

SPEECH BY MR. THARMAN SHANMUGARATNAM, DEPUTY PRIME MINISTER & MINISTER FOR FINANCE, AT THE OPENING CEREMONY OF PROCTER & GAMBLE'S SINGAPORE INNOVATION CENTRE ON 28 MARCH 2014 AT 70 BIOPOLIS STREET AT 10.20AM

Mr Werner Geissler, Vice Chairman of Global Operations, Procter & Gamble,

Ms Kathleen Fish, Chief Technology Officer, P&G,

Mr Hatsunori Kiriya, President for Asia, P&G,

Your Excellency, Kirk Wagner, US Ambassador to Singapore

Distinguished Guests,

Ladies and Gentlemen,

Introduction

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1. It gives me great pleasure to join you this morning at the opening of P&G's Singapore Innovation Centre (or "S-G-I-C") in Biopolis.
2. For 177 years, P&G's brands have touched and improved consumers' lives. But P&G brands are in fact backed by deep science. And this is what the SgIC stands for. It is P&G's lead R&D

centre in Asia, supported by world-class scientific talent in more than 30 disciplines¹, including our very own Singaporean scientists.

Singapore: A vibrant Science and Technology hub in Asia

3. Like P&G, Singapore is also deeply committed to R&D. It has to be a key part of our ecosystem, the way companies create new business opportunities, manage costs, and the way we create good jobs for Singaporeans.
4. We have made progress. We have doubled the number of research scientists and engineers in Singapore over the last 10 years to about 30,000 in 2012. 70% of these scientists and engineers are locals. 1,400 new R&D jobs have been created in the Consumer Businesses industry alone.
5. Companies have found value placing strategic R&D investments in Singapore, because of the strength of our public-private partnerships. This is best represented by Biopolis, and its cadre of 2,500 public and private sector researchers. SgIC is now one of Singapore's largest R&D centres, and the largest private sector tenant in Biopolis.
6. The P&G-A*STAR Master Research Collaboration Agreement ("MRCA") represents public-private partnership at the most strategic level. First signed in 2010, the partnership was renewed in 2013 for another five years to 2018. The agreement now includes joint funding of up to S\$60 million, and covers partnerships with Singapore's larger research community, such as our universities and public hospitals.

¹ Examples of capabilities required by SgIC include Analytical Chemistry, Biochemistry, Biometrics & Statistics, Clinical Sciences, Computational Modeling, Design, Environmental Sciences, Formulation Sciences, Material Sciences, Medicine, Microbiology, Nutrition, Packaging, Robotics, Sensors, Surfactants, Toxicology, and Veterinary Medicine.

7. Beyond physical infrastructure such as Biopolis, Singapore is committed to grooming local scientific talent. An example is the “Returning Singaporean Scientists Scheme”, which aims to attract overseas Singaporean scientists to continue their careers in Singapore, and eventually take up research leadership positions here.
8. Likewise, companies are coming on board to help us nurture a pipeline of local research talent. For instance, top P&G Research Fellows recently mentored close to 50 science and engineering students from our local universities, in their first ever “Serial Innovator Programme” in Asia. Close to a third of the participants were offered full time or internship positions within P&G.

Singapore is a Home in Asia to the Consumer Businesses Industry

9. Today’s opening of the SgIC also adds momentum to the building of a world-class Consumer Businesses industry in Singapore. Our vision for this sector is simple. We aspire for Singapore to be a hub for top consumer companies like P&G to grow their global brands.
10. We are glad that P&G has been with us since the start of this journey, growing from a 100-man regional sales office in 1987, to a global hub with more than 2,000 employees in Singapore today.
 - a. Led by Kiriya-san, the Asia Pacific headquarters houses key functions such as brand development, marketing, product supply, consumer insights and design. We are proud that Singapore is also the global headquarters for P&G’s Baby Care and Prestige categories – and I think few people are aware that Pampers and SK-II products around the world are in some way designed and marketed from Singapore.

- b. The company's Asia Leadership Development Centre in Singapore trains more than 500 managers annually.
- c. With today's opening of the SgIC, P&G makes Singapore its home for innovation.

The Consumer Businesses industry provides unique opportunities for local businesses and talent

11. Apart from its being a high-growth sector, the Singapore government is also investing in the Consumer Businesses industry because it provides unique opportunities for local businesses to collaborate with global players and grow.

- a. For example, P&G recently worked with two local firms – PIC Control, an electronics company that makes sensor technologies; and Intraix, an energy management company – to extend their proprietary technologies into the consumer domain. The collaboration enabled P&G to use remote sensor technologies installed in washing machines to better understand washing habits of participating consumers without the need for home visits

b. Another example is The Secret Little Agency (“T-S-L-A”), a creative agency founded by two Singaporeans in 2007. Through developing advertising campaigns for companies such as Danone and Lego, the agency has grown from strength to strength. Today, TSLA is an award-winning agency, with offices in Singapore, Hong Kong and Shanghai.

- c. Brandtology, an online business intelligence company co-founded by three Singaporeans in 2008, has been working with consumer companies such as Nestlé, Nike and Samsung. The

company has grown significantly, and now has more than 200 staff across 20 countries.

12. The Consumer Businesses industry is also one that grooms Singapore talent, and provides job opportunities that are global or regional in nature. There are quite a few examples, but let me cite one. Ms Sylvia Ong is an Assistant Brand Manager who joined P&G after graduating from the Singapore Management University in 2009. In her first assignment, she was tasked to manage P&G's S\$20 million Pet Care business in China. Since then, she has been given larger responsibilities to manage P&G's Fabric Care business across ASEAN, Australia, New Zealand, India, Japan and Korea.
13. In the coming years, the Consumer Businesses industry will continue to provide Singaporeans with diverse and promising career opportunities. The SgIC is an excellent example.
 - a. First, Ms Nooraisha Hussein, who graduated from Temasek Polytechnic and joined P&G as a beauty researcher in 2008. In the last six years, Aisha has had the opportunity to train with P&G's R&D team in the US, learning new methods in assessing performance of beauty care prototypes. She has since been promoted to Senior Researcher, and is now a key member of a team that conducts facial assessments to quantify benefits of P&G products. Her work is important to help P&G develop product claims.
 - b. Second, Dr Eric Lam, who was awarded the National Science Scholarship in 2002. After completing his Ph.D studies in Germany's University of Heidelberg, Eric started out as a senior research fellow in A*STAR's Institute of Medical Biology. Today, he is part of P&G's Life Sciences team that is developing

transformational platform technologies for P&G's Beauty Care products.

14. I encourage more companies to work with us to stretch Singaporeans' potential, so that they can create new successes and contribute to our country in their own way.

Conclusion

15. In closing, I would like to once again congratulate Werner, Kathy, Kiriya-san and their teams for the opening of this state-of-the-art R&D centre today. Thank you P&G for being Singapore's long term partner, and we look forward to working closely with you to "touch and improve lives of consumers around the world"².

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² P&G's strategy is rooted in the company's purpose to touch and improve lives of people every day around the world.