

CASE STUDY

SEMBICORP INDUSTRIES: An energy and urban solutions provider with expanding operations is able to effectively report on, gain visibility into and automate third-party due diligence.

At a Glance

Sembcorp Industries (Sembcorp) is a leading energy and urban solutions provider that has expanded to work with more partners, suppliers, agents, contractors and other third-party providers in recent years. With this in mind, the company needed stringent Know Your Customer (KYC) processes to protect it from any potential counterparty risk exposure.

Sembcorp turned to **Ethixbase360** in 2020 to provide a **third-party risk management solution** that met its unique needs. Now, Sembcorp can better assess its partners, automate risk management tasks and report to regulatory authorities efficiently.

Background

Sembcorp is an innovative energy and urban solutions provider. Through its business practices, the company strives to do its part in contributing to the building of a sustainable future.

Headquartered in Singapore, Sembcorp leverages its sector expertise and global track record to deliver innovative solutions that support the energy transition and sustainable development. By focusing on growing its Renewables and Integrated Urban Solutions businesses, it aims to transform its portfolio towards a greener future and be a leading provider of sustainable solutions.

Sembcorp has a diverse range of business services, including the sale of electricity, utilities and gas and the sale of development properties. The company also provides service concession contracts to local governments or governing agencies to design, build and operate water treatment and power generation plants.

Sembcorp operates its businesses in 10 countries, with a focus on Singapore, Southeast Asia, China, India and the UK. Its customers can include government and state-owned enterprises, as well as corporate enterprises and end consumers.

Sembcorp has a balanced energy portfolio of 16.5GW, with 7.0GW of gross renewable energy capacity comprising solar, wind and energy storage globally. The company also has a proven track record of transforming raw land into sustainable urban developments, with a project portfolio spanning over 13,000 hectares across Asia.





“The alerts presented in the due diligence reports are clear and easy to comprehend. Considering the velocity needed for these reports due to business needs and tight timelines, our internal stakeholders appreciate the reasonable turnaround time and reliability of the reports.”

— Sembcorp

The Ethixbase360 Solution and Benefits

Sembcorp required a risk management solution that would efficiently and accurately support third-party screenings and due diligence. Thus, the company turned to Ethixbase360.

Ethixbase360 recommended Sembcorp to utilise the core risk management system, with the intent to migrate to the Ethixbase platform. The solution includes the employment of risk-based due diligence offerings including Instant Due Diligence (IDD), Instant Due Diligence PLUS (IDD+) and Enhanced Due Diligence (EDD) reporting, helping Sembcorp gain visibility and insights into their supply chain’s activities and demonstrate those activities to relevant agencies.

This solution was designed to help Sembcorp:

- › Gain invaluable visibility into ethical or unethical activities of third party partners and their business registrations, as applicable
- › Effectively and efficiently report supply chain data to relevant regulatory agencies
- › Automate due diligence tasks to speed up processes and prevent human error

Benefits

After integrating the Ethixbase 2.0 third-party risk management solution in 2020, Sembcorp has seen progressive change. Notable benefits that stem from Sembcorp’s engagement with Ethixbase360 include:

Efficiency: The company has improved the efficiency of its screenings and due diligence. No longer using a manual, error-prone process, Sembcorp can be consistently

confident that major, global urban development deals are safe from third-party risk. These thorough third-party screenings allow Sembcorp to not only remain committed to ethical and sustainable business practices, but also to ensure all parties within their value chain are aligned with their sustainability goals.

Reporting: Sembcorp has found the due diligence reports by Ethixbase360 “fuss-free and easy to use for internal stakeholders.” With a simple, effective reporting process in Ethixbase360’s IDD, IDD+ and EDD solutions, stakeholders have easy access to accurate reports, giving them the tools they need to make informed decisions regarding supply chain partners and report the findings to governing agencies. Increased ease of use and data transparency in Ethixbase 2.0’s reporting module has helped facilitate greater buy-in from internal team members, allowing Sembcorp to ensure alignment of their due diligence processes and goals.



Automation: Sembcorp now has the power to highly automate due diligence and screening, freeing up its Group Ethics and Compliance teams to focus on resolving potential third-party risks. Sembcorp is now also exploring more automation by linking Ethixbase360 to their future procurement and sales management system to improve work efficiency.

While Sembcorp has been using the core Ethixbase 2.0 system since 2020, the company will soon be migrated to the Ethixbase360 platform, with plans to sync their systems to Ethixbase360 via API to conduct KYC due diligence automatically.

“Ethixbase360’s compliance solutions are highly customisable and tailored to every company’s different needs. Companies can select and utilise the modules they require without paying for extra features they don’t need.”

— Sembcorp

Conclusion

Sembcorp came to Ethixbase360 with extensive lists of third-party partners with only manual tools in place to perform due diligence and limited reporting capabilities. By integrating the Ethixbase 2.0 core risk management solution, Sembcorp has been able to gain visibility into supply chain activities, generate clear reports and automate due diligence tasks. Due to the current success of Sembcorp’s partnership with Ethixbase360, the company plans to continue increasing its engagement through recurring Quarterly Business Reviews (QBRs), where Ethixbase360 shares new offerings and insights on key areas of interest — namely ESG and Ethixbase360’s solution [ESG Explore](#) — as well as new developments on third-party risk management.



“The due diligence reports provided are clear, concise and easy to understand. Due diligence reports are also remediated, and this helps Sembcorp reduce time in reviewing false alerts. The team at Ethixbase360 is also very knowledgeable and has been a great help in supporting Sembcorp’s due diligence goals.”

— Sembcorp



To learn more about the capabilities of Ethixbase360's third-party risk management solutions, [get in touch](#) with Ethixbase360 or [request a demo](#).



[Website](#) | [LinkedIn](#) | [Twitter](#)



www.ethixbase360.com

About Ethixbase360

Ethixbase360 is a value-chain sustainability solutions business that delivers robust technology and data analytics to assist corporations and third parties in creating and maintaining sustainable business practices. We create the most intuitive, robust, and configurable platform to help firms globally elevate their third-party supply chain in the areas of anti-corruption, human rights, environment, and labor. [Contact us today for more information.](#)