

Our strategy

Strategy in action

OPERATIONAL EFFICIENCY



SIG is targeting robust cost and capital discipline as it strives for greater operational efficiency.

EXECUTING OUR STRATEGY

- Downsize Group and functional structure
- Organisation redesign across major operating companies to allow for leaner structure and quicker decision-making
- Process standardisation and system integration at operating company level to generate front and back office synergies
- Optimise branch resource activity
- Close sub-performing branches and centralise stock around 'hubs'
- Short term levers to reduce working capital: changes to purchasing rules, stockholding guidelines, number of SKUs, centralised stock control
- Medium term structural reduction in net working capital: stock, rebates

LINK TO KPIS

Return on sales
Return on capital employed
Headline financial leverage
Lost work day rate (UK & Ireland)



Read about our KPIs on pages 22 and 23



ROBUST COST AND CAPITAL DISCIPLINE

CASE STUDY: *Delivering operational excellence in France*

In France, SIG is pursuing a change programme aimed at leveraging best practice across the three French businesses. This is focused on driving operational excellence through organisational structure, process standardisation and data alignment supported by the implementation of modern systems. At LITT this has started to deliver demonstrable results with a transformation of sales processes and a diversification of customer and product portfolios, delivering strong sales performance in the latter part of 2017.

<p><i>Like-for-like sales (LiTT)</i></p> <p>c.10% AHEAD OF PRIOR YEAR</p>	<p><i>Underlying operating profit margin of LiTT up by 120bps to</i></p> <p>5%</p>
--	---



www.litt.fr www.lariviere.fr
www.ouestisol.fr