



Michelle Martin (Money FM 89.3) 00:01

This SIEWCast is brought to you by Singapore International Energy Week and Money FM 89.3 in partnership, with ExxonMobil. Welcome to another SIEWCast. SIEW or the Singapore International Energy Week is an annual platform where energy professionals, policymakers and commentators exchange best practices and solutions within the global energy space. I'm your host, Michelle Martin, and today I am excited to talk about energy transition with a Singapore listed global player with a strong track record in the renewable space, including wind turbine installation vessels, breakthrough floating energy storage and high voltage direct current electrical transmission systems. Mark Gainsborough, Chairman of Seatrium joins me to discuss how a company in the energy and marine solution space can lead the charge towards net zero. Great to speak with you and thank you for coming by.

Mark Gainsborough (Seatrium Limited) 00:58

Great to be here. It is lovely being in Singapore and great to be here talking to you.

Michelle Martin (Money FM 89.3) 01:03

At SIEW 2023, you mentioned that the path to net zero requires industry players to deliver energy transition at an unprecedented scale. When you look at the offshore marine and energy sector, what do you expect in terms of growth prospects and potential challenges in the near term?

Mark Gainsborough (Seatrium Limited) 01:21

Well, I think it's going to be a huge challenge for the industry to deliver the sort of growth that's needed in the energy transition. But that's the sort of challenge that we like at Seatrium. Because we're used to building big stuff, big scale, lots of innovation behind it. But I think most people, and even very well-informed people don't understand just how much investment needs to go into the energy system. In the coming decades, it's about \$4-5 trillion per annum globally. And a lot of that investment is going to be offshore. In offshore wind, in offshore hydrogen, CCUS, in cleaner offshore oil or gas, because we still need oil and gas for the next decades as well. So actually, there's a huge opportunity for companies that are professional that have great technology, and have a real commitment to helping make the energy transition happen.

Michelle Martin (Money FM 89.3) 02:08

Given the trends that you've just shared, what are the key aspects that you believe are essential for a successful energy transition towards net zero, especially for the Asian region, which has its own unique challenges?

Mark Gainsborough (Seatrium Limited) 02:22

I think one of the challenges is that you can do a lot of small projects, but that doesn't really move the dot. We will have small energy infrastructure projects and a lot of energy infrastructure in the future will be decentralised, distributed, and you'll see people even doing putting solar into their own homes, batteries into their own homes. But to be big enough to matter in energy transition, you need to do projects at scale. That's one of the reasons why offshore wind is a very interesting vector of energy transition. Because offshore wind projects are typically done at very big scale, we're talking about projects that produce gigawatts of electricity. And you're going to see more and more of those very large scale projects happening in many different parts of the world. I mean, one of the things that we're excited about in Seatrium is not only can you build platforms now in an offshore wind in shallow waters, but you can also do it in deeper waters as well. And we're working on a sort of floating structure as well that lets us do offshore wind at a much bigger scale in the future.

Michelle Martin (Money FM 89.3) 03:18

How have these factors played into Seatrium's long-term vision for a more sustainable future? And how has it shaped your strategic approach to making this vision a reality?

Mark Gainsborough (Seatrium Limited) 03:29

Well, it is a big part for us as sustainability is really at the core of what we do at Seatrium. It's central to our strategy. We know the world needs oil and gas still for the coming decades, so our commitment is to work on cleaner oil and gas to make sure that our customers in the oil and gas industry can reduce their emissions, and that we do more for gas where the CO2 emissions are lower. But increasingly, our business has to be about supporting renewables, it has to be supporting carbon capture and storage, and new green molecules like hydrogen and ammonia. We will see a shift of our portfolio into lower carbon solutions. And interestingly, if I look at our order book, we're lucky to have the best order that we've had in 20 years. And already 40 percent of those are classified as green, either basically as gas projects or their renewables project. So I think we're all already making great progress. And I'm sure that over time, that balance will continue to change. Because you know, we need to have a very different energy system in the future if we're going to get to net zero carbon emissions.

Michelle Martin (Money FM 89.3) 04:38

Speaking of your order book, can you talk to us about some of the efforts to not only complement but accelerate the efforts here in Asia when it comes to projects looking towards net zero?

Mark Gainsborough (Seatrium Limited) 04:49

Yeah, you know, when it comes to working in Asia, one of the things I think is going to help a lot is there are a lot of projects that can happen when you start to get the different governments in Asia working together. That was one of the themes that was interesting at the Singapore International Energy Week, there was this whole thing about regional interconnectivity. And the idea, you could have a renewables project in, say, Indonesia or Malaysia, and you could take some of those electrons into Singapore. We have here in Singapore some very specific challenges, and it's actually hard for us to decarbonise the power grid, because we don't have a lot of space for renewable energy ourselves. So we need to think about how we bring stuff in. And so for a company like Seatrium, we want to be part of some of those collaborative projects where you're getting different actors, different stakeholders and different countries to work together to provide much more innovative ways of meeting the challenges we have for secure and low carbon energy.

