



ANIMP
October 19, 2017

Global Supply Chain Excellence
through Procurement
Transformation

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Vice President - Group Procurement



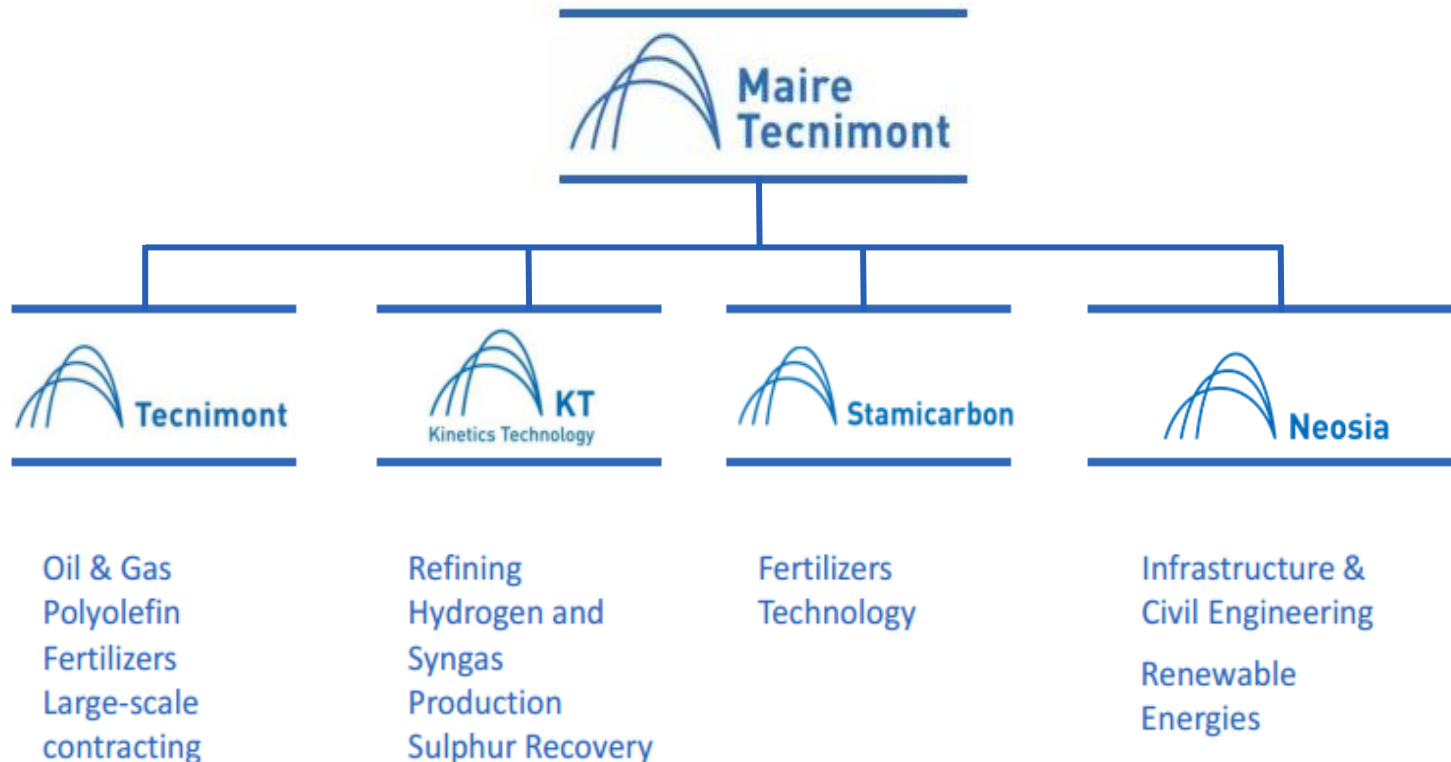
SUMMARY

- **Group Overview**
- Path of Procurement Transformation
- Key Factors for Supply Chain Excellence



GROUP STRUCTURE

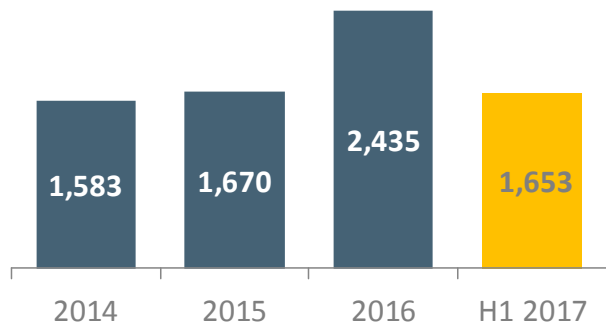
Maire Tecnimont Group is a leading worldwide engineering contractor in the Onshore Downstream and Gas Transformation, offering advanced skills in **Licensing, Engineering Services, EP** (Engineering & Procurement) and **EPC** (Engineering, Procurement & Construction).



