

FY1516 Operational Review

Description, Context or Scope:

Senior managers are requested to complete this review of FY1516 before the Review Meeting at the end of the month.

Target State Description:

Consider the Target State to be our company*s 2020 Vision Statement.

Administrator's Name:

Bill Jeans xn2324

1. Overall Survey Results: All Respondent Views on Question 1, the Relative Importance of Each Function to the success of our business. For insight into the spread of responses to Question 1 for each function see pages 3-6.

Q1. Considering all aspects within the (business) function, this area is well managed, contributing strongly to the success of our business.



The best performing areas today, (shown as green on the chart), based on scaling "Strongly Disagree" (1) to "Strongly Agree" (5):

- Operations (4.3)
- Sales (4.0)
- Products and Services (4.0)

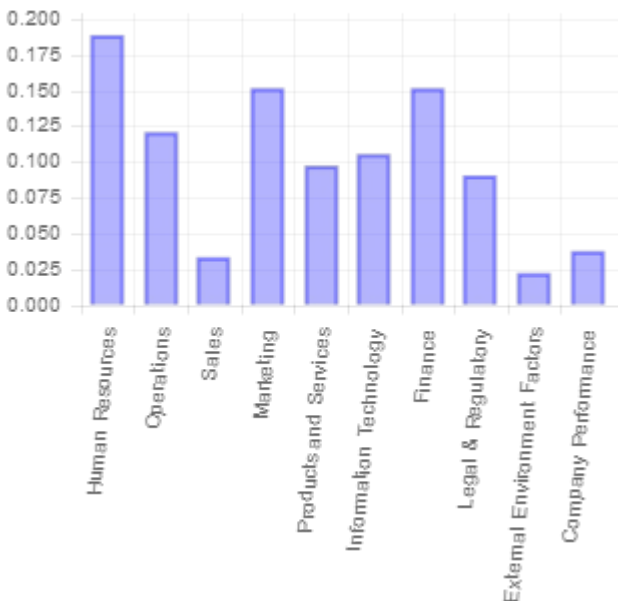
In the target state (blue), the best performing areas will be:

- Operations (4.5)
- Products and Services (4.3)
- Information Technology (4.3)

The areas with the greatest requirement for improvement to help us achieve the proposed target state ("the Gap") are:

- Marketing (1.5)
- Legal & Regulatory (1.5)
- Finance (1.3)

2. Overall Survey Results: All Respondent Views of the Relative Importance of Each Function to Achieve success in the Current State and/or Proposed Target State.



Function weightings were entered in the context of achieving the the proposed target state.

The most important functions to achieve the target state are:

- Human Resources (0.19)
- Marketing (0.15)
- Finance (0.15)

* Radar Chart Note: To better enable comparison of internal company functions, Company Performance and External Environment Factors are not shown on this chart, however they are included on pages 5 and 6.

Overall Survey Results: All Respondent Views on Question 2, the Strengths That Provide Our Company with Competitive Advantage. For further detail of the responses to this question please see Appendix A.

Q2. The (business) function has a number of strengths that provide our company with a competitive advantage.



The best performing areas today, (shown as green on the chart), based on scaling "Strongly Disagree" (1) to "Strongly Agree" (5):

- Sales (4.0)
- Operations (3.8)
- Information Technology (3.7)

In the target state (blue), the best performing areas will be:

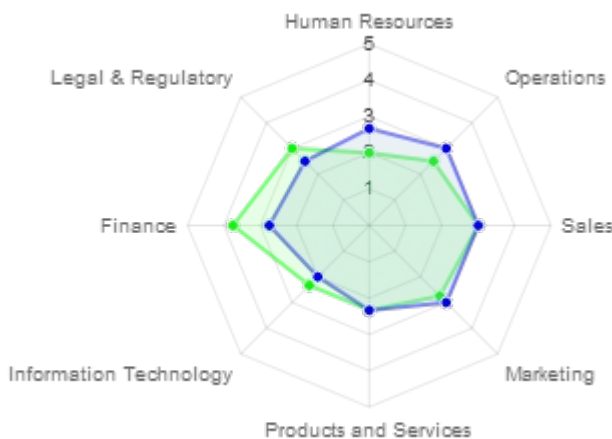
- Products and Services (4.3)
- Information Technology (4.3)
- Sales (4.0)

The areas with the greatest requirement for improvement to help us achieve the proposed target state ("the Gap") are:

- Legal & Regulatory (1.5)
- Products and Services (1.0)

Overall Survey Results: All Respondent Views on Question 3, the Weaknesses That Hold Our Company Back From Being More Competitive Advantage. For further detail of the responses to this question please see Appendix A.

