

Hatch's role as an EPCM

POSC Caesar Forum



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Overview

Hatch – a brief introduction

Burning issues

- Adding value
- Skills shortage
 - Development of personnel
 - Design reuse
- Knowledge Management
 - Global vs. International
- Future markets



Our Manifesto

We are an innovative organization committed to helping our clients achieve unprecedented and sustained business results.

Our clients appreciate our added value, trust and communications, as well as our ability to transfer our expertise quickly, efficiently and safely on a global basis.

About Hatch

- Employee owned
- Projects in more than 115 countries
- More than 8000 professionals worldwide
- More than US\$25 billion of projects now under management
- EPCM, Integrated Teams, Project and Construction Management
- Consulting – process, technology and business
- In-house engineering services for operations
- Serving mining & metals, energy and infrastructure for more than 50 years



The Hatch Advantage

WE WORK SAFELY

Nothing is more important to us than safety.

WE WORK IN TEAMS

Our experience proves that excellence and quality are delivered most consistently by well-led teams.

WE FIGHT FOR LOWER COSTS AND BETTER QUALITY

We help our clients to be the lowest-cost providers of high-quality products.





The Hatch Advantage

WE PLAN CAREFULLY FOR FAST STARTUPS

We strive to make every project produce at design capacity ahead of schedule.

WE DESIGN AND BUILD FOR SMOOTH, RELIABLE PERFORMANCE

Our prime business objective is to deliver safe, modern and low-cost production facilities.

values

Hatch Values

- Safety
- Quality
- Innovation
- Sustainable Development
- Risk Management

Global Operations

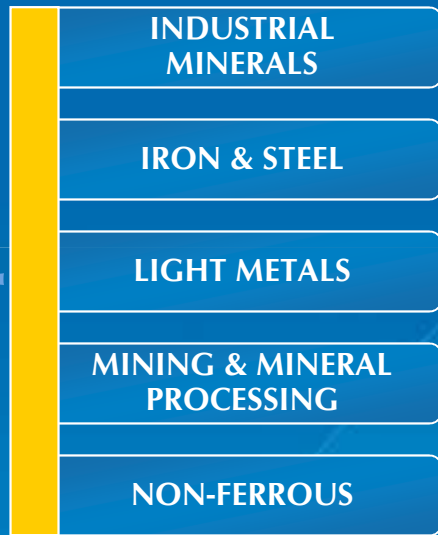
8000 total staff – Feb 2008



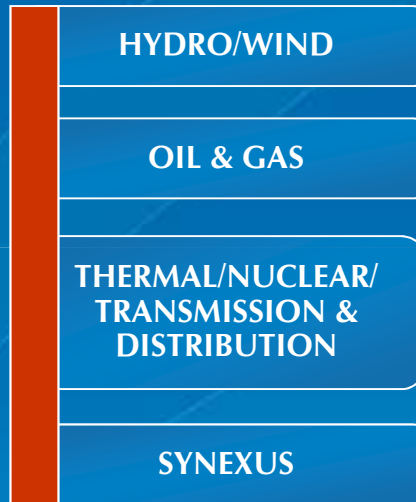
(Yellow indicates regional hub)

Our Business Units

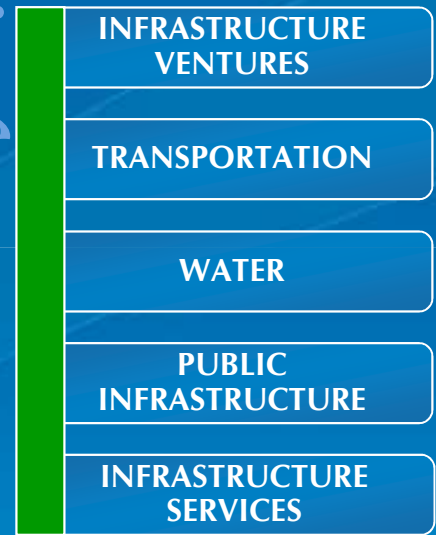
metals



energy



infrastructure



Professional Services Overview

- Consulting
 - Process consulting
 - Technologies
 - Business consulting
- Capital Projects and Construction
 - Engineering
 - Project management
 - Construction management
- Operations Support
 - In-house engineering services for operations

