



# INVESTOR DAY

22 MARCH 2018

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These forward-looking statements reflect the Company's current intentions, plans, expectations, assumptions and beliefs about future events. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions. Representative examples of these factors include (without limitation) general industry and economic conditions, interest rate trends, cost of capital and capital availability, competition from other companies and venues for the sale/distribution of goods and services, shifts in customer demands, customers and partners, changes in operating expenses, including employee wages, benefits and training, and governmental and public policy changes, as well as natural disasters which may negatively impact business activities of the ST Engineering Group. You are cautioned not to place undue reliance on these forward-looking statements, which are based on current view of management on future events. The Company does not undertake to update these forward-looking statements to reflect events or circumstances which arise after publication.

# TECHNOLOGY & INNOVATION

LOW KA HOE  
*CHIEF STRATEGY OFFICER*

# Technology & Innovation: The Bedrock of ST Engineering





# Strong Technology, Innovation and Engineering Community

Overseas R&D  
and Product  
Development  
Teams

Singapore R&D  
and Product  
Development  
Teams

Engineering  
& Design  
Centres

Alliances  
with Research  
Institutions

**>S\$320m**

annual R&D spending (~5% revenue)

**~16,000**

Engineering and Technical Resources

**~50%** in engineering work

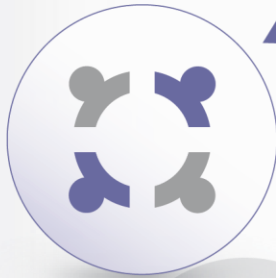


# Technology & Innovation

**Greater and Quicker  
Access to Technology  
and Talent**



**Strong Technology, Innovation  
and Engineering Community**



**Synergise and  
Deepen Internal  
Capabilities**



**Broaden Outreach  
to Leverage  
External Capabilities**



**Commitment to Digitalisation**

# Synergise and Deepen Internal Capabilities

## Strategic Technology Centres

Build and expand **Key Technology Capabilities** critical to future growth

Integrate **Best-of-Breed Technologies and Platforms** from around the world

Create scale to attract and retain **Top Tech Talent**

Areas:



Data  
Analytics



Cyber Security



Video  
Exploitation



# Broaden Outreach to Leverage External Capabilities

**Alliances with  
Research  
Institutions**

**Extend Alliances** with research institutions

**ST Engineering  
Ventures**

**Collaborate With** and  
**Invest In** Technology  
Start-Ups

**Singapore and  
Overseas  
Start-Ups**

**Innospartks**

**Innovate and Co-Create**  
via Innovation Exchanges /  
Open Lab platforms



# Collaborate With and Invest in Technology Start-Ups

## ST Engineering Ventures

### Dedicated corporate venture capital unit

with initial fund of US\$150m

Focus: Invest and collaborate with technology start-ups

Initial presence in Singapore – explore other overseas start-up ecosystems



## Singapore and Overseas Start-Ups

### Strong benefits to start-ups beyond funding

- Tap into our domain knowledge
- Co-develop with our technology/engineering experts
- Integrate into our products & solutions
- Access our customers and distribution channels

# Innovate and Co-Create via Innovation Exchanges / Open Lab Platforms



## Innospark



**Translating**  
innovative ideas to  
real-world products  
and services



**Multidisciplinary**  
collaborative  
set-up with  
rapid prototyping  
capabilities



**Incubating ideas**  
(internal / external)

- Springboard for our employees' ideas
- Bringing our people together with start-ups

**Complements core business innovation**

# Commitment to Digitalisation



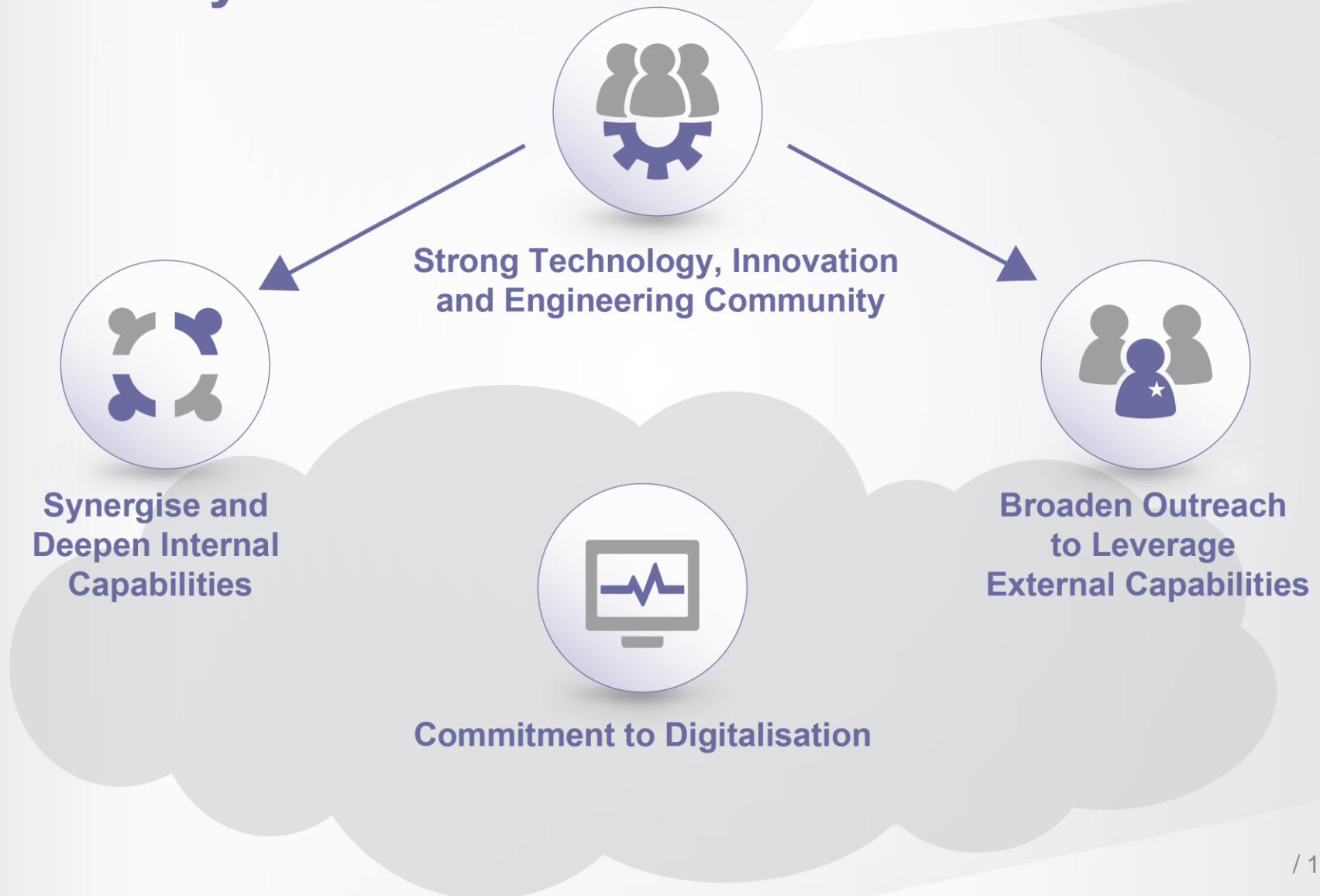
Industry 4.0 in Manufacturing,  
Supply Chain, MRO, etc.



- Predictive maintenance
- Smart automation offerings

**Digital Office set up to leverage digital capabilities  
across the Group**

# Technology & Innovation Summary





# THANK YOU

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