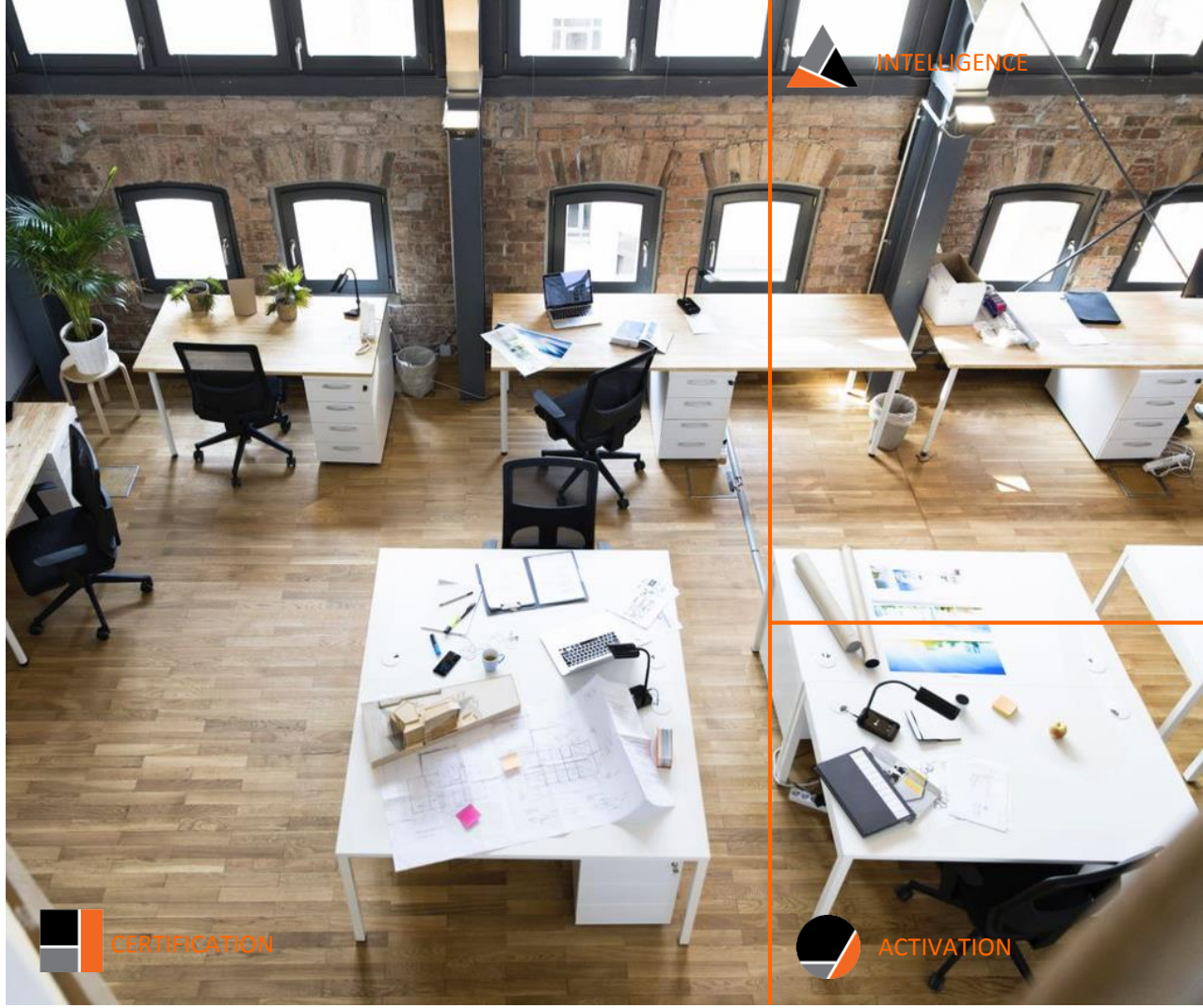
SHARED SERVICES
HOW CBE HAS BENEFITTED

Jeff McDonald
EVP Certification and Business Enhancement

Investor Days 2018, Bordeaux



WHEN YOU NEED TO BE SURE

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CBE BUSINESS STRUCTURE

- Similar structure in 85 countries
- Back Office responsible for:

Audit Report Processing:
180 000 transactions in 2017

Certificates:
89 000 transactions in 2017

Invoicing:
195 000 transactions in 2017



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CBE BUSINESS STRUCTURE

CHALLENGES

- Front & Back Office activities are mixed
- Variances in IT system usage
- Difficult to maintain competence in complex but low volume services

Back Office activities are fairly similar regardless of the country

Require no customer contact and are based on a common IT platform

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GBS SCOPE OF CBE ACTIVITIES



AFFILIATE FUNCTION

PARTIAL GBS FUNCTION

GBS FUNCTION

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GLOBAL BUSINESS SERVICES (SHARED SERVICES)



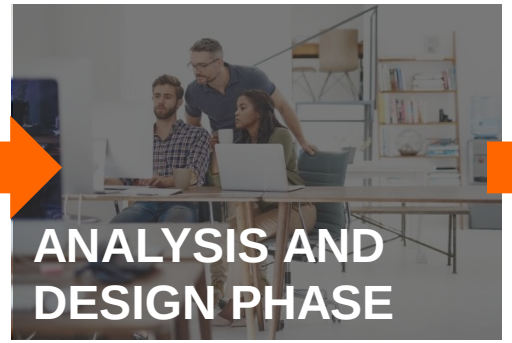
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CBE GBS IMPLEMENTATION



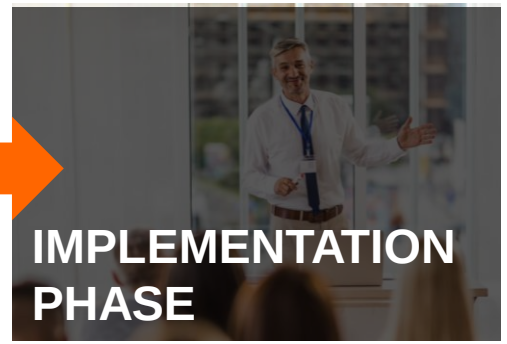
ASSESSMENT PHASE

- Selection of countries, activities and preliminary study of costs



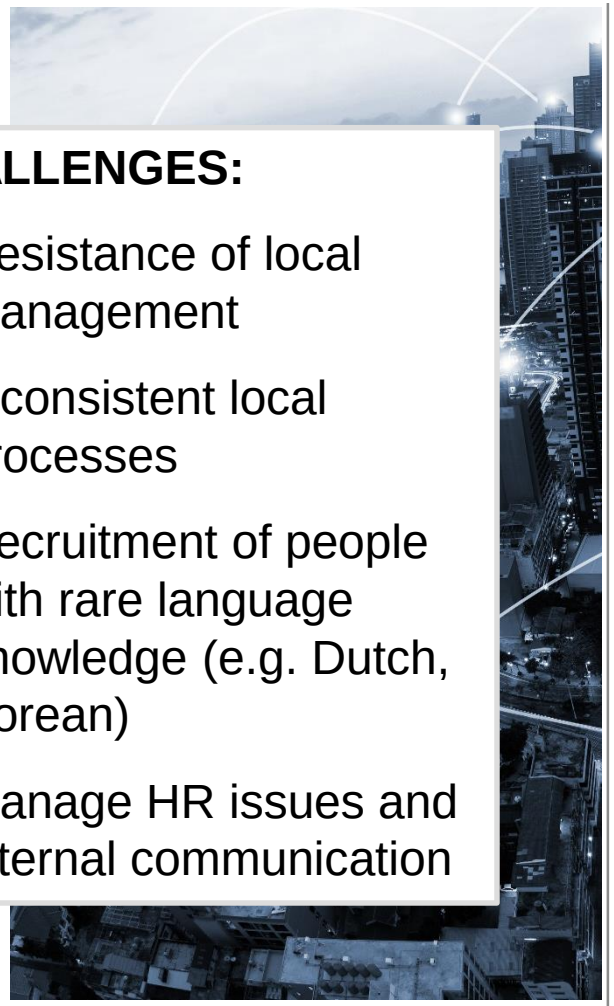
ANALYSIS AND DESIGN PHASE

- Selection of Project Manager and Process Owner
- Analysis and improvement of current processes
- Design of future processes
- Analysis of HR impacts
- Preparation of Business Case