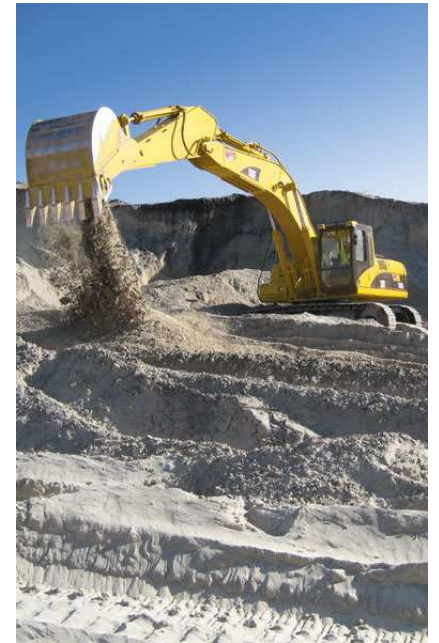


Hatch Services and Sectors



Metals

- Non Ferrous
 - Nickel, Copper, Zinc, Gold, Platinum
- Light Metals
 - Aluminum, Magnesium
- Industrial Minerals
 - Titanium, Coal, Diamonds
- Iron & Steel
 - Ironmaking
 - Steelmaking
 - Rolling and finishing
- Mining & Mineral Processing
 - Maintenance consulting/training
 - Design
 - Project Implementation



Energy

Power

- Hydroelectric Power Generation
- Nuclear Power
- Thermal Power
- Power Transmission & Distribution
- Wind Energy

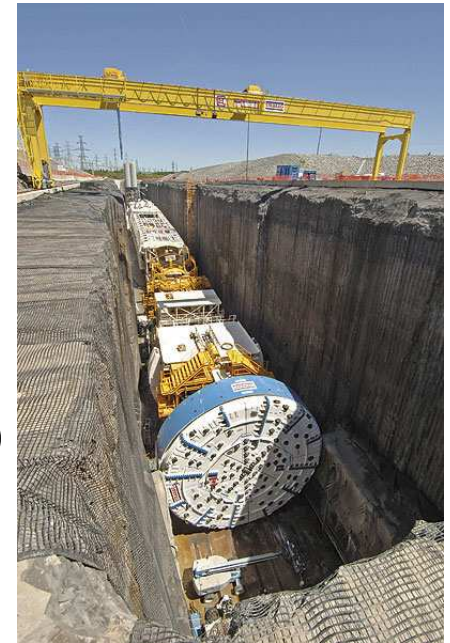
Oil and Gas

- Engineering Services
- CO₂ Sequestration
- Studies
- Construction Management



Infrastructure

- Infrastructure Ventures
 - Hatch Mott MacDonald (50:50 JV)
 - Aurecon Hatch (50:50 JV)
 - AAMHatch (50:50 JV)
 - New Era Technologies (100%)
 - Transnet – Hatch, Mott MacDonald, Goba (45:45:10 JV)
- Transportation
- Water
- Public Infrastructure
- Infrastructure Services



Adding Value

What's different?

- Oil & Gas
 - Projects typically 1 – 2 year paybacks
 - Systems lead the way
- Our world:
 - Mining & Mineral projects typically 6 – 10 yr payback
 - Infrastructure projects ~ 20 years
 - Energy (power) projects ~ 20 years
- Value proposition for systems must be compelling outside of Oil & Gas

Adding Value

- Project cycle times have been reduced
- EPCM's continue to search for improved efficiencies
- Project ramp up times offer opportunities (and challenges!)
 - Owner responsibility
 - Increasingly complex projects
 - Learning curve
 - Need for data/information/knowledge

Skills Shortage

- Where did all of the engineers go?
 - Dot com
 - Finance
 - Law & Accounting
- Every year you get a year older...
- Affect on the economy
- China / India

Skills Shortage

- Development of personnel
 - Career
 - Profession
 - Tools/systems
- Design reuse
 - Efficiencies
 - Imperative
 - Issues

Knowledge Management

- Global vs. International
- Needle in the haystack problem
- Two approaches to Global
 - Federated databases (slow)
 - Master database (latency)
- Skills shortage (recurring problem)

Future Markets

- BRIC countries
- Engineering systems
- Economics
- Standardization