Unlocking manufacturing’s full performance potential

Transform your manufacturing and operations capability with an Integrated Work System
Integrated Work System is a proven approach to help you achieve breakthrough improvements in return on invested capital, available cash flow and OpEX

Driving operational and financial value through top-down leadership and bottom-up capability development

In today’s highly competitive market, leading companies have increased their efforts to position manufacturing as a strategic differentiator. They are aggressively pursuing productivity improvements to protect margins, increase return on assets and enable growth through innovation. Such improvements can significantly increase productivity up to 30% with a cost-saving value of US$250m–US$350m.

Closing the gap between your current operational effectiveness levels and those of industry-leading organizations can mean millions to your bottom line and improve competitive advantage.

Many companies fail to recognize the scope or level of change required to drive sustainable improvements and achieve industry-leading performance.

Central to this transformation is the need to create a culture that strives for zero loss and zero defects.

EY and Procter & Gamble harness over 175 years of global manufacturing experience to assist you

EY and Procter & Gamble (P&G) have combined their manufacturing knowledge and capabilities to bring a different approach to helping you attain higher levels of sustainable manufacturing performance improvements.

### Potential benefits

- Support for sustained improvements to financial and operational performance metrics based on capability improvements
- Peer-to-peer relationship with P&G; knowledge sharing, benchmarking, access to plants
- Access to Integrated Work System (IWS) that has been developed through years of refinement and investments totaling over US$1.5b
- Rigorous training to help manufacturing teams, leaders and managers get to grips with the tools, templates and processes effectively within weeks.

### EY

- Global manufacturing performance improvement practice
- An “operator-led” accelerated improvement approach
- Over 2,000 supply chain professionals in firms around the world

Combining to create a competitive advantage for your organization

### P&G

- More than 175 years of manufacturing experience
- Global network of more than 135 plants in over 85 countries
- Leading manufacturer

A know-how focused on breakthrough improvement to free cash flow, return on invested capital and cost of goods sold

IWS is an extensive set of capabilities and assets that are tried, tested and are being continually enhanced. IWS goes beyond foundational elements of traditional operational improvement programs for differentiated results.

### IWS framework

- Enterprise Management (ENT)
- Work Process Improvement (WPI)
- Focused Improvement (FI)
- Quality (Q)
- Leadership (LDR)
- Progressive Maintenance (PM)
- Education and Training (ET)
- Supply Network (SN)
- Health, Safety and Environment (HSE)
- Organization (ORG)
- Autonomous Maintenance (AM)
- Initiative Management (IM)

### IWS asset tool kit overview

- Overviews
- Procedures
- Skills qualifications
- Tools
- Training
- Assessments
- Examples
- Analytics
- Guidelines
- Templates

In today’s highly competitive market, leading companies have increased their efforts to position manufacturing as a strategic differentiator. They are aggressively pursuing productivity improvements to protect margins, increase return on assets and enable growth through innovation. Such improvements can significantly increase productivity up to 30% with a cost-saving value of US$250m–US$350m.

Closing the gap between your current operational effectiveness levels and those of industry-leading organizations can mean millions to your bottom line and improve competitive advantage.

Many companies fail to recognize the scope or level of change required to drive sustainable improvements and achieve industry-leading performance.

Central to this transformation is the need to create a culture that strives for zero loss and zero defects.

EY and Procter & Gamble harness over 175 years of global manufacturing experience to assist you

EY and Procter & Gamble (P&G) have combined their manufacturing knowledge and capabilities to bring a different approach to helping you attain higher levels of sustainable manufacturing performance improvements.

### Potential benefits

- Support for sustained improvements to financial and operational performance metrics based on capability improvements
- Peer-to-peer relationship with P&G; knowledge sharing, benchmarking, access to plants
- Access to Integrated Work System (IWS) that has been developed through years of refinement and investments totaling over US$1.5b
- Rigorous training to help manufacturing teams, leaders and managers get to grips with the tools, templates and processes effectively within weeks.

### EY

- Global manufacturing performance improvement practice
- An “operator-led” accelerated improvement approach
- Over 2,000 supply chain professionals in firms around the world

Combining to create a competitive advantage for your organization

### P&G

- More than 175 years of manufacturing experience
- Global network of more than 135 plants in over 85 countries
- Leading manufacturer

A know-how focused on breakthrough improvement to free cash flow, return on invested capital and cost of goods sold

IWS is an extensive set of capabilities and assets that are tried, tested and are being continually enhanced. IWS goes beyond foundational elements of traditional operational improvement programs for differentiated results.

