

PRYSMIAN GROUP

Prysmian PowerLink & Project Excellence

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EXTENDED
WORLDWIDE
SUPPORTING GLOBAL UTILITIES IN THE DEVELOPMENT
POWER PLATFORM TO ENHANCE
PRODUCT OFFERING
ENERGY

Prysmian
Group



LINKING THE FUTURE

"We help our customers make tomorrow's world a better place by providing them with highly innovative solutions that enable them to meet their future challenges.

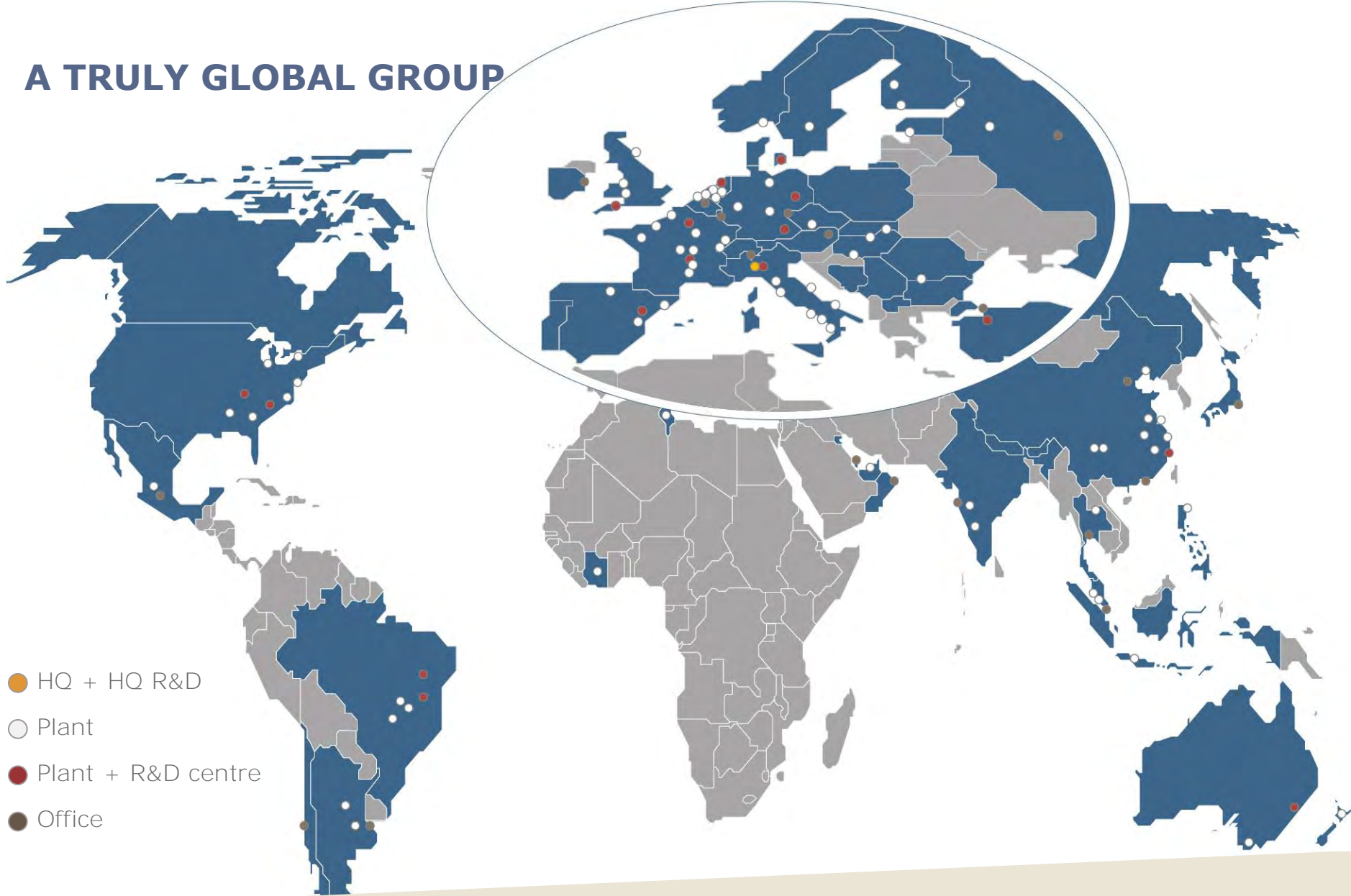
We create those vital connections that ensure energy and information is carried effectively, efficiently, everywhere."



