Products and Services

1. Product customisation

- ○ Product allows for no individualisation, standardised mass production
- ○ Majority of products are made in large batch sizes with limited late differentiation
- ◉ Products can be largely customised but still have standardised base
- ○ Late differentiation available for most maketo-order products (batch size 1)

2. Digital features of products

- ○ Products show only physical value
- ○ Products show value only from intellectual property licensing
- ○ Products exhibit some digital features and value from intellectual property licensing
- ○ Products exhibit high digital features and value from intellectual property licensing

3. Data-driven services

- ○ Data-driven services are offered without customer integration
- ○ Data-driven services are offered with little customer integration
- ○ Data-driven services are offered with customer integration
- ○ Data-driven services are fully integrated with the customer

4. Level of product data usage

- ○ Data is not used
- ○ 0-20% of collected data is used
- ○ 20-50% of collected data is used
- ○ More than 50% of collected data is used

5. Share of revenue

- ○ Data-driven services account for an initial share of revenue (<2.5%)
- ○ Data-driven services account for a moderate share of revenue (2.5- 7.5%)
- ○ Data-driven services account for a significant share of revenue (7.5- 10%)
- ○ Data-driven services play an important role in revenue (>10%)

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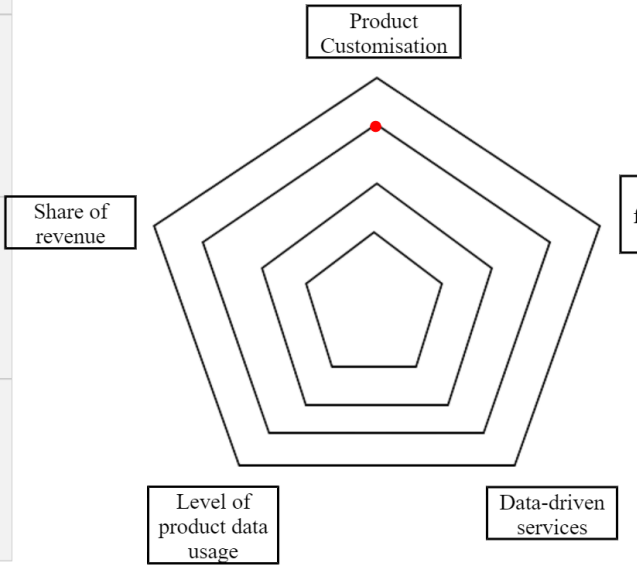

Manufacturing and Operations

1. Automation
- ○ Few machines can be controlled through automation
- ◉ Some machines and system infrastructures can be controlled through automation
- ○ Most machines and system infrastructures can be controlled through automation
- ○ Machines and systems can be controlled completely through automation

2. Machine and operation system integration (M2M)
- ○ Machines and systems have no M2M capability
- ○ Machines and systems are to some extent interoperable
- ○ Machines and systems are partially integrated
- ○ Machines and systems are fully integrated

3. Equipment readiness for Industry 4
- ○ Significant overhaul required to meet Industry 4 model
- ○ Some machines and systems can be upgraded
- ○ Machines already meet some of the requirements and can be upgraded where required
- ○ Machines and systems already meet all future requirements

4. Autonomously guided workpieces
- ○ Autonomously guided workpieces are not in use
- ○ Autonomously guided workpieces are not in use, but there are pilots underway
- ○ Autonomously guided workpieces used in selected areas
- ○ Machines and systems are fully integrated

5. Self-optimisingprocesses
- ○ Self-optimisation processes are not in use
- ○ Self-optimising processes are not in use, but there are pilots in more advanced areas of the business
- ○ Self-optimising processes are used in selected areas
- ○ Self-optimising processes are widely used

6. Digital modelling
- ○ No digital modelling
- ○ Some processes use digital modelling
- ○ Most processes use digital modelling
- ○ Complete digital modelling used for all relevant processes

7. Operations data collection
- ○ Data is collected manually when required, e.g. sampling for quality control
- ○ Required data is collected digitally in certain areas
- ○ Comprehensive digital data collection in multiple areas
- ○ Comprehensive automated digital data collection across the entire process