Q3. The (business) function has a number of weaknesses that hold our company back from being more competitive.



The best performing areas today, (shown as green on the chart), based on scaling "Strongly Disagree" (1) to "Strongly Agree" (5):

- Finance (3.8)
- Sales (3.0)
- Legal & Regulatory (3.0)

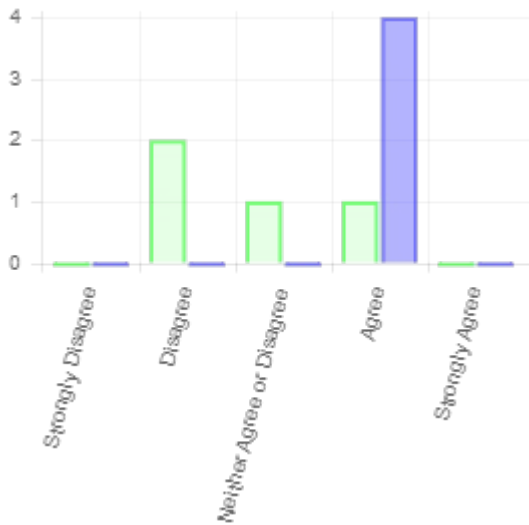
In the target state (blue), the best performing areas will be:

- Sales (3.0)
- Operations (3.0)
- Marketing (3.0)

The areas with the greatest requirement for improvement to help us achieve the proposed target state ("the Gap") are:

- Human Resources (0.7)

Q1.1 Considering all aspects within the Finance function, this area is well managed, contributing strongly to the success of our business.



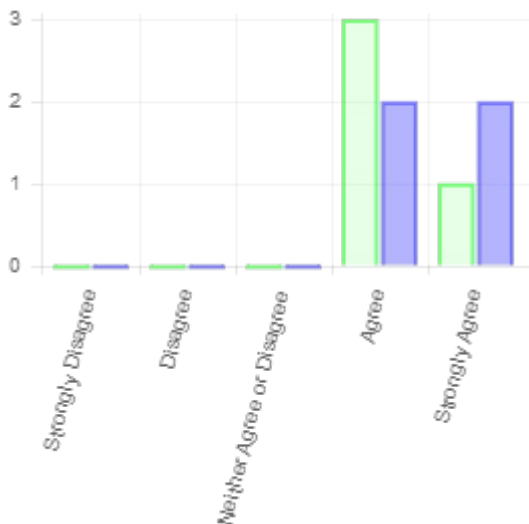
For the Current State: The majority of survey participants Disagreed(2) or Strongly Disagreed(0) with the assertion above.

(Neutral(1), Agreed(1), Strongly Agreed(0))

For the Target State: The majority of survey participants Agreed(4) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.2 Considering all aspects within the Operations function, this area is well managed, contributing strongly to the success of our business.



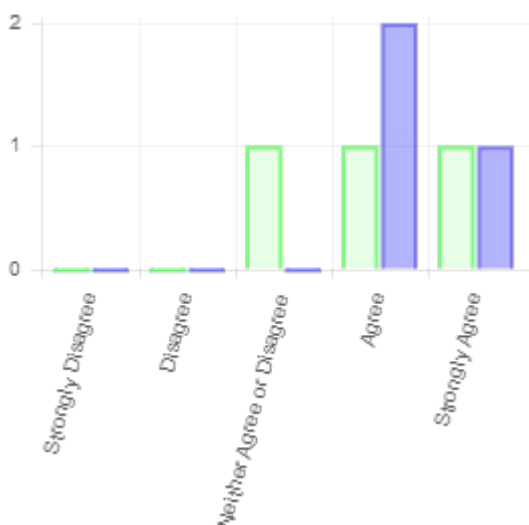
For the Current State: The majority of survey participants Agreed(3) or Strongly Agreed(1) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(2) or Strongly Agreed(2) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.3 Considering all aspects within the Products and Services function, this area is well managed, contributing strongly to the success of our business.



For the Current State: The majority of survey participants Agreed(1) or Strongly Agreed(1) with the assertion above.

