Global KAIZEN™ Award 2018

Bologna, Italy, November 14th, 2019
Welcome to the Global KAIZEN™ Award

Fellow KAIZENers,
Since 2011, Kaizen Institute has been organizing the KAIZEN™ Award program. The first KAIZEN™ Award was launched in Portugal and since then, six additional Kaizen Institute business units started offering the program within their own country; Spain, Brazil, Italy, The Netherlands, Poland and Germany. Today, more and more Kaizen Institute business units around the world have plans to join the program.

We are extremely proud to announce the launch of the Global KAIZEN™ Award this year. The KAIZEN™ Award adds significant value to our Continuous Improvement community. Its purpose is to encourage, motivate, recognize, instruct, and to share our learning. But most of all, we want to celebrate everyone’s tireless and continuous efforts to improve their organizations.

The KAIZEN™ methodology has been applied across the globe in every economic sector and this year’s Global KAIZEN™ Award nominees are a reflection of just that; the extensive and diverse applicability of KAIZEN™ everywhere.

Sincere congratulations to all the nominees of this very first Global KAIZEN™ Award and it is our utmost pleasure to celebrate this special occasion with you. While we anxiously anticipate the announcement of the Global KAIZEN™ Award recipient selected through careful and comprehensive evaluation, I cannot express how grateful I am on behalf of the entire Kaizen Institute team. We trust this celebration will inspire us to be even more energetic about KAIZEN™ in our efforts to improve the performance of organizations worldwide.

Risa I. Cox
Managing Director
Kaizen Global Enterprises
The annual KAIZEN™ Awards, presented by Kaizen Institute Business Units, honor the best in KAIZEN™. The Global KAIZEN™ Award will be presented to an outstanding KAIZEN™ Award recipient in the Excellence in Continuous Improvement System category for their significant, innovative and effective implementation of KAIZEN™ principles and practices.

The organization demonstrates excellence in implementing a Continuous Improvement system and engaging the entire workforce in the process. The system integrates the practice of Continuous Improvement at all levels including Daily KAIZEN™, Breakthrough KAIZEN™ and Leaders KAIZEN™. The category recognizes organizations from all fields and sectors.

The Global KAIZEN™ Award committee, consisting of participating Kaizen Institute Business Unit executives and Kaizen Institute Global Operations directors, will evaluate and assess the data of nominees for the Global KAIZEN™ Award 2018.

- **Objective**
  - Recognize organizations taking the lead in implementing KAIZEN™;
  - Drive Continuous Improvement efforts; and,
  - Inspire change among industry leaders.

- **Evaluation and Timeline**
  - **by 26.07.2019** Submission of nominee data by Kaizen Institute Business Units
  - **by 6.9.2019** Preliminary analysis by Kaizen Institute
  - **by 25.10.2019** Evaluation of client1
  - **by 31.10.2019** Global KAIZEN™ Award decision
  - **on 14.11.2019** Global KAIZEN™ Award Ceremony2

1 If necessary an additional on-site appraisal will be conducted by a Kaizen Institute representative.

2 The decision of the evaluation committee is final and cannot be appealed.
The recipient of the Global KAIZEN™ Award 2018 will be awarded with two vouchers to participate in any KAIZEN™ learning program, KAIZEN™ Insight Tour or KAIZEN™ Benchmark Tour.

To find out more about KAIZEN™ Awards visit www.kaizen.com/awards or contact your local business partner.

“Our success has been to extend the culture of Continuous Improvement to the entire organization, integrating it into the DNA of all employees of the Zoetis plant.”

Rosa Font
Operational Excellence Leader, Zoetis

2 Offer does not include additional expenses incurred, including, but not limited to, air fare, travel costs and accommodation. Offer has no cash value. Kaizen Institute reserves the right to end or modify this offer at any time. Certain restrictions apply.
Ceremony Program