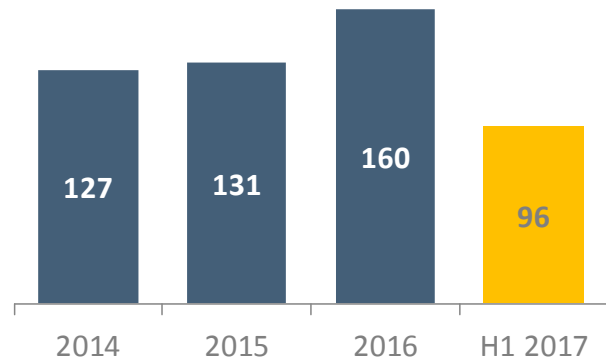


KEY GROUP FINANCIALS

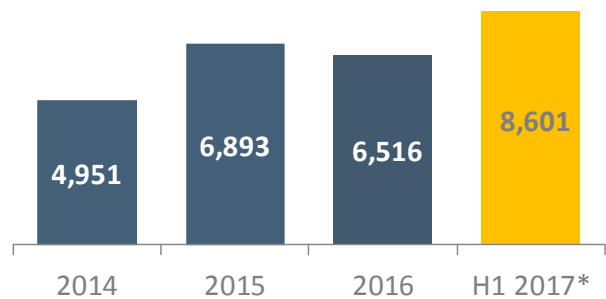
Revenues M€



EBITDA M€



Backlog M€



FOCUS ON GROUP PROCUREMENT

2015 FY

1.93b€

Materials
844 M€

Services
1,083 M€

2016 FY

2.55b€

Materials
1,433 M€

Services
1,121 M€

2017 H1

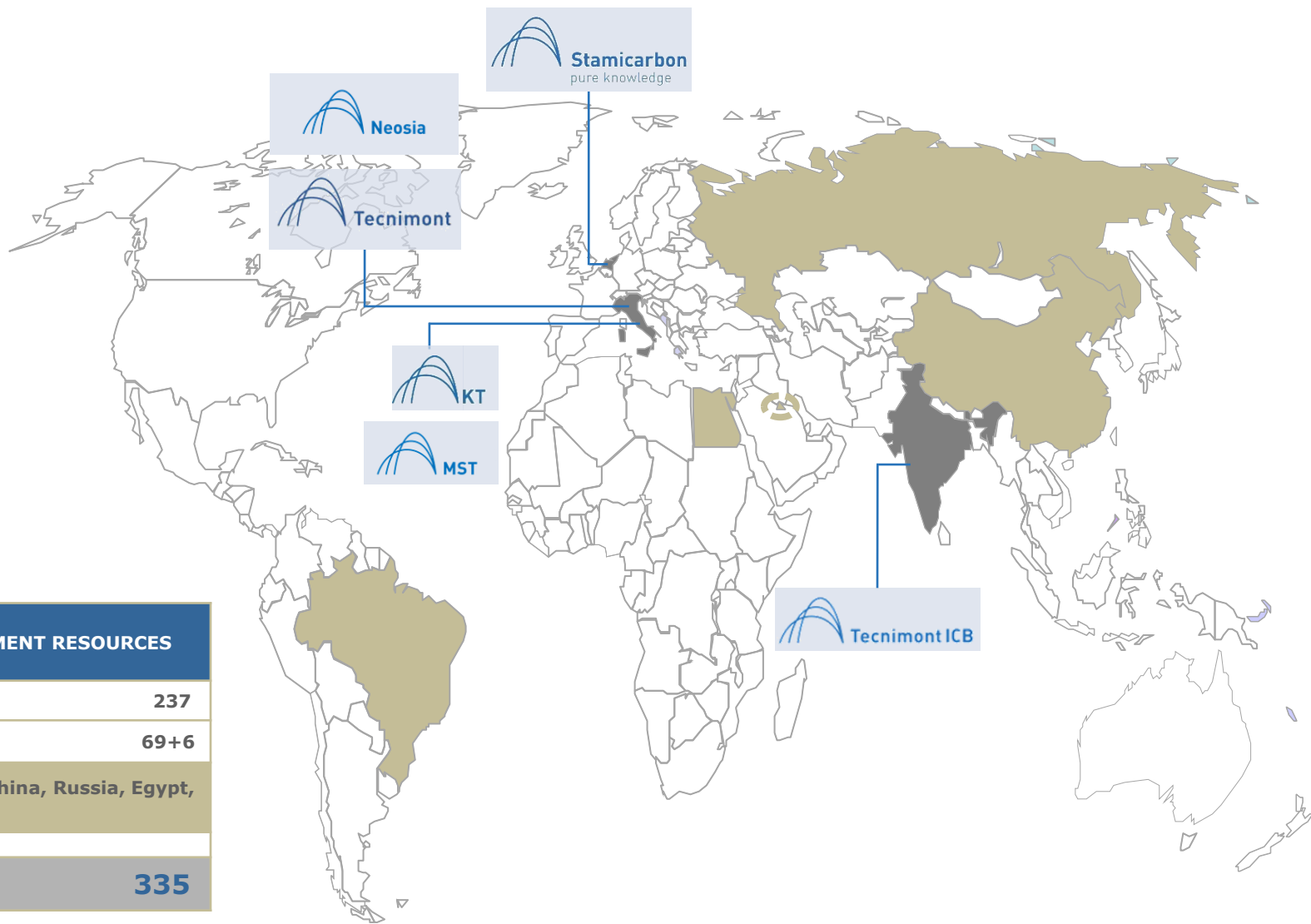
1.20b€

Materials
424 M€

Services
774 M€

*As on June 30, 2017 - Highest Backlog Ever

GROUP PROCUREMENT WORLDWIDE NETWORK



PROCUREMENT RESOURCES	
Italy	237
India + NL	69+6
IPOs: UAE, China, Russia, Egypt,	23