IMPLEMENTATION PHASE

- Set up of office and purchase of equipment
- Preparation of Work Instructions
- Preparation of Training Plan
- Recruitment of new staff in GBS
- Training and validation of new staff
- Service Level Agreement

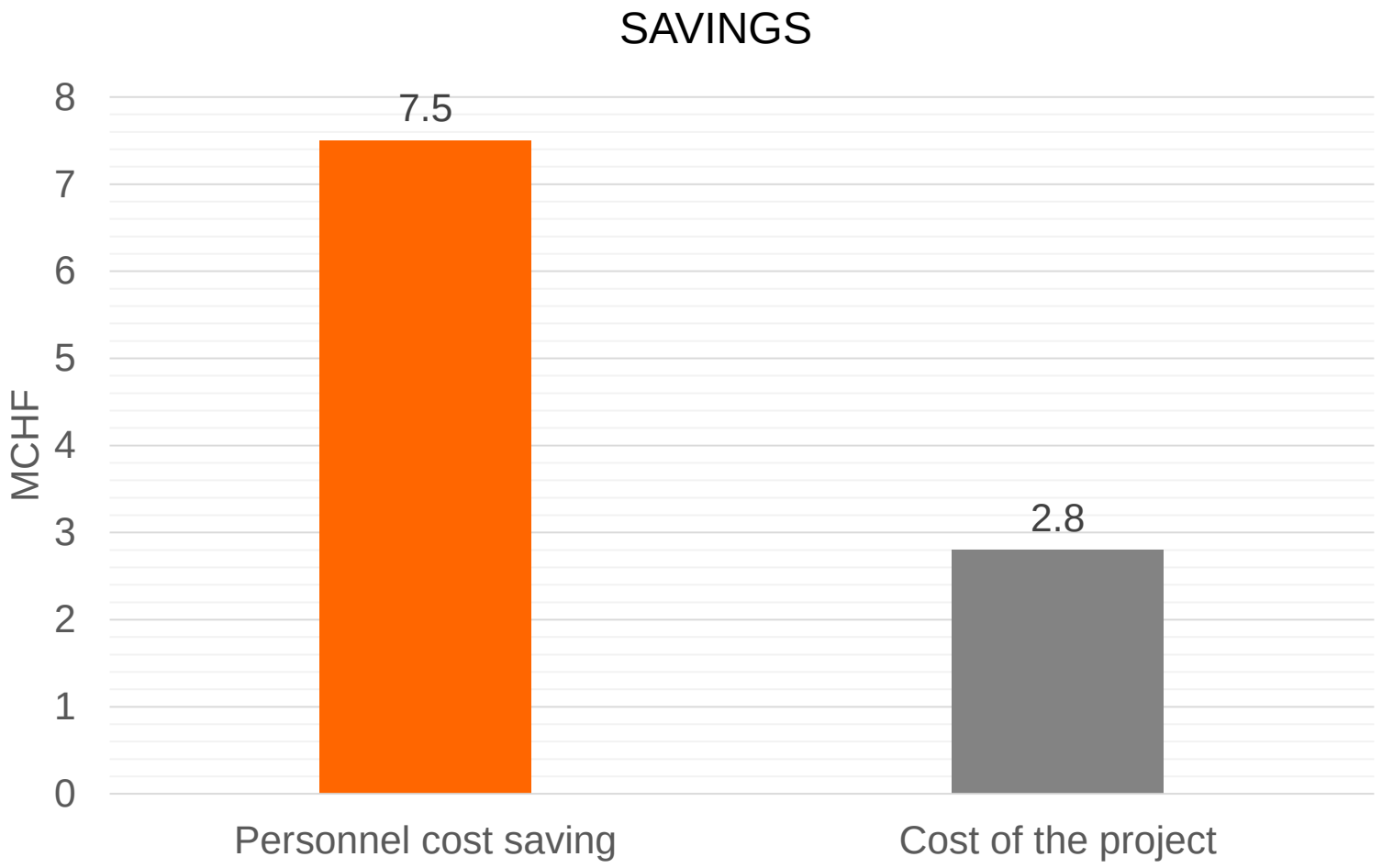


CHALLENGES:

