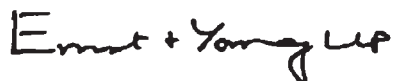
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2016

Opinion

In our opinion, the consolidated financial statements of the Group and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2016 and of the financial performance, changes in equity and cash flows of the Group and the results and changes in equity of the Company for the financial year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.



Ernst & Young LLP

Public Accountants and
Chartered Accountants
Singapore

2 June 2016

The page numbers are as stated in the Independent Auditors' Report dated 2 June 2016 included in Singapore Power Limited and its subsidiaries' Annual Report for the financial year ended 31 March 2016.

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**SINGAPORE POWER
LIMITED**

www.singaporepower.com.sg

SP POWERGRID LIMITED

www.sppowergrid.com.sg

SP POWERASSETS LIMITED

www.sppowerassets.com.sg

SP SERVICES LIMITED

www.spservices.com.sg

POWERGAS LIMITED

www.powergas.com.sg

SP TELECOMMUNICATIONS

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