Total	335

Figures as of 30 Jun 2017

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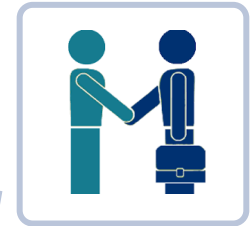
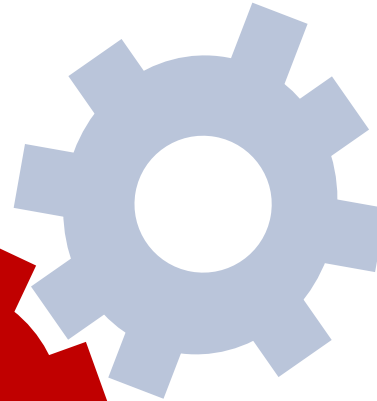
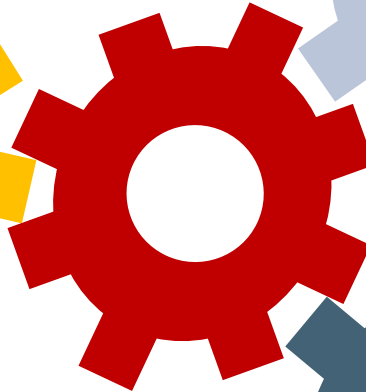
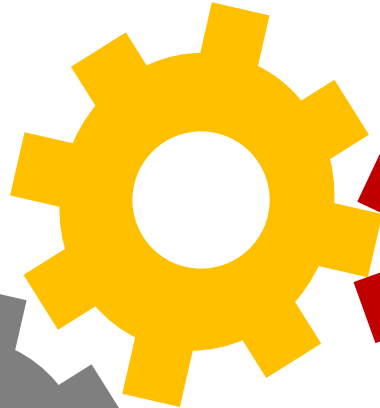


THE TRANSFORMATION PATH

The engine behind a leading Procurement Organization

PROJECT MANAGEMENT SUMMIT – Global Supply Chain Excellence Through Procurement Transformation

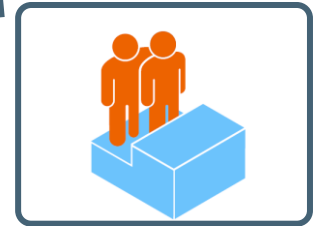
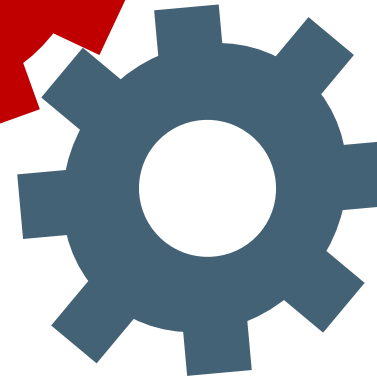
PROCESSES & PROCEDURES