Michelle Martin (Money FM 89.3) 05:41

This SIEWCast is brought to you by Singapore International Energy Week and MoneyFM 89.3, in partnership with ExxonMobil. Have there been specific instances where Seatrium sustainability projects have had a significant impact on optimising energy efficiency and reducing the carbon footprint within the offshore marine and energy sectors? And how do these initiatives align with the industry's net zero goals?

Mark Gainsborough (Seatrium Limited) 06:09

Yeah, many, many of the projects. We very often have been able to help our customers achieve much more energy efficient offshore structures and devices. We're one of the one of the leaders when it comes to when customers want something that's a very complicated, yet state-of-the-art, solution. That's what we're good at. I mean building, you know, a basic steel structure isn't our thing. Really, it's about complex integration, putting things together to provide better solutions. We've done quite a few firsts. We've done one of the first hydrogen powered vessels in Norway, and we're building one of the first ones at the moment in Singapore, we've done a lot of innovative stuff at the cutting edge of offshore wind, building some of the very, very large-scale HD. And we're getting a bit technical here, but when you've got to convert the power from the wind turbine from AC to DC, you need huge transformers offshore to do that. We're busy doing some of that stuff. And we have quite a few R&D collaborations as well, and some of those are public-private partnerships. We work with them, such as the National University of Singapore, where we have a visiting professorship to look at innovation. We also work with the with the center, there's an outfit called TCOMS, which is part of NUS, who we have a joint programme with. We look at many opportunities to collaborate with other industry partners, with universities, with government. So we're going to try and develop some of the new technologies that are going to be needed in the energy transition.

Michelle Martin (Money FM 89.3) 07:37

The role of innovation is so important when we're talking about energy transition and Seatrium is at the forefront of many innovative energy solutions. Can you help us understand how it stays at the lead at the front of rapidly changing fields of emerging technologies and innovations?

Mark Gainsborough (Seatrium Limited) 07:55

Yeah, you know, to be honest, staying at the forefront in a world that's changing so fast is becoming increasingly challenging. We have a very, very good technology team in the company that we've nurtured over the years. And we're expanding it a little bit at the moment. We think we have ways of broadening our scope – we've got a number of companies that are at the forefront of technology actually in Europe, and one of the hotbeds of innovation in the marine decarbonisation space is Norway. And we've got three companies who operate there. We are creating a little bit of almost a little hub of innovation going on in Norway at the moment. And here we are, we've got a very good team here. A lot of it is also about working with external parties. We want to work with people that are at the cutting edge of technology. We have a lot of capability in the company, though we've brought people in, who really understand deeply some of the technology around offshore wind, we're bringing in more expertise and understanding about new green hydrogen, green ammonia, that's something even I as the Chairman have worked on in my prior life so I know quite a bit about it. And I think having the right people in the company to help you connect with the outside world and connect with technology is super, super important.

Michelle Martin (Money FM 89.3) 09:07

Seatrium has set its own bold ESG goals and is working towards achieving 40% of its net order book from renewables and cleaner energy solutions and reducing its greenhouse gas emissions by 40 percent by 2030. Can we get a brief update on whether or not you're on track to these goals?

Mark Gainsborough (Seatrium Limited) 09:28

Well, I think we're we think we're pretty well on track. The big goal is that we've set out, we haven't yet set ourselves the target, but we will of being net zero, probably by 2050. So many companies now are on that track, as are most countries. So there's an aspiration to be in line with the Paris Climate Change Agreement. That means limiting global warming to less than two degrees. The world has to be net zero by 2050. I think increasingly, all companies will be under pressure to subscribe to that goal. To be honest, it's very tough to have a very, very clear pathway right now – how are you going to get all the way there? It's difficult. So what we're working on at the moment is trying to define better, what our targets are going to be by 2030 and make sure we got a pathway to deliver on that. So that's a little bit of work in progress. But by the time we publish our sustainability report next year, which normally comes out around April, I think we'll be able to describe much more how we get on that pathway to net zero.

Michelle Martin (Money FM 89.3) 10:27

We'll be looking out for that in April. Mark Gainsborough, Chairman of Seatrium, thank you so much for joining us. Thank you. This has been an exclusive look at Seatrium's large scale sustainability projects, how it is collaborating to accelerate the offshore marine and energy sectors transition to net zero in the region, and milestones as it embarks on its own ESG journey. This SIEWCast is brought to you by Singapore International Energy week and MoneyFM 89.3 in partnership with ExxonMobil.