- Resistance of local management
- Inconsistent local processes
- Recruitment of people with rare language knowledge (e.g. Dutch, Korean)
- Manage HR issues and internal communication

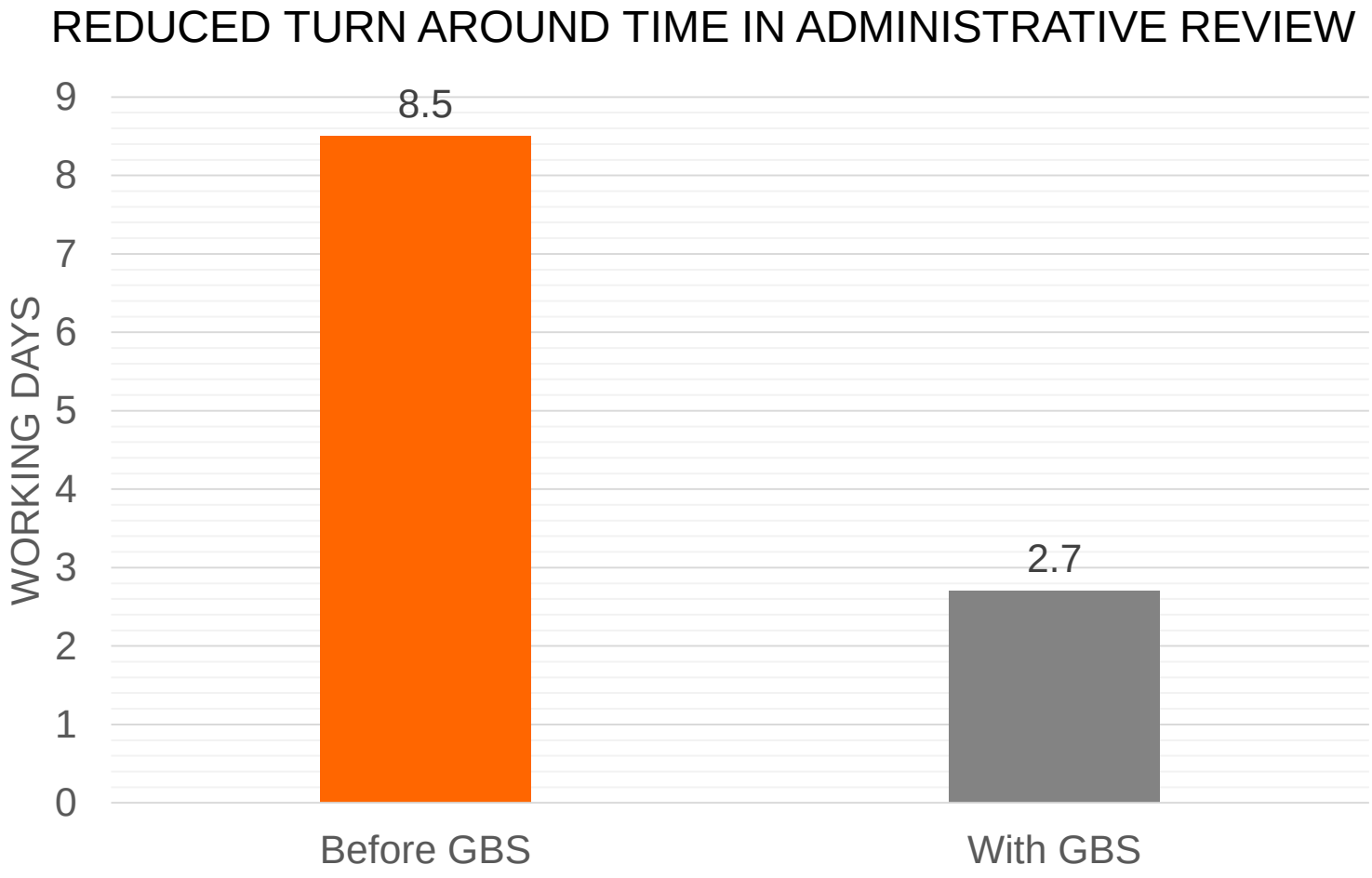
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BENEFITS



