



MEDIA RELEASE

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KEPPEL FELLS LIMITED WINS HIGHEST NATIONAL AWARD FOR MANUFACTURING EXCELLENCE

*First-ever local company to win the coveted MAXA, amidst a tough competition
between global players*

1. Keppel FELS Limited has emerged the 2008 MAXA winner, with outstanding excellence in innovation, operations and sustainability. A global leader, Keppel FELS brings a manufacturing methodology to its rig building operations, demonstrating strong competencies in design engineering and project management. United Microelectronics Corporation (Singapore Branch) was conferred the Operational Excellence Award for showcasing organisation wide commitment to driving quality improvements and setting world class standards. Panasonic Factory Solutions Asia Pacific Pte Ltd won the Innovation Award, emerging tops for both product and process innovation.
2. This year, an award for Excellence in Environmental Management was introduced to recognise companies with systematic and structured processes in managing their impact on the environment. The inaugural winner of this award is GlaxoSmithKline. Two companies, Applied Biosystems and STATS ChipPac Ltd were honoured as MAXA 2008 finalists. The companies were presented their awards and certificates by Singapore's Deputy Prime Minister, Professor S Jayakumar, at a lunch ceremony today.

3. MAXA is the highest recognition accorded to outstanding Singapore-based companies that have achieved world-class manufacturing standards. Announced by Prime Minister Lee Hsien Loong in 2005, this is the third year of the Award which has seen an increasingly high calibre of participating companies.
4. Keppel FELS Limited was a clear winner, demonstrating successful international growth anchored on Singapore's advantages. Said Mr Tong Chong Heong, Managing Director of Keppel FELS Ltd, "When Keppel FELS entered the MAXA Awards, winning the top award was not topmost on our mind. Our aim was more to seize the opportunity to learn from its stringent framework and improve ourselves. Winning the MAXA award today is a big bonus for Keppel FELS. It affirms our passion and commitment to deliver our projects on time, within budget and without incidents. With this award and all that we have gained in the process, we can only do better."
5. Panasonic Factory Solutions Asia Pacific Pte Ltd was the winner in efforts to drive product and process innovation. Mr Osamu (Paul) Nakamura, Managing Director of Panasonic Factory Solutions Asia Pacific, said, "Considering that this is the first time we are participating in the MAXA, we are very honoured and proud to win the MAXA 2008 Innovation Award. We would like to thank all our customers for their continuous support over the years. I would also like to thank all our employees and all our suppliers for their daily great efforts. I believe this has contributed to us winning this award."
6. The winner of the Operational Excellence Award, United Microelectronics Corporation (Singapore Branch) was commended for a concerted company effort in achieving substantial improvements in operations. Mr Michael Hsu,

Fab Director for UMC, Singapore Branch, said, "We would like to express our appreciation to MAXA for the opportunity to compete for this award among the world's top manufacturers. We are deeply honoured to win this award, especially as this is our first time participating. I would like to specially extend my thanks to the UMC team for their great efforts in preparing for this award. Winning this award enables us to raise the wafer fabrication standards in Singapore and providing the visibility to attract more global talent, which will grow in line with our business."

7. The winner of the Excellence in Environmental Management was GlaxoSmithKline, which was recognised for a comprehensive approach towards energy and waste management as well as its efforts in measuring its environmental activities. "GlaxoSmithKline is delighted to have been recognised for its Environmental Management programme sustained over the years. We entered MAXA to benchmark ourselves against the best in Singapore and it's good to have recognition for our achievements in this area. Through continued focus on our Environmental Strategy and with the support of our dedicated workforce, we believe we will sustain our position of strength and further minimise the impact of our operations on our surroundings," said Mr Chris Dobson, Vice-President, Global Manufacturing & Supply, GlaxoSmithKline.

8. Mr Tan Choon Shian, Assistant Managing Director, Singapore Economic Development Board (EDB), said, "MAXA showcases the best in manufacturing excellence in Singapore. It not only establishes the manufacturing sector as a key driver of Singapore's economic growth, but reaffirms Singapore's international competitiveness in manufacturing. This year's MAXA 2008 winners have distinguished themselves as leading companies in the world which have leveraged Singapore's strengths as a prime location for world class manufacturing."

9. Commenting on the Awards this year, Chairperson of the MAXA 2008 judging panel, Professor Lord Kumar Bhattacharyya, Professor of Manufacturing and Director of Warwick Manufacturing Group at Warwick University, United Kingdom, said, "On behalf of the judging panel, I am pleased to say that the participants have outdone themselves. The participants this year have raised the bar and we are all very impressed. The winners and finalists have demonstrated that they are truly leaders in their field with first-class manufacturing thought leadership and capabilities."