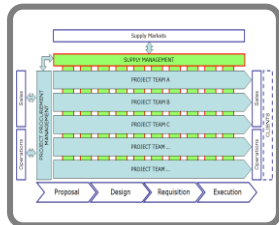
SUPPLIER RELATIONSHIP



TOOLS



PEOPLE DEVELOPMENT



OPERATING MODEL



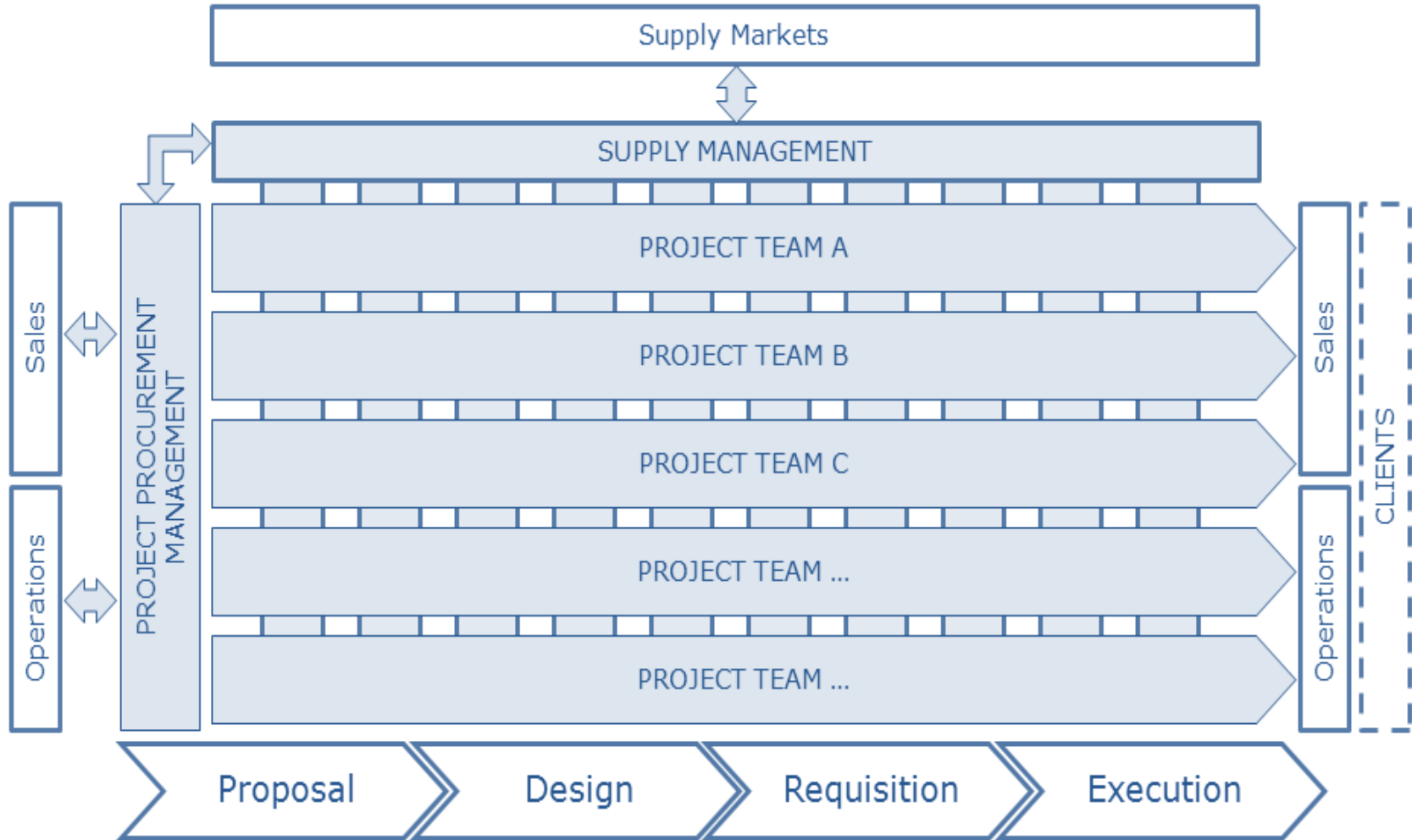
2013

2017



OPERATING MODEL

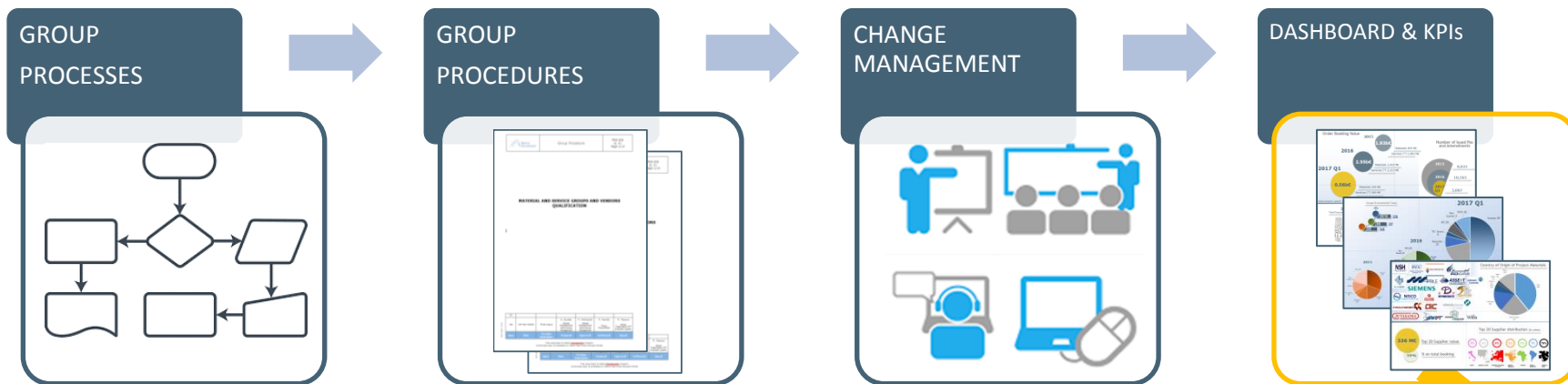
Managing supply market and project procurement in the whole project lifecycle



