

Greater KL: The ideal base for global companies to drive innovation

High-potential talent and a conducive ecosystem support multinational companies in their quest to innovate and bring innovation successfully to market

Leading multinational companies (MNCs) with centres based in Greater Kuala Lumpur that are focused on developing advanced systems and cutting-edge solutions play an integral part in the ongoing global revolution known as Industry 4.0 (Fourth Industrial Revolution). This wave is characterised by technological development in areas such as artificial intelligence (AI), big data, fifth-generation telecommunications networking (5G), nanotechnology and biotechnology, robotics, the Internet of Things (IoT) and quantum computing.

Schlumberger and Novartis International AG are among the leading global companies to establish centres in Greater KL, which enabled their participation in the development of advanced technological solutions with clients and partners. These local operations support the MNC and/or its clients within Malaysia and the wider East Asia region. In some cases, these local centres also bring innovation to market.

"The Novartis Capability Centre in Kuala Lumpur (NGSC KL) is one of our five global shared services centres around the world. NGSC KL is part of our customer and technology solutions (CTS) organisation and delivers a broad variety of solutions to Novartis' divisions and organisations worldwide. Our purpose is to reimagine medicine, with advanced and cutting-edge products, and serve 32 million Malaysians in living longer and happier lives," says Patrik Grande, country president for Novartis Malaysia.

Novartis is a leading global medicines compa-



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ny that uses innovative science and digital technologies to create transformative treatments in areas of great medical need. Its products reach nearly 800 million people, while about 108,000 people, of more than 140 nationalities, work at this MNC.

Schlumberger is a technology company that partners with its customers, mainly from the oil and gas (O&G) industry, to unlock access to energy for the benefit of all. This leading MNC in oilfield services has a presence in more than 120 countries and a talent pool comprising about 160 nationalities.

"Schlumberger chose Greater KL as home to one of seven centres located around the world that form its global INNOVATION FACTORI network. In the INNOVATION FACTORI Kuala Lumpur, Schlumberger domain and data science experts work with energy industry customers to accelerate their AI adoption in East Asia, enabling them to take digital solutions from concept to full deployment, at scale," says Haitao Sun, digital manager for Schlumberger East Asia.

An excellent base with suitable talent for high-tech development

Schlumberger and Novartis have found Greater KL to be an ideal location for operations that focus on developing leading technologies and digital solutions. "To achieve our vision of reimagining medicine, we require an environment that is aligned with our strategy and needs, and facilitates innovation. Malaysia has a supportive

business environment, with sophisticated procedures and processes, as well as investor-focused agencies such as InvestKL that are adaptive to the changing environment," says Grande.

Solutions offered by Novartis' NGSC KL team include technology transformation, people and organisation services, finance, procurement, real estate and facilities services, and CONEXTS (a network of internal specialists providing high-end commercial, medical, clinical, legal and consulting services and solutions) services. "All our domains cover Asia-Pacific, including China and Japan, the Middle East and Africa. Some of our domains even have a global remit," notes Grande.

"By pivoting towards next-generation digital industries and developing a knowledge-based economy, KL has built a winning ecosystem with elements that are conducive to our business needs. These elements include a strategic location within Southeast Asia, ample investment and business opportunities, the availability of suitable talent and attractive government incentives that strengthen the country's position as a regional healthcare hub," he adds.

Schlumberger decided to establish its INNOVATION FACTORI in Greater KL due to its central location and world-class pool of talent. "Malaysia has a central position in the region and hosts key activities for Schlumberger, ranging from a shared services hub that provides support to Europe, Africa, the Middle East and Asia to manufacturing units, operations and headquarters of our Asia-Pacific operations. The proximity of our INNOVATION FACTORI to customers like Petronas, which has ambitious digital transformation goals, is a considerable advantage. Furthermore, Malaysia provides access to an important talent pool for the company," says Sun.

Federal government policies and incentives have also been instrumental in supporting these global MNCs that, in turn, work and share their expertise with local companies and government entities. For example, Schlumberger has partnered with CENTEXS (Centre of Technical Excellence Sarawak) to train talent with technical skills needed by the O&G industry. This is aligned with the government's efforts, a key priority area in Budget 2022, to address employment and upskilling of the local workforce, especially in the O&G services and equipment industry.

Novartis is also participating in developing talent for the pharmaceutical industry. "We reinvest our capital in our people and support Malaysia's ambition to be a hub for knowledge-based jobs. We have strategic partnerships with local tertiary institutions such as Taylor's University by providing placements for pharmacy graduates and supporting the government's protege programme via a one-year company rotation internship," says Grande.

Apart from talent development, Novartis is exploring public-private partnerships via clinical trials and other areas that strengthen the healthcare industry as well as by buying goods and services from local vendors, amounting to RM250 million in indirect contribution in 2020.

Sun and Grande agree that talent is central to technical innovation and both companies provide world-class talent development programmes. According to Sun, Schlumberger is known in the O&G industry for providing comprehensive education and training to its employees. Besides providing training and development in the first three to four years of a new employee's career with the company, employees also receive career-long training and development and have the opportunity to take positions around the world, as Schlumberger aims to hire locally and promote from within.

Strong ESG efforts create value beyond the organisation

Multinational corporations such as Schlumberger and Novartis International AG have intertwined environmental, social and governance (ESG) elements in their business operations. This has created a virtuous cycle in locations where these companies have established operations, such as Greater KL.

Schlumberger has announced its commitment to achieve net zero greenhouse gas (GHG) emissions by 2050. Guided by climate science, the company has a decarbonisation plan that focuses on reducing Scope 1, 2 and 3 emissions across the company's entire value chain. This net zero target, inclusive of total Scope 3 emissions, is a first in the energy services industry.

"We are working with our customers in Malaysia to reduce their GHG emissions. This is part of our Scope 3 target. Practical examples include working to reduce flaring (controlled burning of natural gas), a common practice in the industry, and providing carbon storage and sequestration technology and services," says Haitao Sun, digital manager for Schlumberger East Asia.

Schlumberger's decarbonisation plan is aligned with the 1.5°C target of the Paris Agreement. The company is on track to achieve its previously set near-term emissions reduction target of 30% by 2025 for Scope 1 and 2, ahead of schedule.

ESG is also an important component of Novartis Corp (Malaysia) Sdn Bhd. In 2020 and 2021, the leading pharmaceutical company contributed to the fight against the Covid-19 pandemic by contributing more than RM3 million worth of personal protective equipment (PPE), hand sanitisers and test kits for frontliners and high-risk communities.

Novartis is also advancing its ESG agenda and has issued bonds with targets for global health and access to medicine in low- and middle-income countries by 2025. The bonds have positively impacted the country by enabling Novartis Oncology Access to provide universal coverage for nearly a decade via its Malaysian Patient Assistance Program (MYPAP).

MYPAP aims to support the increasing number of Malaysian patients with chronic myeloid leukaemia and gastrointestinal stromal tumour. This cost-sharing contribution model, together with the Ministry of Health, partially covers the cost of a patient's annual treatment. MYPAP has supported more than 2,000 patients to date.

Novartis has also committed to the preservation of the environment and aims to be carbon-neutral across its value chain by 2030. In Malaysia, the company has successfully eliminated the use of single-use plastics and met its plastic neutrality goals.



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