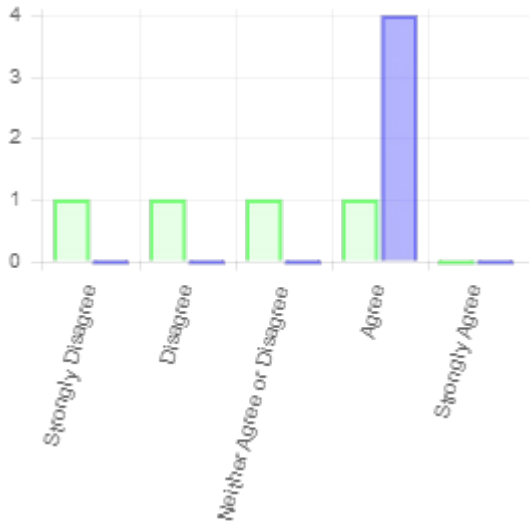
(Neutral(1), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(2) or Strongly Agreed(1) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

The charts show the number of responses in each category. The green and blue bars represent the number of responses within the context of the Current State, and proposed Target State respectively. Specific issues identified by participants are available in Appendix B of this report.

Q1.4 Considering all aspects within the Marketing function, this area is well managed, contributing strongly to the success of our business.



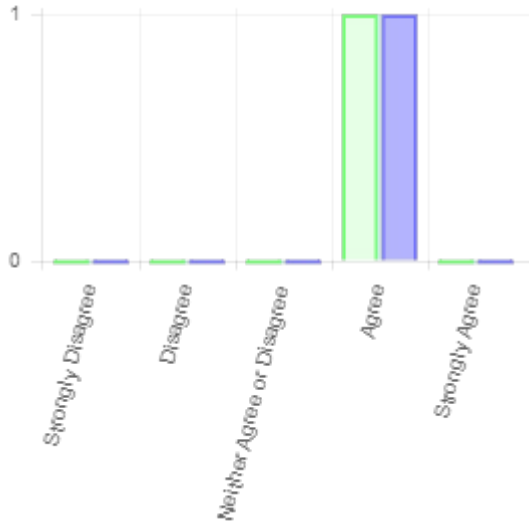
For the Current State: The majority of survey participants Disagreed(1) or Strongly Disagreed(1) with the assertion above.

(Neutral(1), Agreed(1), Strongly Agreed(0))

For the Target State: The majority of survey participants Agreed(4) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.5 Considering all aspects within the Sales function, this area is well managed, contributing strongly to the success of our business.



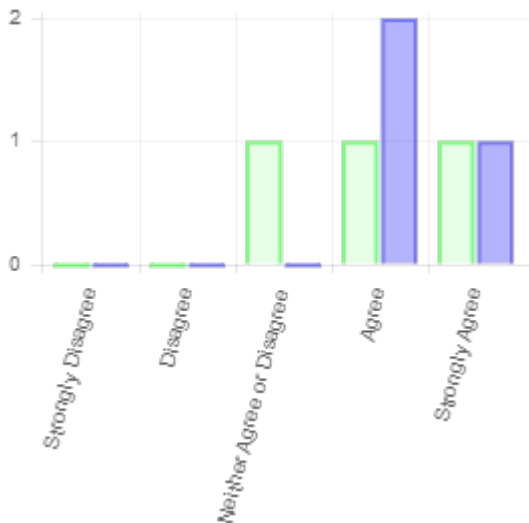
For the Current State: The majority of survey participants Agreed(1) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(1) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.6 Considering all aspects within the Information Technology function, this area is well managed, contributing strongly to the success of our business.



For the Current State: The majority of survey participants Agreed(1) or Strongly Agreed(1) with the assertion above.

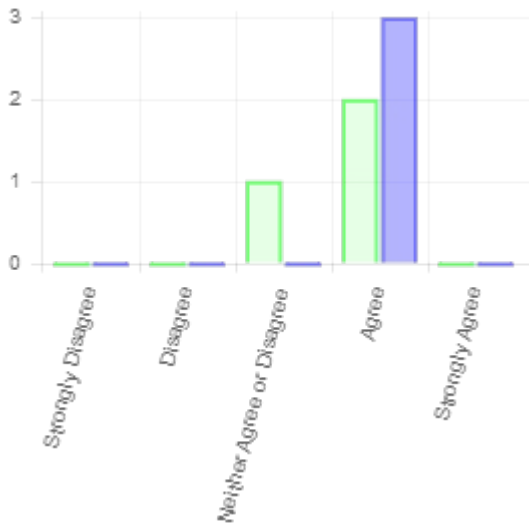
(Neutral(1), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(2) or Strongly Agreed(1) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

The charts show the number of responses in each category. The green and blue bars represent the number of responses within the context of the Current State, and proposed Target State respectively. Specific issues identified by participants are available in Appendix B of this report.

Q1.7 Considering all aspects within the Human Resources function, this area is well managed, contributing strongly to the success of our business.