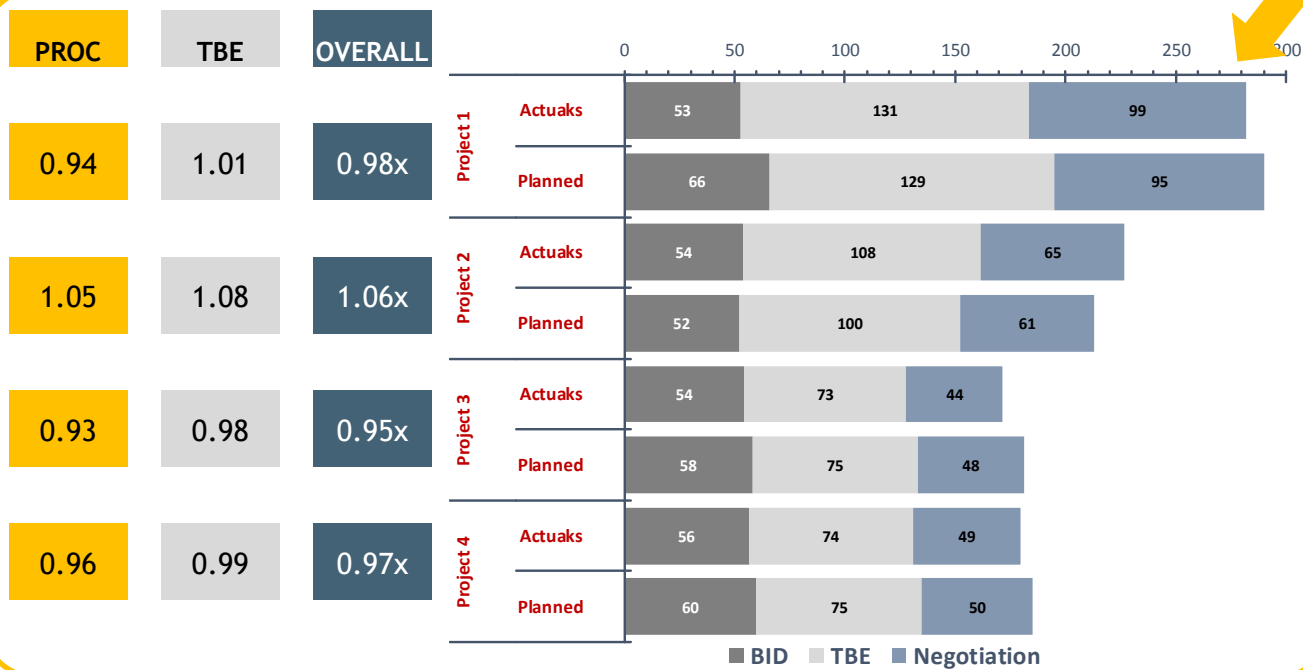


GUIDELINES & ANALYTICS

Detailed design, training and measuring are key to a