Global KAIZEN™ Award
Thursday, November 14th, 2019
16:30 – 20:30

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<tr>
<th>Topic</th>
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<th>Company</th>
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<td>15:30 Registration</td>
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<td>16:30 Opening</td>
<td>Risa Cox</td>
<td>Kaizen Institute</td>
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<td>16:40 Recognition of local award winners</td>
<td>Bruno Fabiano, Carlo Ratto</td>
<td>Kaizen Institute</td>
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<td>16:55 Global KAIZEN™ Award - Overview of Nominees</td>
<td>Antonio Costa</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Francesca Quarta, Angelo Gadaleta</td>
<td>Ducati Motor Holding (Italy)</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Wojciech Smardz</td>
<td>PKP Energetyka S.A. (Poland)</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Gilberto Heinzelmann</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Michael Keßler</td>
<td>LEONI Kerpen GmbH (Germany)</td>
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<td>18:10 Break</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Giovanni Inturrisi, Rosa Font</td>
<td>Zoetis Manufacturing Spain Research SL (Spain)</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Luis Miguel Fernandes</td>
<td>Galp Energia (Portugal)</td>
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<td>18:40 Company &amp; Project Presentation</td>
<td>Yme Pasma</td>
<td>Royal FloraHolland (The Netherlands)</td>
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<td>19:30 Wisdom of 1’000 KAIZEN™ events</td>
<td>Charlie Sharman</td>
<td>Advisor to Kaizen Global Group of Companies. Non Executive Director at Colep</td>
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20:00 Winner announcement: 3rd place, 2nd place and 1st place

20:20 Closing

20:30 Get-together
Presentation of the Company
Ducati was founded in 1926 with its historical headquarters in Borgo Panigale. Since 1946 Ducati stands out for its production of motorcycles characterized by three main values: (i) high-performance motors with Desmodromik; (ii) innovative design; and (iii) avant-garde technology. During 2012 Ducati joined the Volkswagen-Audi group and has a presence in a global market with over 750 dealers in 90 countries. Ducati has been growing steadily over the last eight years in terms of both sales and turnover.

Project Title
KAIZEN™ Ducati: GMK project for the engine flow (from the production of the shafts to the cold break-in of the engine).

Project Framework
Operations with production focus: machining, engine assembly and vehicle assembly.

Project Team
Double team on production areas (mechanical processing and assemblies). Lean Manager: Quarta, Gadaleta Production: Head of flow, Quality area operators, Quality, Maintenance, Logistics, Management Control, RSU, and RLS.
PKP Energetyka S.A.,
Poland

Sector: Electric Power Services
Products or Services: power services, sale of fuels, trade in electricity

www.pkpenergetyka.pl

Presentation of the Company
PKP Energetyka is a capital group owned by the CVC Capital Partners investment fund. PKP Energetyka operates in the rail, electricity, fuel, and electricity trading sectors, and manages large energy-infrastructure assets. Operations are mainly in Poland, carried out in over 100 locations. However, activities have been spreading abroad. There is a strong focus on innovation by being an active participant under the National Railway Program.

Project Title
Step by Step Program

Project Framework
The program has been implemented since 2017.
Scope:

a. Daily KAIZEN™ 1 - Team Organization, including Daily Operational Meetings at Team Boards where the Work Plan, KPIs, and PDCA are posted. The target is to apply Daily KAIZEN™ at 100 locations in Poland.

b. Daily KAIZEN™ 2 - Workplace Organization, using 5S. Implemented in 5 types of workplaces: on network trains, halls of these trains, workshops, assemblers’ bags, and energy emergency cars. The target is to reorganize about 200 areas.

c. Suggestion System - tools for structured problem solving and work standardization methodologies along with the TWI method.

d. Last Planner System - a Lean Management system for construction projects.

e. Maintenance - a team and tools for maintaining implemented practices.

Project Team
Program Head - Wojciech Smardz
Member of the Program Team - Mariusz Gołębiowski.

80 employees are performing the roles of: Support Leader, Member of the Standardization Team, TWI internal trainer, Last Planner internal trainer, Ambassadors.
Presentation of the Company
Headquartered in Brusque, Santa Catarina, ZEN SA., has been operating in the automotive sector since 1960 and is currently a major manufacturer of spare parts for the global market. The company is the independent world leader in starter drivers and a major manufacturer of alternator pulleys, tensioners, as well as other products for the electric sector. ZEN S.A. also provides a wide range of cold and warm forged components for original customers such as ABS rings and dog rings. With more than 1,000 employees it is also one of the largest national references in the application of the Lean philosophy and maintains a rigorous quality process certified by ISO 9001, IATF 16949 and ISO 14001. With a market-oriented vision, ZEN S.A. allocates about 5% of its annual revenue to Research and Development. It holds several patents and is considered by the Santa Catarina state government, through the Stemmer Innovation Award, as one of the most innovative companies in Brazil. ZEN S.A. has achieved steady growth, being present in more than 60 countries, on all continents.