8. Operations data usage
- ○ Data is only used for quality and regulatory purposes
- ○ Some data is used to control processes
- ○ Some data is used to control and optimise processes, e.g. predictive maintenance
- ○ All data is used not only to optimise processes, but also for decision making

9. Cloud solution usage
- ○ Cloud solutions not in use
- ○ Initial solutions planned for cloud-based software, data storage and data analysis
- ○ Pilot solutions implemented in some areas of the business
- ○ Multiple solutions implemented across the business

10. IT and data security
- ○ IT security solutions are planned
- ○ IT security solutions have been partially implemented
- ○ Comprehensive IT security solutions have been implemented with plans developed to close any gaps
- ○ IT security solutions have been implemented for all relevant areas and are reviewed frequently to ensure compliance

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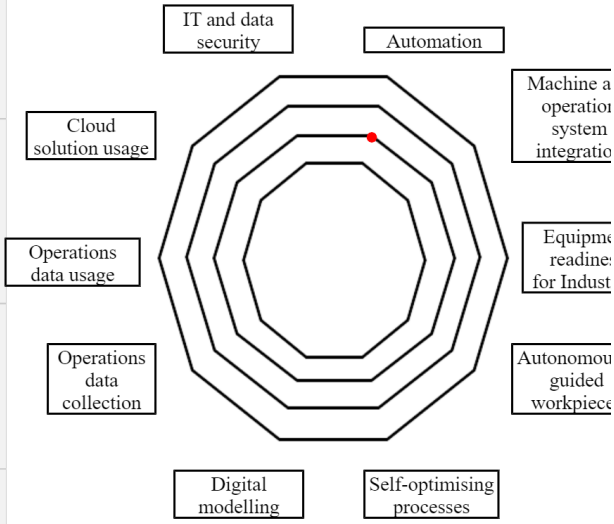

Strategy and Organisation

1. Degree of strategy implementation
- ○ Industry 4 is recognised at departmental level but is not integrated into the strategy
- ○ Industry 4 is included in the business strategy
- ○ Industry 4 strategy has been communicated to the business and is widely understood
- ○ Industry 4 strategy has been implemented across the business

2. Measurement
- ○ KPIs are not focused around Industry 4
- ○ Structured set of business metrics exist, with some measurement of Industry 4 drivers
- ○ Industry 4 metrics ae widely understood in the business and used in monthly reporting
- ○ Business metrics and personal development plans are focused around Industry 4 objectives

3. Investments
- ○ Initial Industry 4 investments in one business area
- ○ Industry 4 investments in more advanced business areas
- ○ Industry 4 investments in multiple business areas
- ○ Industry 4 investments across the entire business

4. People capabilities
- ○ Employees have little or no experience with digital technologies
- ○ Technology focused areas of the business have employees with some digital skills
- ○ Developed digital and data analysis skills across most areas of the business, e.g. production
- ○ Leading edge digital and analytics skills across the business

5. Collaboration
- ○ The business operates in functional silos
- ○ There is limited interaction between departments, e.g. S&OP process
- ○ Departments are open to cross functional collaboration
- ○ Departments are open to cross company collaboration to drive improvements

6. Leadership
- ○ Leadership team do not recognise the value of Industry 4 investments
- ○ Leadership team are investigating potential Industry 4 benefits
- ○ Leadership team recognise the financial benefits to be obtained through Industry 4 and are developing plans to invest
- ○ Widespread support for Industry 4 within both the leadership team and across the wider business

7. Finance
- ○ No sizeable Industry 4 investment
- ○ No ongoing review of cost/benefit analysis for Industry 4 investment
- ○ Annual cost/benefit analysis of Industry 4 investment
- ◉ Quarterly cost/benefit analysis of Industry 4 investment

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Supply Chain

1. Inventory control using real-time data management

- ○ Inventory levels are understood
- ○ Computer database is used which is manually updated with inventory levels
- ○ Computer database used with smart devices updating inventory levels
- ○ Real-time database which is updated by smart devices