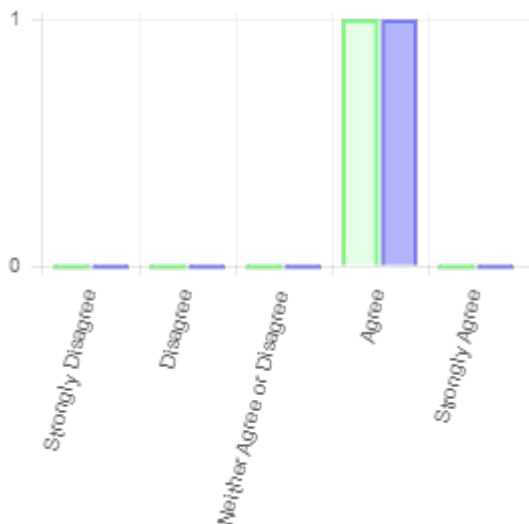
For the Current State: The majority of survey participants Agreed(2) or Strongly Agreed(0) with the assertion above.

(Neutral(1), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(3) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.8 Considering all aspects of External Environment Factors, these factors significantly impact company performance.



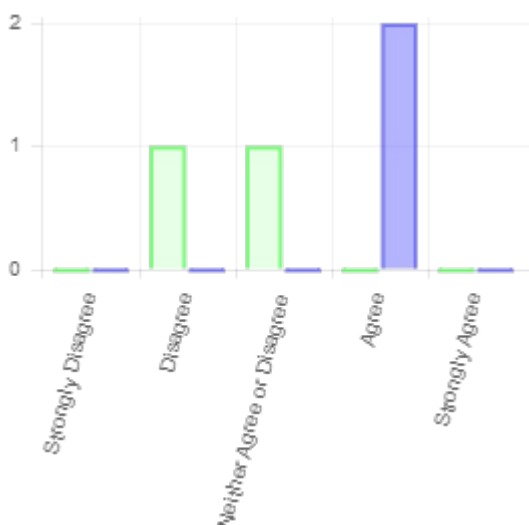
For the Current State: The majority of survey participants Agreed(1) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(1) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

Q1.9 Considering all aspects within the Legal & Regulatory function, this area is well managed, contributing strongly to the success of our business.



For the Current State: The majority of survey participants Strongly Disagreed(0), Disagreed(1) or were Neutral(1) with respect to the assertion above.

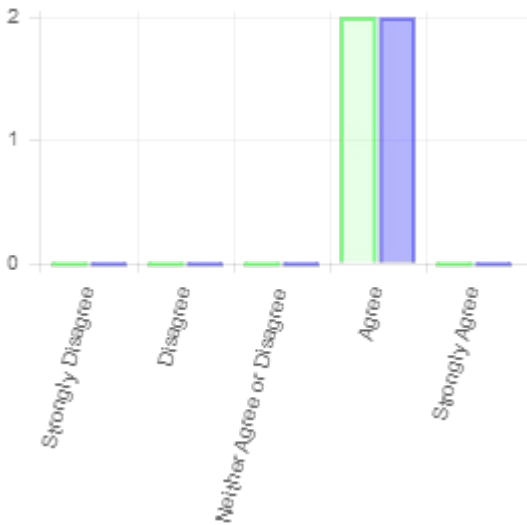
Agreed(0), Strongly Agreed(0))

For the Target State: The majority of survey participants Agreed(2) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

The charts show the number of responses in each category. The green and blue bars represent the number of responses within the context of the Current State, and proposed Target State respectively. Specific issues identified by participants are available in Appendix B of this report.

Q1.10 Considering all aspects within the Company, the company is well managed and operating successfully.



For the Current State: The majority of survey participants Agreed(2) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

For the Target State: The majority of survey participants Agreed(2) or Strongly Agreed(0) with the assertion above.

(Neutral(0), Disagreed(0) or Strongly Disagreed(0))

The charts show the number of responses in each category. The green and blue bars represent the number of responses within the context of the Current State, and proposed Target State respectively. Specific issues identified by participants are available in Appendix B of this report.

Appendix A: The Functional Definitions Used

Definitions used below are to describe functions and may not align with your organisational entities.