Valerio Battista
CEO Prysmian Group



A TRULY GLOBAL GROUP



 **130** years
of history

 **50**
countries

 **91**
plants

 **17** R&D
centres

 **19,000**
employees

 **7.4** billion
sales in 2015

MAJOR PROJECTS

TACKLING THE HARSHTEST ENVIRONMENTS



The Group has taken part in **several O&G projects** designing and supplying high-tech flexible tubes and pipes for offshore oil extraction, reaching 5,000 m below the sea

POWERING ELEVATORS



Our cables power elevators in some of **the world's tallest and most prestigious buildings**, such as the **World Trade Centre** currently being completed in New York City

TRAINS, SHIPS, SUBWAYS AND PLANES



Prysmian has cabled **some of the world's largest aircraft and ships**, such as the **Airbus 380** and Royal Caribbean's **GENESIS fleet**, as well as the **fastest trains** and most innovative subways

CONNECTING CONTINENTS



Prysmian Group is working with the Australian government to create a Fibre-to-the-Premises network, **bringing broadband to 93% of Australia**

MAJOR PROJECTS

STATE-OF-THE-ART SUBMARINE POWER LINKS



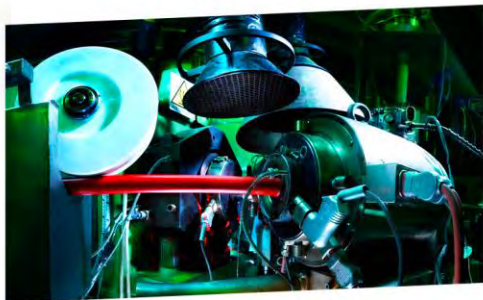
Submarine power links for utilities and grids, such as the **Western HVDC Link** from Scotland to England, which will operate at the record voltage level of 600 kV

LEADER IN OFFSHORE WIND FARMS



World leader in offshore wind farm connections, including the landmark **Germany's DolWin3** project in the North Sea, with a record rating of 900 MW

UNDERGROUND CABLES



P-Laser cable, the first-ever **eco-sustainable High Voltage cable** for electrical grids, successfully tested and installed in Italy

CABLES FOR ARCHITECTURAL LANDMARKS



Group's fire-resistant cables lie at the core of spectacular constructions like the **Burj Khalifa** in Dubai, the **world's tallest** building

Linking the future

**Marine
Coordination**

**TransNational
Interests**

**Environment
Authorities**

TSOs

**Cable
Technology**

Cable solutions to support the development
of the world's infrastructure



People and Expertise

Investing in our people, dedicated PM training path driving execution



Project Excellence

Focused on safety and quality for customers; project execution and ↑ returns



Products & Services

Growing in our processes and planning, fluent in execution



People and Expertise

Investing in our people, dedicated PM training path driving execution

COMPLESSITA' :

- Approccio disomogeneo al Project Management
- No PowerLink Identity
- Organizzazione funzionale

OPPORTUNITA' :

- Da OEM ad EPC
- Formazione
- Cambio organizzativo
- Definizione identità PowerLink
- Benchmark, innovazione, condivisione



Project Excellence

Focused on safety and quality for customers; project execution and ↑ returns

COMPLESSITA :

- Crescita volume e complessità progetti e portafoglio
- Efficienza utilizzo assets strategici

OPPORTUNITA :

- Governance di Portfolio
- Informazione
- Nuovi Execution Models



Products & Services

Growing in our processes and planning, fluent in execution

COMPLESSITA :

- Tecnologia Prodotto
- Installazione sottomarina
- Crescita Verticale ed Orizzontale
- Mercato: prima, meglio, maggior prevedibilità
- Tecnologia, regolamentazione, installazione sottomarina
- Regolamentazione Safety, Health, Environment

OPPORTUNITA :

- Ridefinire il come ed il quando
- Integrazione
- Organizzazione

Project Excellence

Project Excellence

Project Excellence stated at the beginning of 2015 when PPL decided to invest in an improvement initiative. The following slides present the project initiatives from setting of goals to execution plan.