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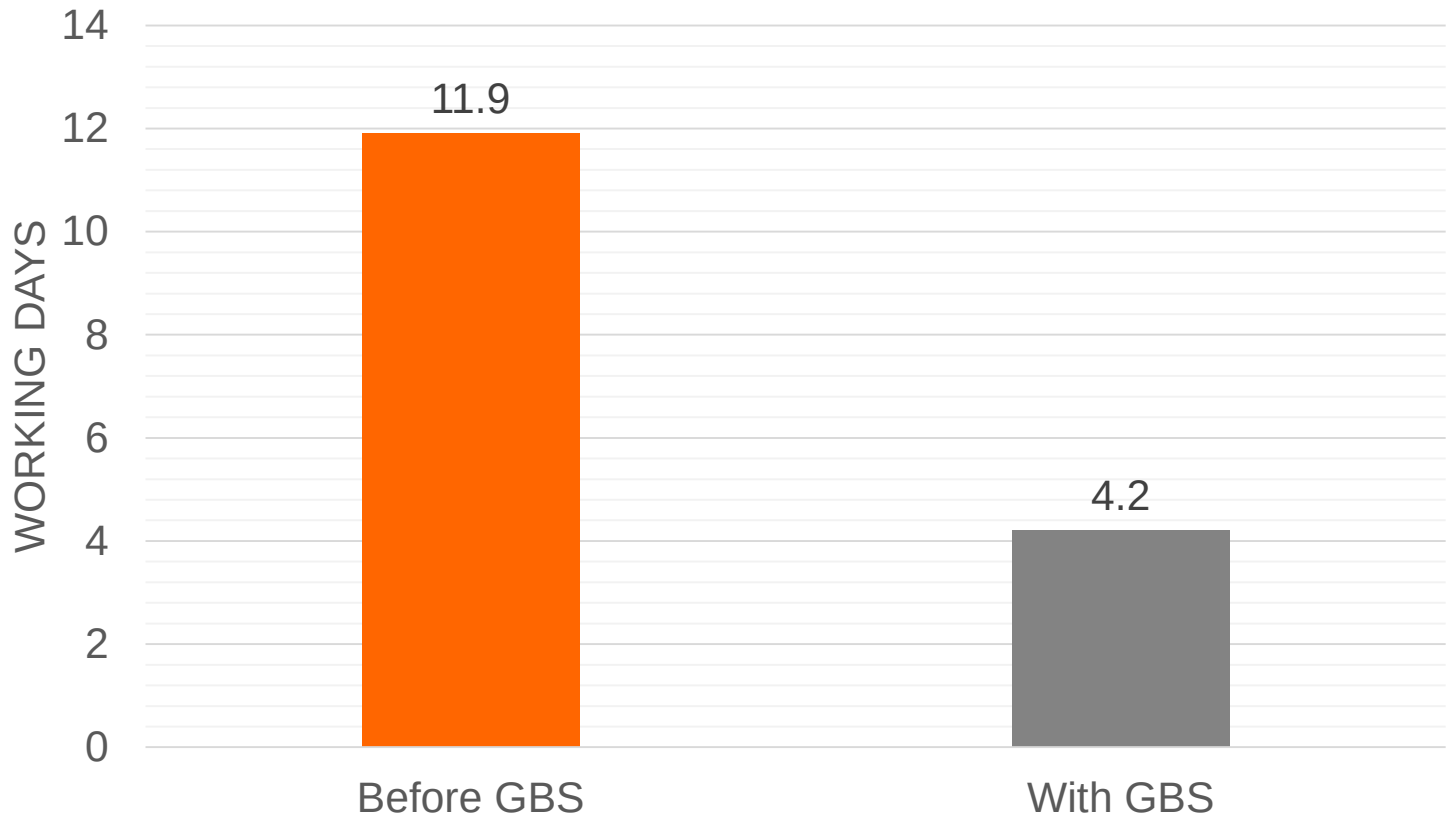
BENEFITS