- Human Resources is responsible for the management of staff (hiring, retention, leavers), supporting staff performance management systems, training, and overall staff levels. This function may also have a significant role in developing company strategy.
- Operations produces products and or services, as well as manage the people, resources and assets within their remit.
- Sales manages the customer relationships and product/services sales. This function is also responsible for managing post-sales customer support and has a role in determining the product/services mix in each market and the sales channel management strategy.
- Marketing manages the company's brand, conducts marketing events, researches potential new markets and assesses current or future product/service market performance.
- Products and Services manages the products/service portfolio lifecycle, including product/service creation (improvement and innovation), market introduction and retirement. In some companies this function might be best aligned with 'Product/Service Development'.
- Information Technology is the primary provider of IT systems and services that enable the company to provide efficient products and services, and help the company to meet its regulatory requirements. The IT function acts to protect the company from IT related threats and loss in operations or intellectual property.
- Finance manages the financial aspects of company operations and assets, transactions with suppliers and customers, financial regulatory compliance, and the strategic plan (incl. divestitures, acquisitions, capital investments).
- Legal & Regulatory is responsible for overall regulatory compliance in each market and country that the company operates, all contracts, and protection of company intellectual property.
- External environment factors are those things outside of the company's control that influence current company performance. These include; market analyst and shareholder expectations, changes in government policies or regulations, macro economic cycles, and dynamic changes in competitor capability and customer preferences.
- The company overall has obligations to staff, customers, suppliers, governments and often the local community, in addition to achieving the business goals of its primary stakeholders such as shareholders.

Appendix B: Questions and Number of Responses by Business Function

| No. | Question | Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | Strongly Agree | Total Responses |
|----------------------------------|--|-------------------|----------|---------------------------|-------|----------------|-----------------|
| Finance: Current State | | | | | | | |
| 1.1 | For this State, considering all aspects within the Finance function, this area is well managed, contributing strongly to the success of our business. | 0 | 2 | 1 | 1 | 0 | 4 |
| 1.2 | The Finance function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 2 | 1 | 1 | 0 | 4 |
| 1.3 | The Finance function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 0 | 1 | 3 | 0 | 4 |
| Finance: Target State | | | | | | | |
| 1.1 | For this State, considering all aspects within the Finance function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 4 | 0 | 4 |
| 1.2 | The Finance function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 2 | 2 | 0 | 4 |
| 1.3 | The Finance function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 1 | 3 | 0 | 0 | 4 |
| Operations: Current State | | | | | | | |
| 2.1 | For this State, considering all aspects within the Operations function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 3 | 1 | 4 |
| 2.2 | The Operations function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 1 | 3 | 0 | 4 |
| 2.3 | The Operations function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 2 | 2 | 0 | 0 | 4 |
| Operations: Target State | | | | | | | |
| 2.1 | For this State, considering all aspects within the Operations function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 2 | 2 | 4 |
| 2.2 | The Operations function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 2 | 2 | 0 | 4 |
| 2.3 | The Operations function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 1 | 2 | 1 | 0 | 4 |

Appendix B: Questions and Number of Responses by Business Function

| No. | Question | Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | Strongly Agree | Total Responses |
|---|---|-------------------|----------|---------------------------|-------|----------------|-----------------|
| Products and Services: Current State | | | | | | | |
| 3.1 | For this State, considering all aspects within the Products and Services function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 1 | 1 | 1 | 3 |
| 3.2 | The Products and Services function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 2 | 1 | 0 | 3 |
| 3.3 | The Products and Services function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 2 | 1 | 0 | 0 | 3 |
| Products and Services: Target State | | | | | | | |
| 3.1 | For this State, considering all aspects within the Products and Services function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 2 | 1 | 3 |
| 3.2 | The Products and Services function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 0 | 2 | 1 | 3 |
| 3.3 | The Products and Services function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 2 | 1 | 0 | 0 | 3 |
| Marketing: Current State | | | | | | | |
| 4.1 | For this State, considering all aspects within the Marketing function, this area is well managed, contributing strongly to the success of our business. | 1 | 1 | 1 | 1 | 0 | 4 |
| 4.2 | The Marketing function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 1 | 2 | 1 | 0 | 4 |
| 4.3 | The Marketing function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 2 | 1 | 1 | 0 | 4 |
| Marketing: Target State | | | | | | | |
| 4.1 | For this State, considering all aspects within the Marketing function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 4 | 0 | 4 |
| 4.2 | The Marketing function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 1 | 3 | 0 | 4 |
| 4.3 | The Marketing function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 0 | 4 | 0 | 0 | 4 |