successful deployment of the model



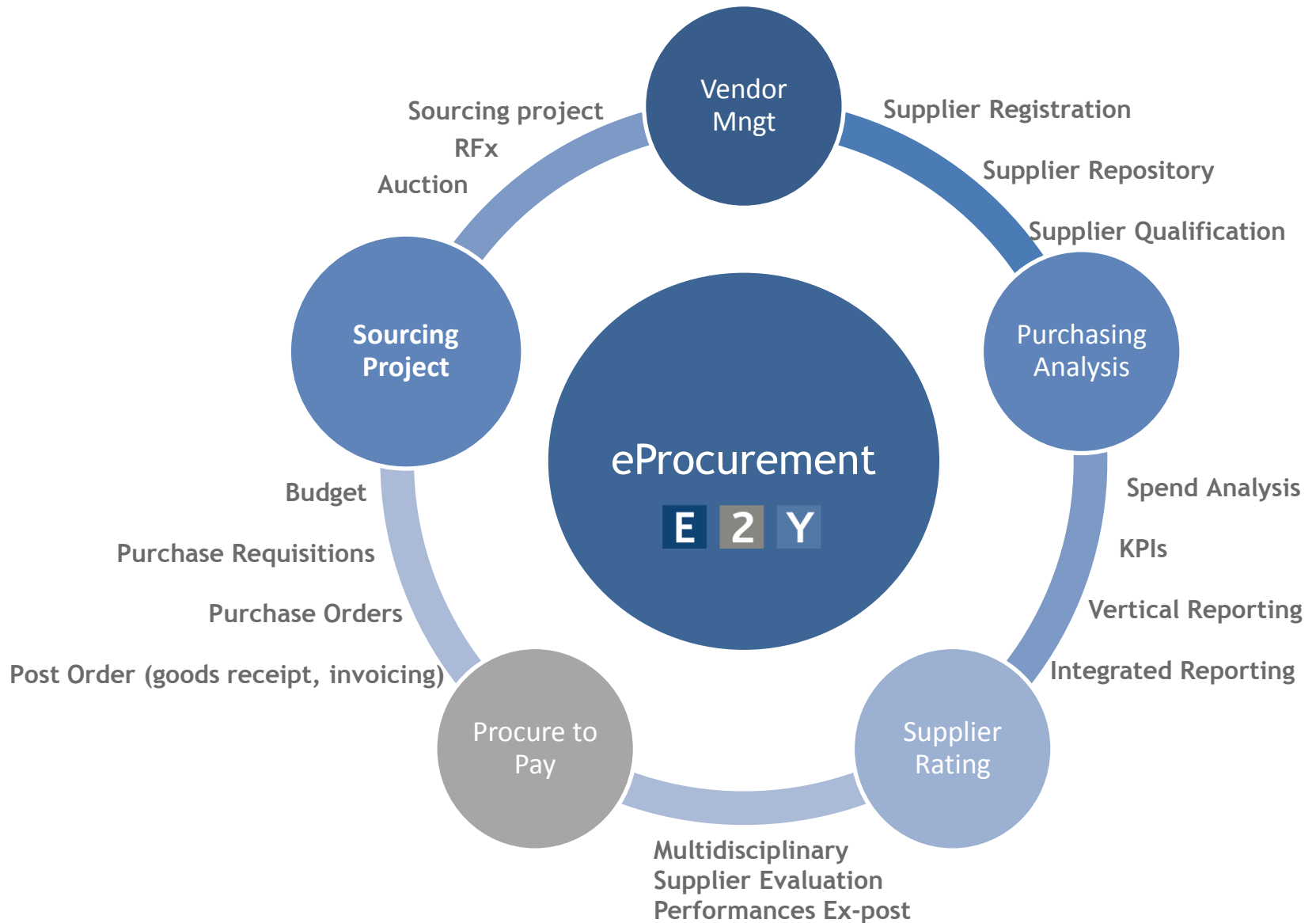
SAMPLE of PO Throughput Time Monitoring Report