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BENEFITS

REDUCED TURN AROUND TIME IN CERTIFICATE ISSUANCE



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BENEFITS



- Due to the transition to a new version of the standard some backlog have been developed for one of the products
- With a very short notice (3 days) the GBS was able to mobilize staff for overtime working 108 hours on a weekend thus significantly reducing the backlog
- Before GBS this work should have been done in 17 different offices

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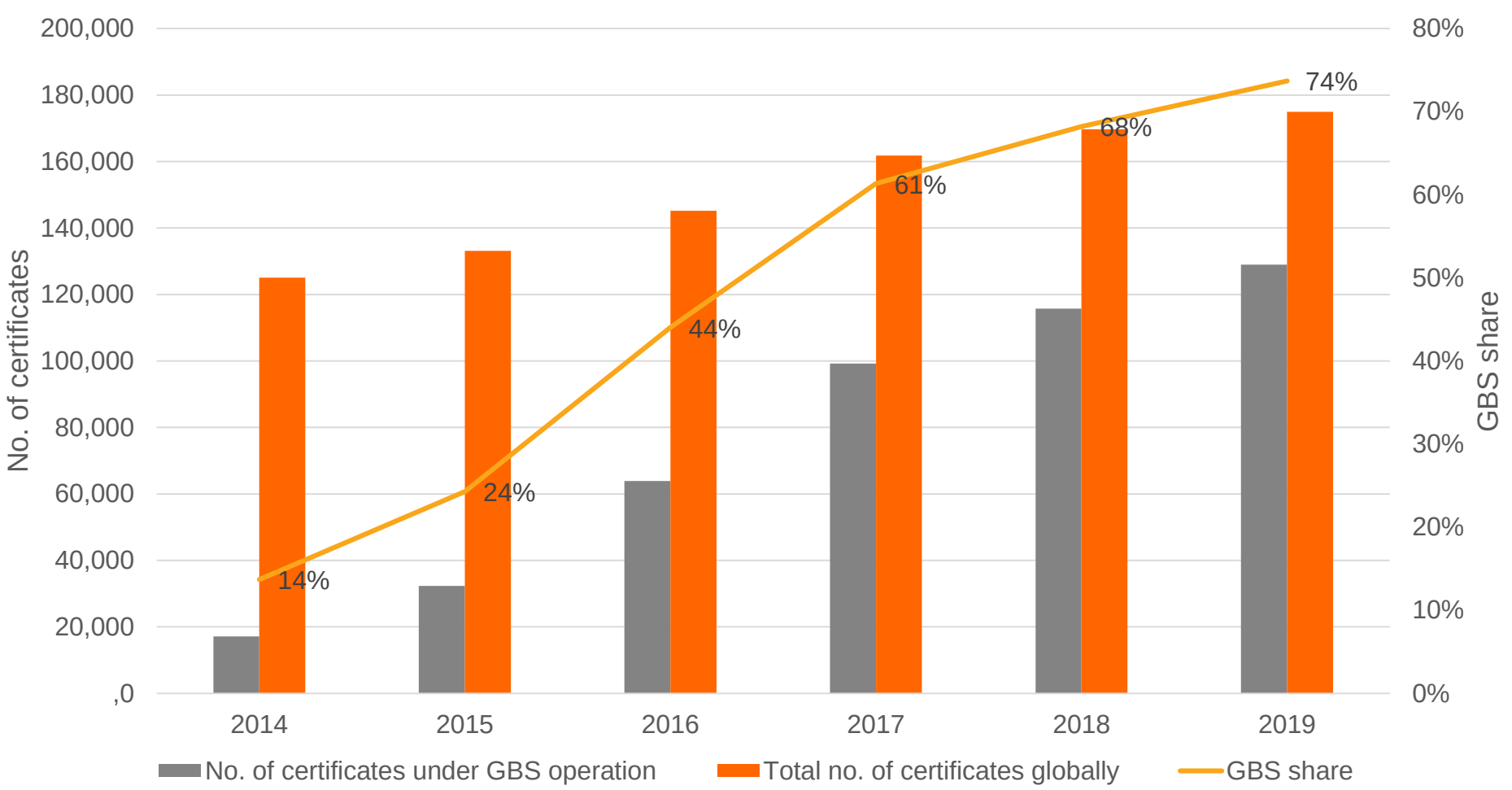
BENEFITS