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| No. | Question | Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | Strongly Agree | Total Responses |
|--|--|-------------------|----------|---------------------------|-------|----------------|-----------------|
| Sales: Current State | | | | | | | |
| 5.1 | For this State, considering all aspects within the Sales function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 1 | 0 | 1 |
| 5.2 | The Sales function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 0 | 1 | 0 | 1 |
| 5.3 | The Sales function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 0 | 1 | 0 | 0 | 1 |
| Sales: Target State | | | | | | | |
| 5.1 | For this State, considering all aspects within the Sales function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 1 | 0 | 1 |
| 5.2 | The Sales function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 0 | 1 | 0 | 1 |
| 5.3 | The Sales function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 0 | 1 | 0 | 0 | 1 |
| Information Technology: Current State | | | | | | | |
| 6.1 | For this State, considering all aspects within the Information Technology function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 1 | 1 | 1 | 3 |
| 6.2 | The InformationTechnology function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 1 | 2 | 0 | 3 |
| 6.3 | The Information Technology function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 1 | 0 | 2 | 0 | 0 | 3 |
| Information Technology: Target State | | | | | | | |
| 6.1 | For this State, considering all aspects within the Information Technology function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 2 | 1 | 3 |
| 6.2 | The InformationTechnology function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 0 | 2 | 1 | 3 |
| 6.3 | The Information Technology function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 1 | 1 | 1 | 0 | 0 | 3 |

Appendix B: Questions and Number of Responses by Business Function

| No. | Question | Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | Strongly Agree | Total Responses |
|--|---|-------------------|----------|---------------------------|-------|----------------|-----------------|
| Human Resources: Current State | | | | | | | |
| 7.1 | For this State, considering all aspects within the Human Resources function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 1 | 2 | 0 | 3 |
| 7.2 | The Human Resources function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 1 | 0 | 1 | 1 | 0 | 3 |
| 7.3 | The Human Resources function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 1 | 1 | 1 | 0 | 0 | 3 |
| Human Resources: Target State | | | | | | | |
| 7.1 | For this State, considering all aspects within the Human Resources function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 3 | 0 | 3 |
| 7.2 | The Human Resources function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 2 | 1 | 0 | 3 |
| 7.3 | The Human Resources function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 1 | 2 | 0 | 0 | 3 |
| External Environment Factors: Current State | | | | | | | |
| 8.1 | For this State, considering all aspects of External Environment Factors, these factors significantly impact company performance. | 0 | 0 | 0 | 1 | 0 | 1 |
| 8.2 | Some of the strengths of the company are related to its capacity to respond to External Environment Factors. (Specify details below) | 0 | 0 | 1 | 0 | 0 | 1 |
| 8.3 | Some of the weaknesses of the company are related to its capacity to respond to External Environment Factors. (Specify details below) | 0 | 0 | 1 | 0 | 0 | 1 |
| External Environment Factors: Target State | | | | | | | |
| 8.1 | For this State, considering all aspects of External Environment Factors, these factors significantly impact company performance. | 0 | 0 | 0 | 1 | 0 | 1 |
| 8.2 | Some of the strengths of the company are related to its capacity to respond to External Environment Factors. (Specify details below) | 0 | 0 | 1 | 0 | 0 | 1 |
| 8.3 | Some of the weaknesses of the company are related to its capacity to respond to External Environment Factors. (Specify details below) | 0 | 0 | 1 | 0 | 0 | 1 |

Appendix B: Questions and Number of Responses by Business Function

| No. | Question | Strongly Disagree | Disagree | Neither Agree or Disagree | Agree | Strongly Agree | Total Responses |
|--|--|-------------------|----------|---------------------------|-------|----------------|-----------------|
| Legal & Regulatory: Current State | | | | | | | |
| 9.1 | For this State, considering all aspects within the Legal & Regulatory function, this area is well managed, contributing strongly to the success of our business. | 0 | 1 | 1 | 0 | 0 | 2 |
| 9.2 | The Legal & Regulatory function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 1 | 1 | 0 | 0 | 2 |
| 9.3 | The Legal & Regulatory function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 1 | 0 | 1 | 0 | 2 |
| Legal & Regulatory: Target State | | | | | | | |
| 9.1 | For this State, considering all aspects within the Legal & Regulatory function, this area is well managed, contributing strongly to the success of our business. | 0 | 0 | 0 | 2 | 0 | 2 |
| 9.2 | The Legal & Regulatory function has a number of strengths that provide our company with a competitive advantage. (Specify below) | 0 | 0 | 0 | 2 | 0 | 2 |
| 9.3 | The Legal & Regulatory function has a number of weaknesses that hold our company back from being more competitive. (Specify below) | 0 | 1 | 1 | 0 | 0 | 2 |
| Company Performance: Current State | | | | | | | |
| 10.1 | For this State, considering all aspects within the Company, the company is well managed and operating successfully. | 0 | 0 | 0 | 2 | 0 | 2 |
| 10.2 | The company has a number of strengths that provide competitive advantage. (Specify below) | 0 | 0 | 0 | 2 | 0 | 2 |
| 10.3 | The company has a number of weaknesses that hold us back from being more competitive. (Specify below) | 0 | 0 | 1 | 1 | 0 | 2 |
| Company Performance: Target State | | | | | | | |
| 10.1 | For this State, considering all aspects within the Company, the company is well managed and operating successfully. | 0 | 0 | 0 | 2 | 0 | 2 |
| 10.2 | The company has a number of strengths that provide competitive advantage. (Specify below) | 0 | 0 | 0 | 2 | 0 | 2 |
| 10.3 | The company has a number of weaknesses that hold us back from being more competitive. (Specify below) | 0 | 1 | 1 | 0 | 0 | 2 |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function