Project Title
Zen Manufacturing System Certification (SMZ) - Phase 3

Project Framework
The present “Zen Manufacturing System Standardization” project is the third phase of a cultural change in the company’s Continuous Improvement system. The first phase was the extensive use of training focused on the application of improvements with short and medium-term gains and took place between 2013 and 2015. The second phase was the transformation of the company with the goal of achieving Operational Excellence. Breaking departmental barriers to achieve cross-sectoral alignment was necessary to deliver fast, results-driven customer satisfaction. The implementation of, and orientation towards, productive flow in the company has been the main objective between 2016 and 2017.

Project Team
COO, Production Managers and Supervisors. Pillar Owners: Daniel L., Silvio B., Luiz E., Joziel C., Kenia M. and Amanda F.
LEONI Kerpen GmbH, Germany

Sector: Automotive Supplier
Products or Services: Cables and Cabling systems.

www.leoni-kerpen.com

Presentation of the Company
LEONI is a global provider of products, solutions and services for energy and data management in the automotive sector and other industries. The group of companies, listed on the German MDAX index, has more than 95,000 employees in 32 countries and generated consolidated sales of EUR 5.1 billion in 2018.

As a highly competent developer and manufacturer of cables and cabling systems, they supply highly sophisticated solutions for information technology in international markets. LAN office, LAN industry, LAN home, city networks and access are starting to merge – with ethernet and internet protocol (IP) as a common feature. The result is a change in the paradigms of communication. In this new technical environment LEONI Kerpen GmbH offers sustainable solutions for passive IT products, both in copper and fiber technology. With their MegaLine® copper-based data cable they supply high-performance cabling solutions for office projects. For the purpose of broadband data transmission and longer transmission distances in a LAN or city network environment, their GigaLine® optical fiber cables with enhanced Gigabit Ethernet quality are first choice.

For industrial applications and international plant construction projects LEONI Kerpen GmbH offers high-performance cables for measurement and control technology, in particular with its ICON product range. They design and manufacture these products according to the customer’s individual needs in order to ensure they comply with the specific national, international and plant or company-specific standards.

The development and production of special compounds for the cabling, synthetic-processing and automotive industry round off their broad product range.

Project Title
Problem solving with PDCA

Project Framework
The Stolberg site has been using the Problem Solving PDCA method since July 2016. After a comprehensive KAIZEN™ methodology training by Kaizen Institute, mobile panels were set up at the machines/ plants. Interdisciplinary teams work on forms built up through Lean Management. Pareto analyzes of KPIs assisted teams with clear problem statements during weekly meetings to develop and update standards.

Project Team
Michael Keßler (Managing Director); Prof. Dr. Wilhelm Reiners (Plant Manager); Georg Reinartz (Head of Production); Dr. Guy Schröder (Head of IMS); Axel Schmidt (Head of Logistics); Bernd Prehler (Team Leader Maintenance, Electronics); Mathias Göbel (Head of Lean Management).
Zoetis Manufacturing
Spain Research SL, Spain
Sector: Pharmaceuticals
Products or Services: Medicines, vaccines and diagnostic products.
www.zoetis.com

Presentation of the Company
Zoetis was founded under the name of Laboratorios Sobrino S.A. in 1955. The company was dedicated to producing, importing, exporting and distributing biological and pharmaceutical products for veterinary use. In 1986 the company moved to American Cynamid Company. In 2002 it was renamed Wyeth where the veterinary division was called Fort Dodge Animal Health. In 2009 Pfizer acquired the company. In 2012 the animal part separated from Pfizer by calling itself Zoetis.

There are 5 main categories of products, divided into:
- Injectable pharma
- Biological vaccines
- Oral gels
- Microspheres
- Oral and topical

These products consist of 892 formats for eight animal species in 92 different formulations, produced in 23 buildings with a total area of 75,840 m².

Project Title
Lean Improvement Project: 5S, Visual Management and Tier

5S: various projects have been carried out in different areas with a focus on four projects: pharmacological quality control warehouse, computer store, biological quality control area, and reagents zone.

Visual Controls: all the departments of the plant have integrated a visual system where the strategic goals of the plant are represented: safety, quality, customer satisfaction and cost. The visual management includes follow-up actions, projects, deviation status, training, accidents, etc.

