



... a Scottish success story

THE ECONOMIC IMPACT

OF THE GLOBAL ENERGY GROUP

The development of the Global Energy Group is a Scottish success story.

Founded in 2005, the group has head offices in Aberdeen and Inverness.

The energy industry service company is now one of Scotland's leading employers, a major contributor to the national economy and a highly successful international business.

Five years of organic growth and strategic acquisitions have seen the wholly Scottish-owned company's turnover increase to more than £230million and its world-wide workforce rise to over 3,500 people.

In 2010 the company commissioned independent experts to assess the impact it makes on the economy of Scotland. The key findings of that research, which focussed on the 2009/10 financial year, are set out in the following pages.



Sunday Times Virgin Fast Track 100
Fastest growing company in Scotland 2009



Sunday Times HSBC International Track 100
Fastest sales growth in the UK 2010



Sunday Times PWC Profit Track 100
Fastest profit growth in Scotland 2009



The Clydesdale Bank Award
Best International Business 2010

Who we are

A service and contracting business, working world-wide, the Global Energy Group specialises in construction and maintenance of assets across a broad range of energy industry sectors.

On a typical day the company may be repairing drilling rigs, fabricating subsea manifolds, upgrading topside process modules, building a process plant, refurbishing a hydro station and building renewable energy devices. Global also provides resource management, supply chain solutions and vendor inspection services.

The company has adapted expertise and experience gained from the Scottish Highlands' 40 year involvement with oil and gas production to develop sector leading services to meet the 21st century demands of the energy industry around the world. Its capability and capacity has also placed it at the forefront of fabrication of prototype equipment for the emerging marine renewable energy market.

With extensive facilities in Aberdeen, Europe's energy capital, and around the Cromarty Firth, the group also has major operations in Dunfermline, the Scottish Central Belt and Great Yarmouth.

Global's successful, customer-led expansion into international markets has been recognised with a number of prestigious awards. With operations in Houston, Norway, Dubai, Trinidad, Ghana, Egypt and Abu Dhabi and joint ventures in Croatia, Cameroon, Namibia and Angola, a quarter of the company's annual turnover now comes from international sales.

Employment

Including its core and contract staff, the group supported almost 3,500 full-time-equivalent (FTE) jobs in Scotland by the end of 2009/10.

A large majority of these jobs involve managerial and engineering roles as well as skilled trades, including welders, pipefitters, platers, electricians, mechanical fitters and joiners.

The figures suggest the group is one of the largest employers of skilled trades personnel in Scotland.

Indirect Employment

The group's activities require the input of many types of goods and services. In addition to those employed directly, the group supports an additional 1,727 jobs in Scotland (889 in the Highlands and 838 in the rest of the country).

Employment: Breakdown of employment supported by GEG in 2009/10



Key findings

Headline facts about the Global Energy Group from the economic impact assessment of its operations in 2009/10:

- one of the largest fabricators in the UK by turnover and scale of facilities
- a major exporter of bespoke subsea hardware to West Africa and the Gulf of Mexico
- UK market leader for servicing mobile offshore drilling rigs
- £100million gross value added (GVA) generated (more than 80% in the Scottish Highlands)
- ranked top UK private company for overseas sales growth
- fastest growing profit and turnover of any private Scottish company
- 3,409 people directly employed across Scotland
- 5,136 jobs across Scotland (including indirect employment)
- over 75% high value jobs (including management and engineering as well as skilled trades such as welders, pipefitters, platers, electricians, mechanical fitters and joiners)

Gross Value Added (GVA) impact

The group's gross value added (GVA) contribution to the Scottish economy in 2009/10 was an estimated £108million (£82million in the Highlands and £26million in the rest of Scotland).

The group directly employed one fifth of the 9,000 people working in the manufacturing sector in the Highlands in 2008 and generated 15% of the GVA created by the sector in the region.

The statistics indicate the group is the largest direct private employer in the Highlands.

The group's contribution to the Highland economy goes beyond employment and direct supply chain linkages.

Economic and community development agency Highlands and Islands Enterprise regard the company as, "significantly important for the region's renewables aspirations."

gross value added



15%

GVA as a percentage of the Highlands & Islands manufacturing sector

employment



20%

employment as a percentage of the Highlands & Islands manufacturing sector

Global people

Since 2008 Global has spent more than £1million on training in leadership development and management skills, delivered through its innovative Global Academy. In partnership with North Highland College, the company also developed a fast track two-year welding and mechanical skills programme. This bespoke scheme trains apprentices to Scottish Vocational Qualification (SVQ) level in pipefitting and welding in half the usual time.

The future

- £400 million anticipated turnover by 2014
- potential to support 10,000 jobs and generate £320 million GVA, by 2014

CORE MARKETS



Exploration Drilling & Marine Support Facilities

The Global Energy Group specialises in the ongoing integrity of mobile drilling rigs & marine vessels, including inspection, repair, maintenance and major CAPEX upgrades.



Oil & Gas Production

The Global Energy Group partners with EPC contractors and operators in the execution of major & minor topside CAPEX as well as new build subsea equipment. The Group also support duty holders with OPEX pipework/ structural maintenance of fixed production platforms.



Petrochemical & Process

The Global Energy Group supports CAPEX upgrades to the petrochemical, process & gas storage/conversion sectors through onsite construction as well as offsite fabrication of equipment & modular units.



Power Generation & Utilities

Combining mechanical, electrical and civil engineering skills, the Global Energy Group supports new build CAPEX as well as maintenance and upgrade of hydro schemes, water infrastructure and power generation facilities. This includes site construction and offsite fabrication of equipment for the nuclear power industry.



New Age Renewable Energy

The Global Energy Group has emerged as a leader in the construction of new age renewable energy. This includes the fabrication of offshore wind, wave and tidal technologies.

The information in this document is taken from an economic impact assessment carried out by SQW for the Global Energy Group in November 2010. SQW is a leading provider of research, analysis and advice on sustainable economic and social development for public, private and not-for-profit organisations.

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