2. Supply chain integration

- ◉ Ad hoc reactive communication with suppliers and customers
- ○ Basic communication and data sharing where required with suppliers and customers
- ○ Data transfer between key strategic suppliers/ customers (e.g. customer inventory levels)
- ○ Fully integrated systems with suppliers/customers for appropriate processes (e.g. real-time integrated planning

3. Supply chain visibility

- ○ No integration with suppliers or customers
- ○ Site location, capacity, inventory and operations are visible between first tier suppliers and customers
- ○ Site location, capacity, inventory and operations are visible throughout supply chain
- ○ Site location, capacity, inventory and operations are visible in real-time throughout supply chain and used for monitoring and optimisation

4. Supply chain flexibility

- ○ Slow response to market changes
- ○ Moderate response to market changes and general customer requirements shifts
- ○ Moderate response to changes in market environment and individual customer requirements
- ○ Immediate response to changes in market environment and individual customer requirements

5. Lead times

- ○ Long materials lead time resulting in high inventory levels
- ○ Improvements have been identified to reduce lead times for some materials
- ○ Some improvements have been implemented to reduce lead times on key materials
- ○ Differentiated stocking policies and lead times to meet make-to-order efficiently

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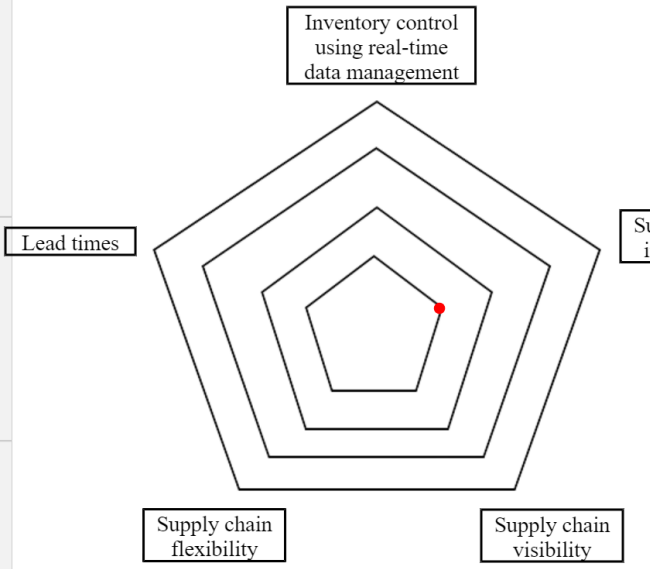

Business Model

1. 'As a service' business model

- ○ No awareness
- ○ Aware of concept with some initial plans for development
- ○ High awareness and implementation plans are in development
- ○ 'As a service' has been implemented and is being offered to the customer

2. Data driven decisions

- ○ Data is not widely analysed
- ○ Some data is analysed and features in key business reports to review performance
- ○ Most data is analysed and the result is considered when making business decisions
- ○ All relevant data is analysed and informs business decisions

3. Real-time tracking

- ○ Limited product tracking
- ○ Product can be tracked as it moves between manufacturing and internal distribution sites
- ○ Product can be tracked through manufacturing and distribution until it reaches the customers distribution centre
- ○ Product can be tracked along the complete lifecycle

4. Real-time and automated scheduling

- ○ Equipment is manually maintained in line with the maintenance schedule
- ○ Some machines alert operators of a performance issue which enables them to manually schedule a maintenance task
- ○ Some machines are selfdiagnosing, automatically passing information to the maintenance scheduling system
- ○ Machines are generally self-diagnosing and the maintenance schedule adjusts itself based on real time data inputs from the machine

5. Integrated marketing channels

- ○ Online presence is separated from offline channels
- ○ Integration within the online and offline channels but not between them
- ○ Integrated channels and individualised customer approach
- ◉ Integrated customer experience management across all channels

6. IT supported business

- ○ Main business process supported by IT systems
- ○ Some areas of the business are supported by IT systems and integrated
- ○ Complete IT support of processes but not fully integrated
- ○ IT systems support all company processes and are integrated