10. Another distinguished judge, Dr Yoshiyuki Kaneda, Former Executive Deputy President and Representative Director of Sony Corporation highlighted, "The quality of the participants has made judging a lot more challenging this year. In terms of operating systems, innovation and sustainability, the participants are benchmarked against international standards and have shown that they are of global standing. Singapore's manufacturing sector will stand to gain from the contributions of these companies and I see great potential for Singapore to push ahead and set standards for the global manufacturing sector in future."

11. Mr Tan Teik Seng, Former Senior Executive Managing Director at Advanced Micro Devices Singapore, MAXA judge, observed, "This is the second year that I am participating as a judge and I am very pleased to see that the standards of the participating companies has gone up tremendously. Participating in MAXA is a stringent and rigorous process and these companies have shown that they are committed to the process and to the development of Singapore's manufacturing sector."

12. Mr Chinta Bhagat, Managing Partner, Singapore, McKinsey & Company, a MAXA partner said, "As in past years, the MAXA finalists companies showed a strong focus on leveraging Singapore's competitive advantage, including Singapore's excellent connectivity, its quality labour force and openness to foreign talent, and its IP protection regime and research infrastructure. We

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Award Partners: Economic Development Board . McKinsey & Company . Singapore-MIT Alliance

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believe that these fundamentals will continue to underpin the competitiveness of the manufacturing sector, even in uncertain economic conditions. This year we saw even more of a focus on green operations among the MAXA finalists, focusing on energy, waste, water and emissions. The more successful companies shared the ownership of their green initiatives across the organization.”

13. Professor Hardy Chan, Co-Director of the Singapore-MIT Alliance (SMA), also a MAXA partner said, “I am glad to see that the standards of participating companies this year are higher, which has made the judging process more challenging but also more satisfying. The high standards of the finalists are encouraging as they show that the companies are dedicated to manufacturing excellence. SMA is pleased to have contributed our expertise in manufacturing systems and technology when short-listing and assessing finalists for the award.”

14. All companies with manufacturing operations in Singapore are eligible to vie for MAXA through self-nomination. The companies that participated in MAXA 2008 spanned diverse industries such as marine engineering, electronics and pharmaceutical manufacturing.

15. The selection process comprised three phases:

- i. Companies were first assessed on innovation, manufacturing excellence and sustainability in their Singapore-based manufacturing operations via their written submissions. Short-listed companies advanced to phase two for further assessment.

- ii. In the second phase, assessors from McKinsey and the Singapore-MIT Alliance made a two-day visit to the manufacturing facilities of short-listed applicants and conducted interviews to validate the written submissions and to enable an extensive and deeper understanding of the company's business and operations model. The finalists were then identified at the end of this phase.
- iii. In the last phase, each finalist made a presentation to and answered questions from a panel of eminent judges who then determined the winner.

16. The final round of judging was conducted on 4 November where the six finalists presented to and were interviewed by the judging panel chaired by Professor Lord Bhattacharyya.

17. MAXA is organised by EDB together with partners, McKinsey & Company and the Singapore-MIT Alliance (comprising the Massachusetts Institute of Technology, the National University of Singapore and the Nanyang Technological University).

18. For more information on MAXA, please visit www.maxa.sg.

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About the Singapore Economic Development Board

The Economic Development Board (EDB) is the lead government agency responsible for planning and executing economic strategies to enhance Singapore's position as a global hub for business and investment. We are the one-stop agency that facilitates and supports local and foreign investors in both the manufacturing and services sectors as they seek more value-creating operations, higher sustainable returns and new business opportunities.

Singapore commands global leadership positions in many areas. EDB is expanding and extending existing industry clusters, as well as exploring new growth areas to create good jobs and secure Singapore's future competitiveness. Our emphasis is on capital-intensive, knowledge-intensive and innovation-intensive activities. EDB is constantly identifying new business areas to develop both in terms of new technologies as well as new consumer demands, such as our 'clean and green' focus - environmental technologies, urban solutions and clean energy, lifestyle, healthcare and wellness. EDB is also expanding our geographical reach, such as Middle East, in addition to North America, Europe, Japan, China, India and ASEAN.

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McKinsey & Company

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Singapore-MIT Alliance (SMA)

SMA is an unparalleled research and education enterprise between three highly regarded technology, science and engineering universities.

A collaboration between the Massachusetts Institute of Technology (MIT), the National University of Singapore (NUS) and the Nanyang Technological University (NTU), SMA attracts and retains the world's best graduate talents by offering them an unrivalled research and learning experience through joint teaching and supervision that transcends borders.

SMA programmes are designed to support Singapore's high-tech industries and remain relevant to global trends. Its graduate students and researchers work closely with industry to solve real-life research challenges and present innovative solutions that reflect the very latest in technology and science.

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