With locations all around Australia, ABB is close to you.

ABB Full Service®

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A partnership with ABB

An ABB Full Service® partnership is a professionally managed shared-risk maintenance contract, designed to reduce costs and improve productivity.

Full Service® agreements are long-term performance based agreements, where we work together with you to continuously maintain and improve equipment performance and reliability for an entire facility.

Our success comes from a professional blend of utilising and managing a network of world-class global and local expertise. With a shared knowledge of industry ‘best practices’ and the latest technologies, ABB are one of leading competitors in the global marketplace.

True Maintenance Alliance
Unlike other outsourced maintenance providers, ABB forms a true alliance agreement with you that is measured on performance. ABB Full Service®, results in a true ‘win-win’ partnership, where your company is able to maintain its core site competencies. ABB’s technical knowledge and proficiency adds value to your business, enabling you to become more competitive in today’s constantly changing environment.

Jointly developed Maintenance Plans
ABB work with you to develop a professional Maintenance Management Master Plan (MMMP). The MMMP changes the methods of maintenance being applied. By focusing on reliability and improvement, we deliver professional maintenance activities that become a profit contributor rather than a cost centre.

Improved Performance Environment
ABB Full Service® partnerships facilitate a ‘Culture Change’ that is centred on business performance. The partnership forms an infrastructure providing employees with more job satisfaction and opportunities in career development, gaining new skills and knowledge, contributing to the overall business goals.

Maintenance Management Systems
Our site management teams utilise leading Computerised Maintenance Management Systems (CMMS) or adapt site programs to make optimum use of existing enterprise systems (ERPs). This enables us to recognise uncaptured costs, facilitate more intelligent budgeting, workflow planning and resource allocation.

Is your plant availability reduced by:
- Frequent equipment failures?
- Extended set-up and adjustment times?

Is your productivity performance limited due to:
- Minor stoppages?
- Idling?
- Reduced speed?

Do you find that product quality is suffering as a result of:
- Process defects?
- Start up losses?

ABB Full Service® is helping over 200 major companies meet these challenges by lowering maintenance costs and improving Overall Equipment Effectiveness.

Did you know? ABB provides Full Service for Nokia with one of the performance measures being cost per phone.

Did you know? ABB provides Full Service at a Pulp and Paper plant which exceeded 14 production records within 18 months mobilisation.
Asset reliability and productivity

Did you know? ABB Service has a School of Maintenance in South Africa that is certified to offer Condition Monitoring Training?

Measuring by Performance

Benchmark maintenance assessment

The consulting team measures and evaluates your practices and performance relative to world industry “best practice” standards. This allows the group to identify gaps, pinpoint improvements and propose the actions required to deliver the change.

Common KPIs

We will work with you to develop the Key Performance Indicators (KPIs) that drive your maintenance function towards business success. Our partnership will continuously track and measure the progress, shared risk, as well as reward for your achievements.

KPI measurements include:
- Reduced maintenance cost/unit
- Improved inventory control
- Energy utilisation
- Reduced down time
- Safety
- Availability
- Environmental performance

OEE – Overall Equipment Effectiveness

Focusing on productivity improvement, we increase your OEE by addressing the Six Big Losses in equipment operation:
- Equipment failure
- Defects in process
- Reduced speed
- Start-up and adjustment times
- Idling and minor stoppages
- Start-up losses

Maintenance Cost Reduction

By focusing on technology and skills, the mix of maintenance methods changes, resulting in an overall change in volume of maintenance effort required and cost reductions.

OEE = Overall Equipment Effectiveness

Maintenance Cost Reduction + Productivity Improvement = Increased Profits

An ABB Full Service® agreement acts to realise the reduction in total maintenance cost whilst increasing the effectively used production capacity.

- Optimising the direct maintenance costs by minimising manpower costs - improving both the utilisation of manpower and sub-contractors.
- Decreasing parts usage and improving spare parts management.
- Minimising indirect costs e.g. increasing output by improving OEE.
- Reducing losses from non-available equipment, decreasing speed and poor quality; aiming at improved maintenance and increased reliability.

Did you know? That with 17,000 service employees worldwide, ABB is the largest automation service supplier in the world?

<table>
<thead>
<tr>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
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</thead>
<tbody>
<tr>
<td>Reduced Maintenance Activity</td>
<td>Improved Maintenance Activity</td>
<td>Increased Maintenance Activity</td>
</tr>
<tr>
<td>50%</td>
<td>50%</td>
<td>50%</td>
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</table>

Red Curve, Green Curve Concept

This “red” curve mathematically represents the accumulated gains from the customer’s increased productivity, resulting from the improved maintenance management. The curve starts slowly but then accelerates its growth over time.

The “green” curve represents the benefits from cost cutting, accelerating in the beginning and slowing down as the contract matures. Once the initial cost cutting of direct maintenance is complete, the gains decline.

Over the long term, ABB’s ability to bring benefits to the customer will be directly linked to the performance of the “red” curve resulting in significant profit improvements, plus lower costs from the “green” curve. This results in the improved “blue” curve.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Current Objective</th>
<th>Absolute Profit Increase for Customer</th>
</tr>
</thead>
<tbody>
<tr>
<td>30%</td>
<td>20%</td>
<td>30%</td>
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Productivity Improvements

Profit Improvements

Cost Reductions
ABC Full Service® Process

ABB Full Service® uses a systematic approach to each individual business case to evaluate and ensure a ‘win-win’ partnership that creates value for both parties.

**Scope of contract - ABB**
- Maintenance of all assets at Kinleith start 2003 (approx. 200 people)
- Operation of maintenance stores

**Nature of contract**
- Reimbursable 5 year contract renewable annually
- ABB profit share gauged by added value
- Key Performance Indicators
  - Reduced maintenance costs
  - Efficiency gains measured by OEE
  - Health, safety, environment & risk

**Results**
- Plant Efficiency (OEE)
  - Fibrelines increased ave 3.5% in Year 1
- Maintenance Costs
  - Reduced by 15% in Year 1
- Productivity
  - Increased by 36% over 2 Years
- Production volumes
  - ~ 10% increase over 2 years
- Production volumes
  - 14 production records exceeded since June 2003
- Mill Gate Cash Costs
  - Reduced by 10% over 2 years
  - *actual reduction in Mill Gate costs is 17% which was offset by a 7% increase in power cost

**Did you know?**
- ABB provides maintenance operations for 6 Australian chemical plants who consolidated their maintenance requirements.

**Did you know?**
- ABB provides 250 performance service contracts in 40 countries.

*As a result of ABB’s thorough planning and execution, the shutdown was completed hours ahead of schedule. There were no injuries, so we are very pleased with the safety aspect*.

- Joe Holmes, Production Manager, Voisey’s Bay Nickel Company

*Once the implementation took place, by having ABB employees on site you could see the attitude towards accountability and reliability improve instantly...*

- Peter Rees, Supply Superintendent, Norsk Hydro Kurri Kurri Plant