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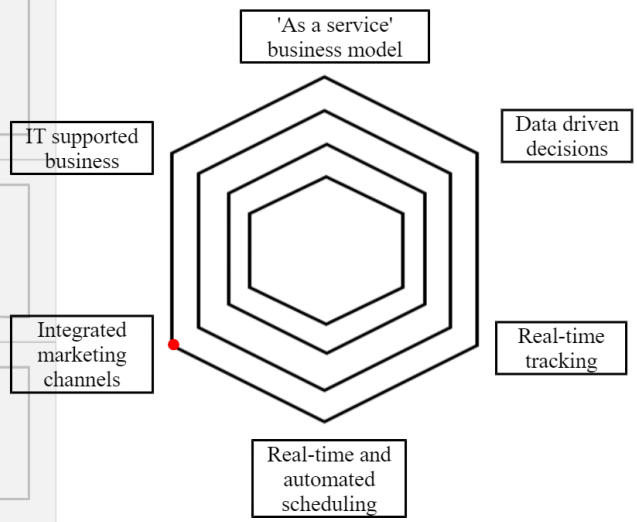

Legal Considerations

1. Contracting models

- ○ Contracting processes are linear and unchanged
- ○ Some changes to contracting processes to reflect operational changes
- ○ Some 'flagship' projects utilise new contracting models but it is not standard across the board
- ○ All contracting is behavioural and incentivises all parties to achieve the best result

2. Risk

- ○ New risks not identified or assessed
- ○ New risks identified and/or assessed but no mitigations planned
- ○ New risks identified and assessed, and limited mitigations put in place
- ○ Working party has assessed the changing risk profile and has procedures in place to mitigate these

3. Data protection

- ○ No data protection policies or procedures
- ◉ Have internal policies but do not ensure compliance in engagement with suppliers/customers
- ○ Good understanding with robust policies and procedures but haven't updated for General Data Protection Regulation
- ○ Conducted a recent General Data Protection Regulation audit and are confident of compliance including in light of Industry 4

4. Intellectual property

- ○ Intellectual property in new products and services is not identified or protected
- ○ Awareness of intellectual property in new products and services, but no legal protections identified or applied for
- ○ Intellectual property in products and services is identified and in part assessments made as to whether registrations/ contractual rights required, and if required, appropriate steps taken
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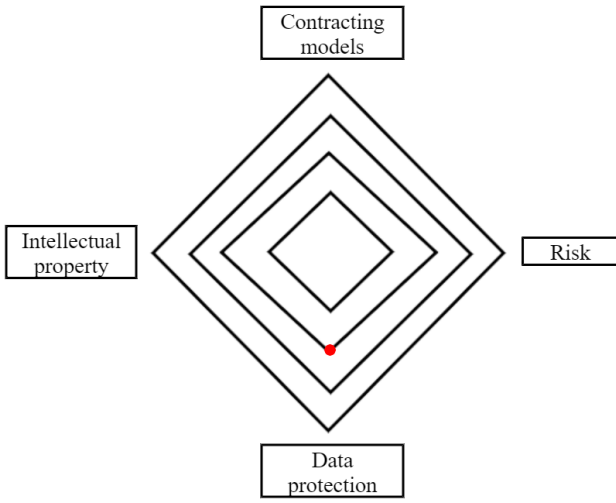
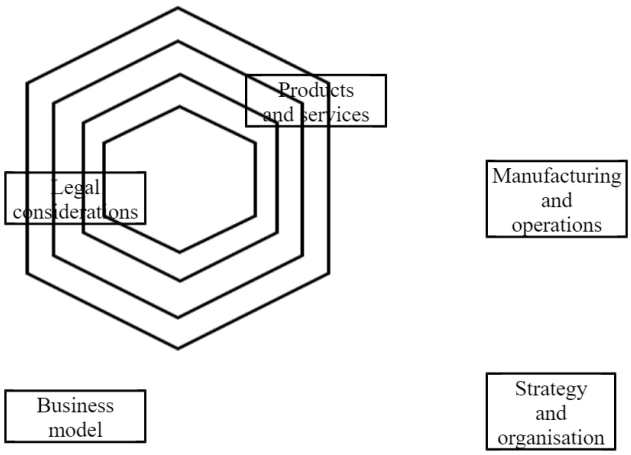


Here's your company's overall Industry 4 readiness:



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