

Capital Markets Day November 2008

Leadership and productivity

Henrik Östberg
SVP HR & Sustainability Affairs

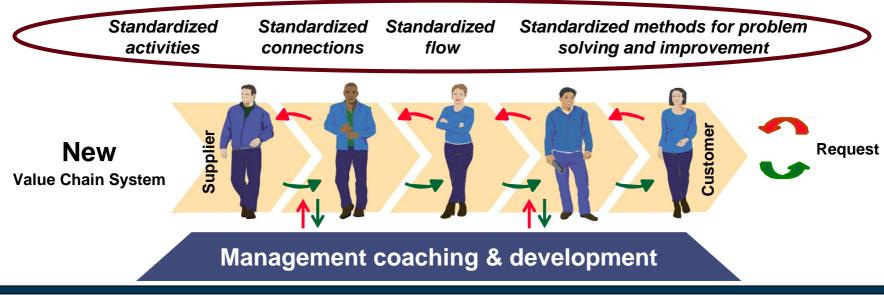


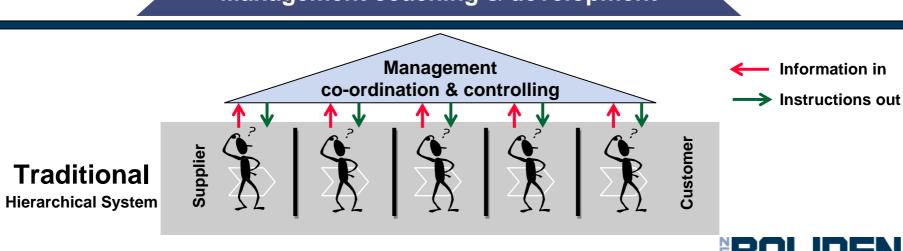
The New Boliden Way – improving leadership and productivity

- The New Boliden Way is the overarching guidance to the organization on What we do, Why we do it, and How we do it
- We are now putting more focus on developing the How!
- Ongoing efforts to use the tools and the methodology of the Toyota Production System (TPS) – recognized as a highly effective work method for continuous improvements – and combine it with The New Boliden Way



It is about changing the way we work and manage work





Standardization as well as simplification are key areas

Three items are governing our efforts:

- Key principle is the Rules In Use concept i.e. the four rules of standardization
- Key tools are
 - 28 Star spider web diagram for follow-up
 - A3 problem solving tool



Principle: Four rules of standardization

- 1 Single activity
- 2 Connection Customer & Supplier
- 3 Flow paths
- Problem solving HelpChain Continuous improvement

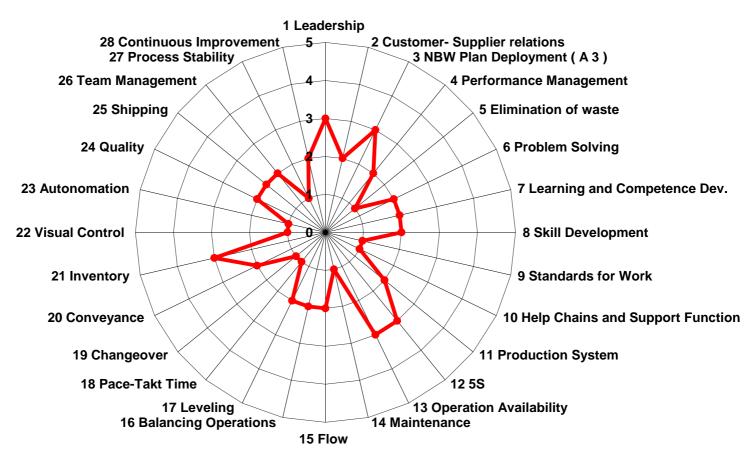
Basic design of the system

Developing the System

Standard method & execution



Follow-up tool: The 28 Star Spider Web Diagram





Problem solving tool: The A3 process

The A3 must clearly contain the logic that connects

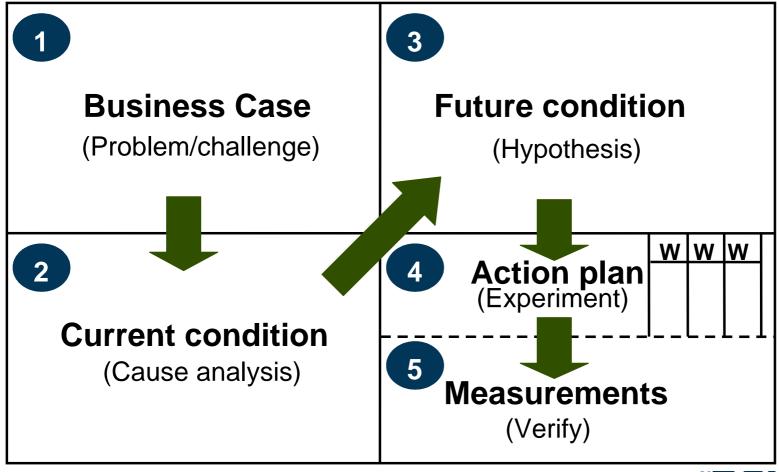
- *The problem* Problem, Background, Business case
- To its cause Current Condition, Root cause
- To a hypothesis Future Condition, Proposed Solution
- To an experiment Action plan, Implementation plan
- *To a measurement* To prove (or disprove) the hypothesis

The A3 tool has a central position in The New Boliden Way

– the entry to all improvements.



The A3 tool in practice



We have initiated the program