TOOLS


The e-procurement platform serves as an accelerator for the transformation, increasing the collaboration and the efficiency with Suppliers






SKILLS DEVELOPMENT

Assessing the competence gaps to launch a professional development program

 **Group Procurement Competences Development Program**




Bridge the gaps

...in your technical skills with the Procurement Competences Development Program. This is a Group initiative designed to raise performance across the Maire Tecnimont Group. All staff in procurement will be sent log in details to a new online tool which features:

- An assessment area to identify any development needs
- Job profiles, tools and templates relevant to each role
- Access to training and e-learning that will help you to do your job.

Take the Challenge!!!

 **Maire Tecnimont**

POWERED BY:  **CIPS**
Chartered Institute of Procurement & Supply

Group Initiative



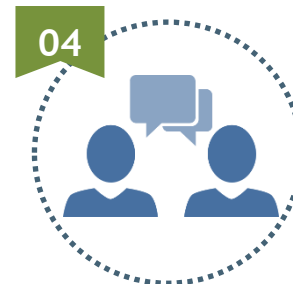
Understand our Positioning



Find room for improvement



Increase Feedbacks



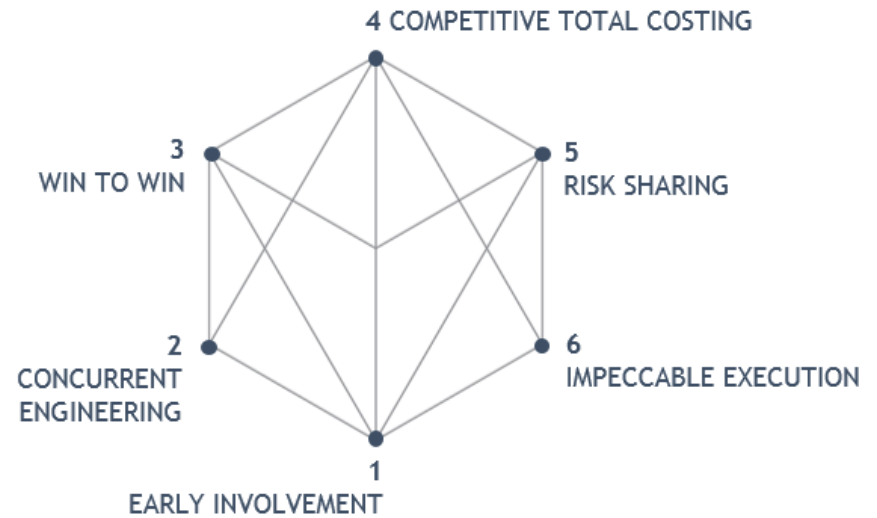
Design our DNA





STRATEGIC SUPPLIERS RELATIONSHIP

Engaging our key suppliers in a new framework of collaboration



ONE DAY FOR OUR PARTNERS

SUMMARY

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- **Key Factors for Supply Chain Excellence**

INTEGRATED SALES ENGINEERING & PURCHASING PROCESS

The introduction of the Category Management leverages on a stronger Procurement role in the Company value chain as a bridge between Sales and Engineering towards the supply market

A - Category Management

A1 - Planning and Sourcing Strategy

A2 - Strategic Agreements

A3 - Supplier Base Management

B - Proposal Preparation

- **CMs interact with the proposal team** to include the initiative in the category plan
- **Category Engineer supports CMs** in defining technical data and economics related to the proposal
- **Proposal Managers are involved** in defining strategies and relevant pre-award activities
 - Responsible for the handover to project execution team, in case no project manager has been assigned to proposal

C - Project Execution / Purchasing Cycle

- **CMs quarterly review the status of projects with the Project Teams**
 - To update the category plan
 - To discuss and share the strategies and the plan for the execution phase
- **PPDs act as focal points for all projects under their responsibilities**, aggregating the information developed at project level
 - Responsible to keep the project teams aligned with respect to the identified strategies

EFFECTIVE POST ORDER MANAGEMENT

With more than 20 concurrent projects, impeccable execution and quality of supply are winning factors