Project Excellence Goals



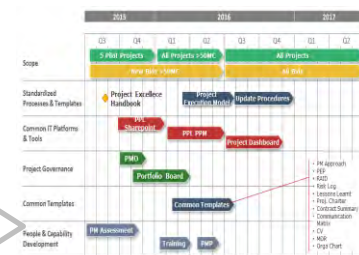
11 Guiding Principles

No	Guiding Principle
1	We lose the market in product and project execution, in a cost effective way
2	We pursue optimization of FP, contribution margin and cash flow by optimizing at project level as a function of customer segments, product, contribution margin and cash flow instead of FP level.
3	We assign sufficient and qualified people to bids and projects, ensuring knowledge continuity throughout the project lifecycle
4	We ensure relevant information is accurate and available to support decision making
5	We use a common, shared IT platform
6	We apply standardized project execution processes
7	We prevent risks from happening by thorough and informed planning
8	We monitor and control project KPIs (e.g. cost, cash flow and time implications)
9	Decision making across the portfolio of bids and projects is done by portfolio owner
10	Each bid and project has a clearly defined governance structure
11	We use sub-contractors for peaks in demand and general non-core activities

Execution Strategy

 Stakeholder	1. Use Planning	Standardize the use of the PM, support the implementation of basic functions Cascading the PM, using planning and accountability + Quality feedback
	2. Cost Awareness	Provide awareness on cost to the functions, and identify opportunities for savings Costs are becoming an issue for the company and profitability optimization for the division
	3. Portfolio View	Communicate the role of the PM in the company The PM, as the delivery engine for the PM, will be used to deliver PMs for the division and also for the company and the organization as a whole
	4. PM Delivery	Portfolio based and become the management of the division's strategic change projects The PM will be used to plan and be used in planning for high impact tasks
	5. Resource Quality	Standardize the management of the division's change projects The PM will be used to plan and be used in planning for high impact tasks
	6. PM Gate Model	Standardize the management of the division's change projects The PM will be used to plan and be used in planning for high impact tasks
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Execution Plan



Goal of Project Excellence



The goal of Project Excellence is to **further improve PPL's project execution** in order to:

- Meet and exceed customer expectations
- Reduce project risk
- Protect and grow the contribution margin of your projects.

Execution Strategy

The execution strategy is based on the 11 guiding principles defined in the previous slide



- | | |
|----------------------------------|---|
| 1. Single Planning | Standardize the way we plan across all PPL. Support information flow across functions. Define standard WBS, unique planning Tool and support Demand / Capacity Booking |
| 2. Cost Awareness | Increase awareness on Cost for all functions and improve visibility of delta vs. original budget. Standardize reporting on costs cross geography and identify opportunity for cost reduction |
| 3. PPL Way of Deliver Projects | Define how we deliver project and define the PPL Way of Doing and Delivery Projects (processes & procedures). Make client aware of our way of working and involve them in our gate approval |
| 4. Portfolio Board | Portfolio Board shall become the recognized way of resolving conflicts and optimize our portfolio of project. PB shall identify priority and be used as escalation for any high impact issues |
| 5. Document Quality | Standardize the documentation we deliver to client by defining 1 common Look, 1 common coding and facilitate document creation by defining re-usable templates |
| 6. PPL Gate Model | Develop PPL Gate Model for Production and Installation. Involve Client in Gate approval |
| 7. Integration In QMS | PPL Procedures shall be fully integrated in Group Quality Management System. Obtain ISO 21500 |
| 8. Risk Management | Improve risk identification, quantification, management, mitigation and prevention |
| 9. Work Package + Accountability | Clearly identify and split responsibilities for work packages. Accountability shall be clear for each work package |
| 10. 1 Tool for Project Execution | Develop 1 unique tool that centralize the management of the project which shall integrate also project planning, risk & issue, customer satisfaction, lessons learnt, COPQ, etc. |
| 11. Optimize Tender Handover | Improve the way tender data, assumptions and agreement with clients is handed over to the execution team to avoid disruption |

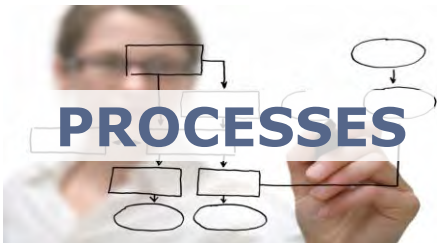
Project Excellence Execution Plan

Project & Contract Management

Project Management PE Journey (1 of 2)



- **PM Assessment** completed in September 2016
- **Training Path** customized for each Project Manager
- **Finance for non finance** held in January 2016
- PM training **started in Mid April 2016**