| No. | Comments on Our Strengths in the Current State |
|-------------------------------------|---|
| Finance | |
| 1 | Finance continues to meet expectations internally, with all targets meet, except HR management. |
| 2 | Finance has failed to balance the current and future needs of the business by focusing on short term profitability, at a time when our assets have been sweated too much, and now massive asset reinvestment is needed. |
| 3 | Finance is performing ok, but no clear strengths or weaknesses. |
| 4 | Finance is too insular, but does meet the basic management reporting requirements. |
| 5 | Finance makes basic KPIs but misses other key performance metrics. |
| Operations | |
| 6 | Operations is our company strength, meeting increasingly targets annually, despite little reinvestment in plant. |
| 7 | Operations is the key focus of the company as it provides the product for sale, and Ops performance is considered first class. |
| 8 | Operations is well positioned to meet all its targets. |
| 9 | This is the area that make us money. Difficult to fault the performance. |
| Products and Services | |
| 10 | Products is doing well, in terms of development and retirement of products. |
| 11 | Products is too slow to get things done, but executes well when it does get moving. |
| 12 | Products seems well managed but not sure of the return on investment. |
| Marketing | |
| 13 | Marketing efforts have been passive at best as the company focus has been on other areas. |
| 14 | Marketing has the team, but not much action these days. |
| 15 | Marketing is poor, but the potential is huge. |
| 16 | Marketing performance is strong and will further improve with new products. |
| Sales | |
| 17 | Seem to make their numbers, and we are growing as a result. |
| 18 | The sales team are exceptional, as shown by team performance against target. |
| Information Technology | |
| 19 | A big improvements in IT in the past 3 years! |
| 20 | IT seems to provide a good service compared to a few years back. |
| 21 | Recently improved a lot, new work anywhere is a great advance. |
| Human Resources | |
| 22 | HR are central to transforming the company through significant re-skilling existing staff and introducing new skills requested by the business. |
| 23 | HR are just performing to meet the needs of the business, however their training program is good. |
| 24 | HR is performing well and helping us retrain to understand the new products and services we are delivering. |
| External Environment Factors | |
| 25 | As a public company we have strong obligations to our shareholders, and this shapes how we operate and reinvest in our company. |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function (Continued)

| No. | Comments on Our Strengths in the Current State |
|-------------------------------|--|
| Legal & Regulatory | |
| 26 | Legal is a big problem, difficult to see any strengths at present. |
| 27 | Legal is slow to respond to internal needs for contracts support and creation. |
| Company Performance | |
| 28 | Strong company financials, inline with market expectations. |
| 29 | The company needs to change to remain competitive, and there are signs that some of the changes executed to date are paying dividends. |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function (Continued)

| No. | Comments on Our Weaknesses in the Current State |
|-------------------------------------|---|
| Finance | |
| 1 | Finance is never available to sales guys. |
| 2 | HR management targets are important as they demonstrate the value of our staff and this needs to be rectified. |
| 3 | Somehow Finance have been able to reduce reinvestment in the business. Is this planned? |
| 4 | The insular nature of Finance, it seems to operate in its own world and to its own priorities and timelines, means that it is difficult to get approvals for expenditure and product pricing in realistic timeframes. |
| Operations | |
| 5 | Given the difficult operating circumstances, Operations is doing well. |
| 6 | None |
| 7 | Not sure of the preparedness of Operations to replace current product range. |
| 8 | Support for other functions is limited, needs to improve, e.g.. innovation and development. |
| Products and Services | |
| 9 | Need more consistency from product development rather than the seemingly infrequent contributions. |
| 10 | No real weaknesses for Products. |
| 11 | Not sure of weaknesses. |
| Marketing | |
| 12 | Marketing does not meet its performance metrics. |
| 13 | Marketing needs new product to change perceptions about the company. |
| 14 | Need more output from marketing, not seeing the results expected. |
| 15 | Need to reinvigorate Marketing to align with new vision and product set. |
| Sales | |
| 16 | No problems with sales |
| 17 | Sometimes getting feedback from Sales is impossible. |
| Information Technology | |
| 18 | IT is slow to respond to new trends. |
| 19 | Now IT is quite response, thanks. |
| 20 | Slow to resolve outstanding issues. |
| Human Resources | |
| 21 | HR are currently managing and meeting all performance measures expected. |
| 22 | HR is invisible outside the training program. They are difficult to get engaged with for recruitment. |
| 23 | HR just does what is necessary, no real weaknesses. |
| External Environment Factors | |
| 24 | There are no strengths or weaknesses in this area, we do what must be done. |
| Legal & Regulatory | |
| 25 | Legal is a big problem, it is slow to support bids and re-signing of contracts. |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function (Continued)