- **Harmonised processes** across the Globe
- Better compliance with procedures
- Easier to train people
- Increased consistency and discipline in data entry
- Global centralisation of special product functions
  - Food
  - Medical Device
  - Automotive

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THE EVOLUTION OF GBS



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FUTURE



- New GBS in 2019 for Latin America in Colombia with an estimated saving of **0,9 MCHF** per year
- Technical File reviews and certification decision for all major certification standards (ISO 9001/14001/45001) for English and all major languages
- Administration for training, performance assessment and all other areas
- All other common repetitive processes in the GBS, i.e. some parts of sales and proposal processes

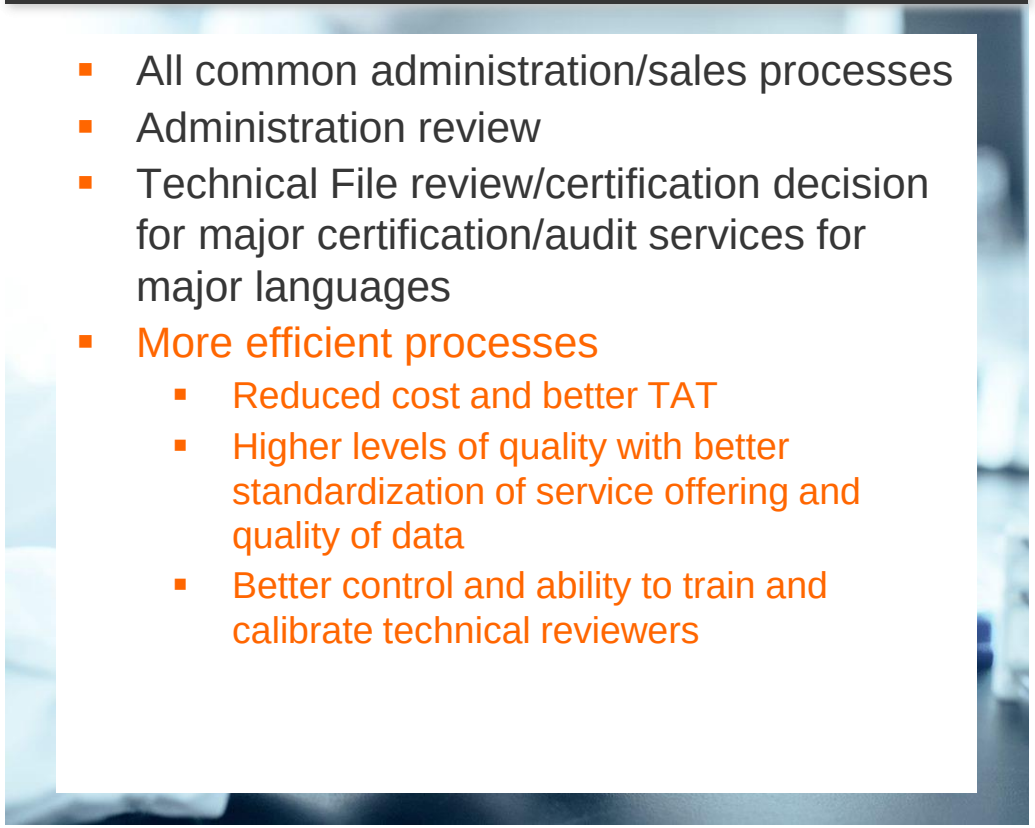


AFFILIATE FUNCTION PARTIAL GBS FUNCTION GBS FUNCTION

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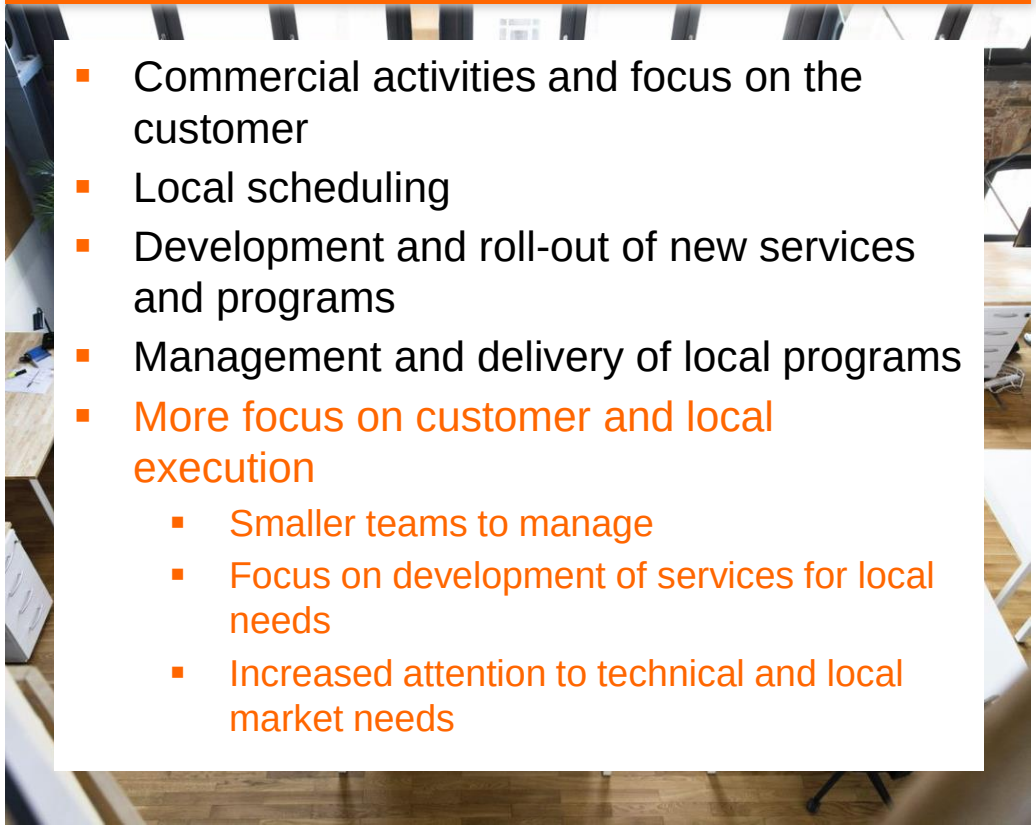
GBS FUTURE STRUCTURE AND BENEFITS

IN GBS



- All common administration/sales processes
- Administration review
- Technical File review/certification decision for major certification/audit services for major languages
- More efficient processes
  - Reduced cost and better TAT
  - Higher levels of quality with better standardization of service offering and quality of data
  - Better control and ability to train and calibrate technical reviewers

LOCAL IN COUNTRY



- Commercial activities and focus on the customer
- Local scheduling
- Development and roll-out of new services and programs
- Management and delivery of local programs
- More focus on customer and local execution
  - Smaller teams to manage
  - Focus on development of services for local needs
  - Increased attention to technical and local market needs

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WHEN YOU NEED TO BE SURE

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