4 Tiers: all departments have their communication flow called Tiers. These are found in all areas of the plant and go from level 1 (operators) to level 4 (directors). The meetings are to anticipate possible problems and seek improvement opportunities.

Project Team
The project team is called ‘Lean Team’ and is made up of a total of 11 people from different departments. They are volunteers and eager to learn and meet on a weekly basis to organize, prepare and execute Lean programs.
Presentation of the Company
Galp positions itself as an integrated energy company that develops profitable and sustainable businesses with the aim of creating value for its shareholders and stakeholders.

Today, Galp is the sole integrated group of oil products and natural gas in Portugal, with activities that extend from exploration and production of oil and natural gas, to the refining and distribution of oil products and also distribution and sale of natural gas and electric energy generation.

Project Title
Operational Excellence Program of Iberian Retail

Project Framework
The project started in 2016 having its roadmap divided into five six-monthly cycles. In 2017 the second and third cycles took place and in 2018 the fourth and fifth cycles were conducted. The change management model used to implement the Continuous Improvement culture is supported by four pillars:

i. Daily KAIZEN™ – to change behaviors and culture involving 290 teams at the stations and 45 teams from the Central Structures;

ii. Leaders KAIZEN™ – to obtain the commitment of Management involving the Top Management from DGCOIL, GEE, Marketing Dir. and Business Development;

iii. Support KAIZEN™ – to get specialized guidance by assigning a full-time project manager to the program and performing activities that include mentoring, benefits tracking, knowledge and information management, governance and support;

iv. Breakthrough KAIZEN™ – to achieve breakthrough results with four simultaneous projects and with multi-disciplinary Iberian work teams: (a) customer centrality; (b) stock management; (c) equipment availability; and (d) customer service maximization.

At the same time, an additional project line is developed (“Agile Organization”) for the optimization and re-design of the Central Structures.

Project Team
Steering Committee: Tiago Câmara Pestana, Francisco Viana, Duarte Porém, João Diogo, Paulo Pisano, David Álvaro, João Torneiro
Support Team and Project Management: Luís Fernandes and Ana Viana.
Project Framework
Logistical performance in the first half of 2017 was well below customer expectations hence the establishment of a burning platform for the COO (Yme Pasma) during spring 2018 to initiate an integrated improvement program aiming to prevent under performance. The program, Improving Daily Delivery (Verbeteren Dagelijkse Dienstverlening, VDD), entailed:
• improving, standardizing and maintaining the daily logistical handling of carts at the three locations Rijnsburg, Naaldwijk and Aalsmeer, aiming at substantially improving throughput time and lead-time for buyers of flowers and plants;
• creating and implementing a set of measures to ensure sufficient availability of carts within the peak period throughout the horticulture sector, especially focusing on a flawless distribution process;
• developing and implementing benchmarks to ensure the right number of temporary employees are available on a daily basis for the logistical processes and measures aiming to keep these employees on board.

Project Title
“Verbeteren Dagelijkse Dienstverlening (VDD)” – Improve Daily Service

Project Team
The program was managed by the COO in person. Each project was headed by a responsible manager from the logistical organization. Each responsible manager was supported by a lead consultant from T&CI. Mixed project teams of both consultants and line managers.
Over 34 years ago, Masaaki Imai sat down to pen the groundbreaking book ‘KAIZEN™: The Key to Japan’s Competitive Success’ (McGraw Hill). Through this book, the term KAIZEN™ was introduced to the Western world. Today KAIZEN™ is recognized worldwide as an important pillar of an organization’s long-term competitive strategy. Since introducing this term as a systematic approach for business improvement, companies that implement KAIZEN™ have continually yielded superior results.

“KAIZEN™ means improvement. Moreover, it means continuing improvement in personal life, home life, social life, and working life. When applied to the workplace KAIZEN™ means continuing improvement involving everyone – managers and workers alike.”

Masaaki Imai, Founder of Kaizen Institute
The Core of KAIZEN™

Know your Customer
Creating customer value

Let It Flow
Targeting zero waste

Go to Gemba
Following the action

Empower People
Organizing your teams

Be Transparent
Speaking with real data

Pure Improvement
Everyone, Everywhere, Every Day

Practice, Learn and Improve

The 5 KAIZEN™ Principles are embedded in every KAIZEN™ tool and in every KAIZEN™ behavior.

Visit our website to learn more about Kaizen Institute! kaizen.com