### IWS framework

- Enterprise Management (ENT)
- Work Process Improvement (WPI)
- Focused Improvement (FI)
- Quality (Q)
- Leadership (LDR)
- Progressive Maintenance (PM)
- Education and Training (ET)
- Supply Network (SN)
- Health, Safety and Environment (HSE)
- Organization (ORG)
- Autonomous Maintenance (AM)
- Initiative Management (IM)

### IWS asset tool kit overview

- Overviews
- Procedures
- Skills qualifications
- Tools
- Training
- Assessments
- Examples
- Analytics
- Guidelines
- Templates
Helping you initialize and accelerate your manufacturing transformation

Accelerate your manufacturing transformation with a proven principles-based manufacturing program. Led by experienced EY professionals, Integrated Work System can help you condense years of learning and process improvements into months.

Unlike other traditional manufacturing excellence programs:
- 100% employee engagement drives unrelenting focus on process reliability
- Proprietary analytical tools exclusively target production line reliability
- Foundation system establishes traction and capability “stickiness”

Enterprise results:

| Manufacturing transformation can achieve breakthrough financial and operational improvements |
|-----------------------------------------|------------------|------------------|------------------|------------------|
| Typical yearly COGS* reduction         | 4%-6%            | Typically increase OEE* by | 20-30 pts       | Throughput up an average of |
|                                        |                  | *Overall equipment effectiveness |                 | over 15% ↑       |
|                                        |                  |                                |                  | TIR* <0.5        |
|                                        |                  |                                |                  | Supply chain agility and flexibility |

*Results will depend on your specific circumstances and goals

EY’s deployment approach focuses on rapid capability development supporting your accelerated financial performance

Building momentum with early success

Our approach identifies and focuses on the areas of your organization where we can identify opportunities for improvement quickly. By deploying IWS at the business units and facilities with the greatest opportunity for improvement and impact to the bottom line, you can create a self-funding transformation initiative and obtain necessary senior leadership buy-in and support.

In addition to establishing momentum by generating early improvements, you can use our proprietary tools, such as our Enterprise Deployment Value Model, Run-to-Target Accelerator and Rate Reliability Cost Advisor, to provide visibility into prioritized organization-wide opportunities and can quickly deploy them across other assets to drive sustained improvements.

Getting started

<table>
<thead>
<tr>
<th>Assessment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify performance gaps</td>
</tr>
<tr>
<td>Prioritize and help you select deployment targets</td>
</tr>
<tr>
<td>Establish team</td>
</tr>
<tr>
<td>Document your goals</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>High-impact site deployment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Participate on-site with project teams</td>
</tr>
<tr>
<td>Share methodologies</td>
</tr>
<tr>
<td>Apply select IWS tools</td>
</tr>
<tr>
<td>Utilize EY accelerators</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Enterprise transformation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cascade deployment materials</td>
</tr>
<tr>
<td>Participate in key project reviews</td>
</tr>
<tr>
<td>Assess value realized by the organization</td>
</tr>
</tbody>
</table>

Refine and customize deployment content to accelerate enterprise-wide transformation

Site deployment results:

<table>
<thead>
<tr>
<th>Typical deployment results within 8-12 weeks*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increased throughput up to 30%</td>
</tr>
<tr>
<td>Decreased the number of stops by 30-70%</td>
</tr>
<tr>
<td>Increased mean time between failures by 2X-10X</td>
</tr>
<tr>
<td>Reduced scrap up to 60%</td>
</tr>
<tr>
<td>Increased efficiency by up to 25%</td>
</tr>
<tr>
<td>Typical annualized savings over US$1m</td>
</tr>
</tbody>
</table>

*Results will depend on your specific circumstances and goals
About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

About EY's Advisory Services

In a world of unprecedented change, EY Advisory believes a better working world means solving big, complex industry issues and capitalizing on opportunities to help deliver outcomes that grow, optimize and protect clients' businesses.

Through a collaborative, industry-focused approach, EY Advisory combines a wealth of consulting capabilities — strategy, customer, finance, IT, supply chain, people and organizational change, program management and risk — with a complete understanding of a client's most complex issues and opportunities, such as digital disruption, innovation, analytics, cybersecurity, risk and transformation. EY Advisory's high-performance teams also draw on the breadth of EY's Assurance, Tax and Transaction Advisory service professionals, as well as the organization's industry centers of excellence, to help clients deliver sustainable results.

True to EY's 150-year heritage in finance and risk, EY Advisory thinks about risk management when working on performance improvement, and performance improvement is top of mind when providing risk management services. EY Advisory also infuses analytics, cybersecurity and digital into every service offering.

EY Advisory's global connectivity, diversity and collaborative culture inspires its consultants to ask better questions. EY consultants develop trusted relationships with clients across the C-suite, functions and business unit leadership levels, from Fortune 100 multinationals to leading disruptive innovators. Together, EY works with clients to co-create more innovative answers that help their businesses work better.

The better the question. The better the answer. The better the world works.

© 2015 EYGM Limited. All Rights Reserved.

EGY no. AU3578

BMC Agency

BACS 1002147

ED None

In line with EY's commitment to minimize its impact on the environment, this document has been printed on paper with a high recycled content.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, or other professional advice. Please refer to your advisors for specific advice.

ey.com