| No. | Comments on Our Weaknesses in the Current State |
|----------------------------|--|
| 26 | Legal is not in a position to support the company's needs as we expand overseas. |
| Company Performance | |
| 27 | Our innovation is not strong enough, or fast enough to ensure future cash flows. |
| 28 | There is too much resistance to change within middle management. |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function

| No. | Comments on Our Strengths in the Proposed Target State |
|-------------------------------------|--|
| Finance | |
| 1 | Finance will continue to deliver to expectations including meet all metrics. |
| 2 | If we can overcome the asset base erosion, and re-configure the business then Finance will be an essential performer. |
| 3 | In the coming target state it should be clear of Finances contributions to the transformation. |
| Operations | |
| 4 | Expect to grow production, capacity will be close to the target demand. |
| 5 | In our target state Operations will be contributing even more through its support of other departments. |
| 6 | In the target state, new investment in plant should further improve production levels and product yield. |
| Products and Services | |
| 7 | I expect that in the target state, that Products will further improve their performance in areas such as time to market, product set integration etc. |
| 8 | In the future state the role of Products is clear and new challenges will present. |
| 9 | In the target state Products will have totally refreshed the product portfolio. |
| Marketing | |
| 10 | A series of marketing campaigns will have been completed in the Target State. |
| 11 | In the target state marketing will have updated the company in the eyes of our customers. |
| 12 | Marketing in the target state is a core function to transform our business. |
| Sales | |
| 13 | In the target state I expect that sales will be even larger and sell a broader range of products. |
| 14 | With the new training and products in the new target state, sales should drive. |
| Information Technology | |
| 15 | IT should become more flexible to deal with our customers, as well as internal. |
| 16 | In target state there will be more emphasis on IT and those guys seem ready to deliver. |
| 17 | It has the potential to transform how we interact with customers, and if they achieve this, which is part of the target state, then they will be considered very successful. |
| Human Resources | |
| 18 | In the target state HR will continue to provide its current value, although the work will shift as the re-skilling program matures. |
| 19 | In the target state, I expect HR will be doing more of what they do today. |
| External Environment Factors | |
| 20 | We will continue to respond to external change as required. |
| Legal & Regulatory | |
| 21 | In the target state Legal should have re-configured their department to a more sales-friendly model. Overseas satellite offices should help resolve local issues. |
| Company Performance | |
| 22 | Once the change program has been fully executed in the target state, the company will be well placed to compete and win market share. |
| 23 | Our Vision 2020 should address the rate of innovation. |

Appendix C: Comments on Strengths (Questions 2) and Weaknesses (Question 3) by Business Function

| No. | Comments on Our Weaknesses in the Proposed Target State |
|-------------------------------|--|
| Finance | |
| 1 | As we grow Finance will need to change, and this could become a weakness. |
| 2 | If there company does not recognise the need for change and Finance refuses further investment, then at some point domestic operations will become unviable. |
| Operations | |
| 3 | Operations will only be strong if it overcomes some internal bias towards only focusing on operations. |
| 4 | There remains a long term question on sustainability of local operations. |
| Marketing | |
| 5 | Second wave of campaign will be needed to target specific groups. |
| Sales | |
| 6 | Sales should be more integrated in the target state, but I am unsure that it will happen. |
| Information Technology | |
| 7 | IT will need to change if we are the become more customer centric in the target state. |
| Human Resources | |
| 8 | Dont expect that HR will reduce its performance, however news challenges will arise. |
| Company Performance | |
| 9 | In target state some of our freight deficiencies my become a problem. |
| 10 | There will be a new set of challenges in the target state. |