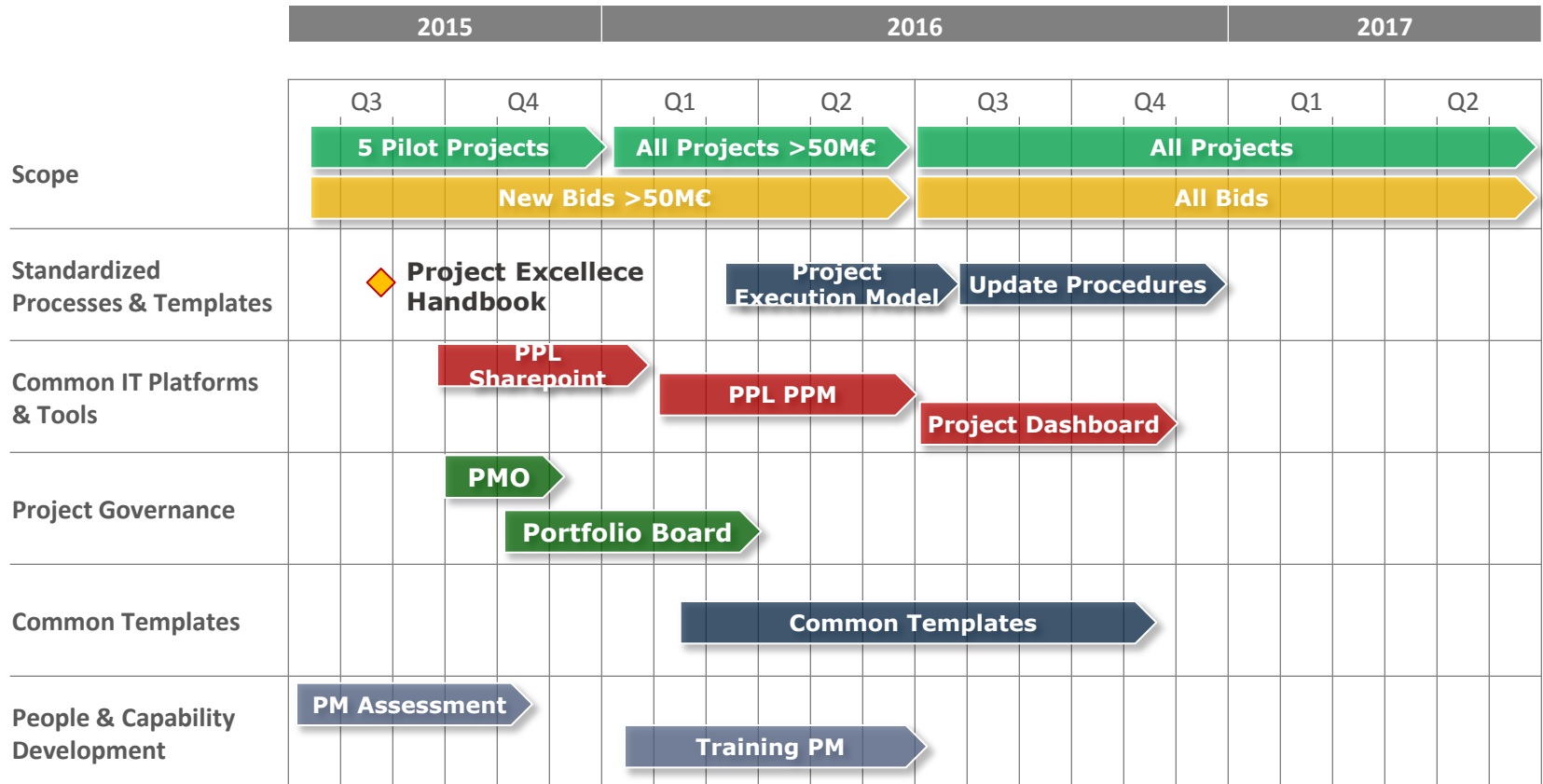
- Various processes **currently being developed**: Interface Management, Change Management, Lessons Learned, Project Planning, Project Cost Controlling, Project Stakeholder Management
- Plan to integrate PM in **HQ Quality Management System**
- Templates being developed for all the new procedures



- **Portfolio Management Office** (PMO) starting from September 2015
- **Project Portfolio Board** in place since October 2015

Project Management PE Journey (2 of 2)

- **Project Excellence** (PE) phase 1 ended on July 2015 set out a **standardize approach to project execution**
- **Starting from September 2015** a detailed **PE implementation plan is ongoing**:



The efficiency objectives set out can be achieved only through an accelerated aggressive transformation process

Cable solutions to support the development
of the world's energy infrastructure

Prysmian
Group

Thank-you