E-PROCUREMENT AS AN ENABLER

The e-procurement platform serves as an accelerator for the results

Vendor Management Module Results

- **4.100** New suppliers self-registered from Go-Live (**+31%**)
- **332** Active users (average: **141 access/user**)
- **662** Qualifications in 14 months (57% TCM, 13% TCMPL, 28% KT, 2% other), all with supplier information and scorecard evaluated.
- **+38%** active qualification in 14 months
- **30.000+** qualification self-proposed by vendors

eSourcing Module Results

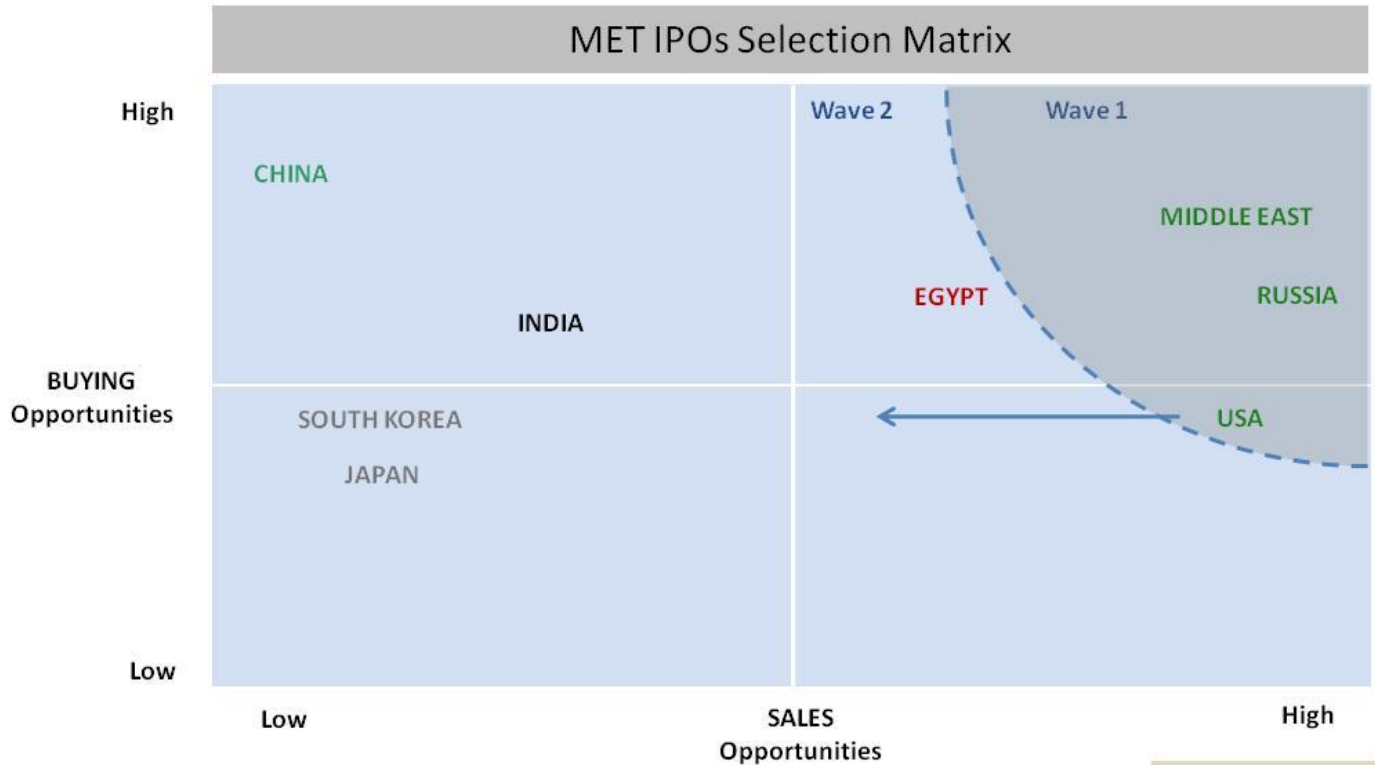
- **850+** online negotiations in 8 months (100% redemption @ Group level)
- **500+** M€ in online negotiations
- **35%** of time **Saving** estimated by users into Procurement & Supplier management of a sourcing event
- **7-12%** of **Saving** through online Auctions

- **Change Management** and **Training** (More than 2.000 hours in classrooms)



GLOBAL PROCUREMENT FOOTPRINT

An EPC Procurement Challenge is responding to the needs of a global execution pattern



Update 2013



**Maire
Tecnimont**