

- » BOOST PERFORMANCE
- » REDUCE COST
- » INCREASE AGILITY
- » ENHANCE CRM
- » SHORTEN TIME TO MARKET
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- » ENSURE REGULATORY COMPLIANCE



CONSULTING > SOLUTIONS > OUTSOURCING

The ChemChina transformation journey

Business and IT Strategy delivered

Mark Godson, Managing Partner Atos Consulting Asia Pacific

December 2007

CHEM HINA 中国化工

Consultative Selling In Action

Contents



- 1 Introduction to ChemChina – The story
- 2 Why was Atos Consulting selected?
- 3 Client Issue and strategic objectives
- 4 Phase 1 Business and IT Transformation
- 5 Phase 2 the way forward
- 6 Strategic role of AO

Business Overview

- A State-Owned Enterprise established in 2004
- 400 entities with total revenues of **€7 Billion** - China Domestic market
- Acquisitions in France (a unit of Rhodia) and Australia.
- Blackstone acquired a large minority of BlueStar (part of Chem China)
- Planning for IPO.

Key Challenges

- Increased competition from Multi-nationals in the domestic market
- Lack of supporting IT infrastructure and processes
- Corporate body lacks any aggregated information for decision making
- Chinese Government has instructed SOEs to accelerate IT-construction projects

Account History



2005 – Initial joint Marketing Activities

Feb-Jun 2006 – Pre-sales

August 2006 – RFP Released

15 Dec. 2006

PHASE 1 WON
Signing Ceremony



April 2007

Meeting of AO CEO & Chem China CEO Ren

May 2007 IPO FastTrack Presentation

4 August 2007

Phase 2 Mobilization

September

Phase 1 Completion
Phase 2 Starts



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The competitive landscape



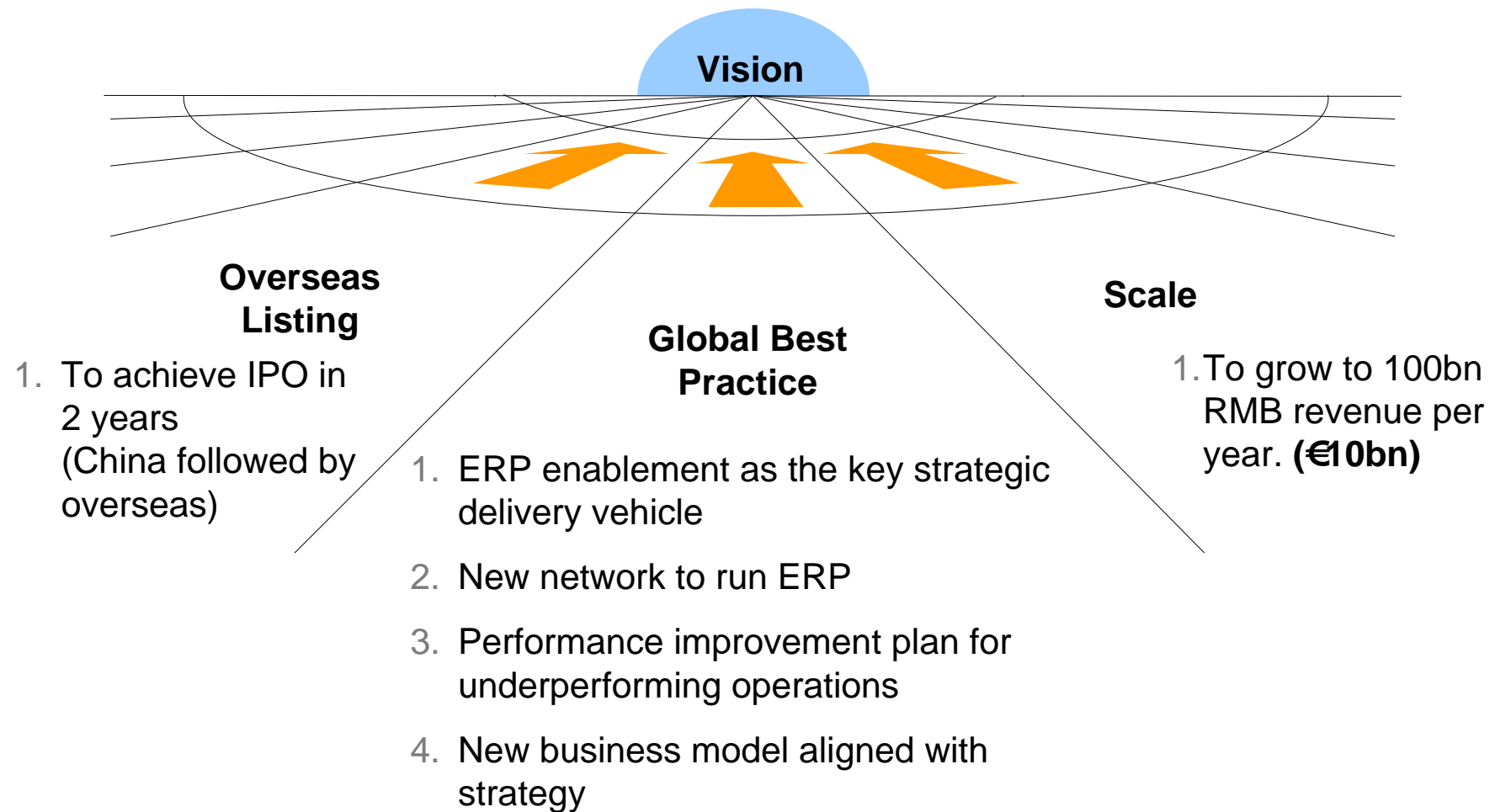
- » Phase 1 - IBM, Bearing Point, HP, Accenture and Atos Origin.
- » Initial Downselect to Accenture and Atos Origin.
- » The winning formula
 - » A global not local team
 - » Chemical market penetration
 - » Client reference visits
 - » International Consulting Partner to build CEO relationship
 - » End to end capability
 - » Shared culture with ChemChina

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The ChemChina vision – facilitated by AO



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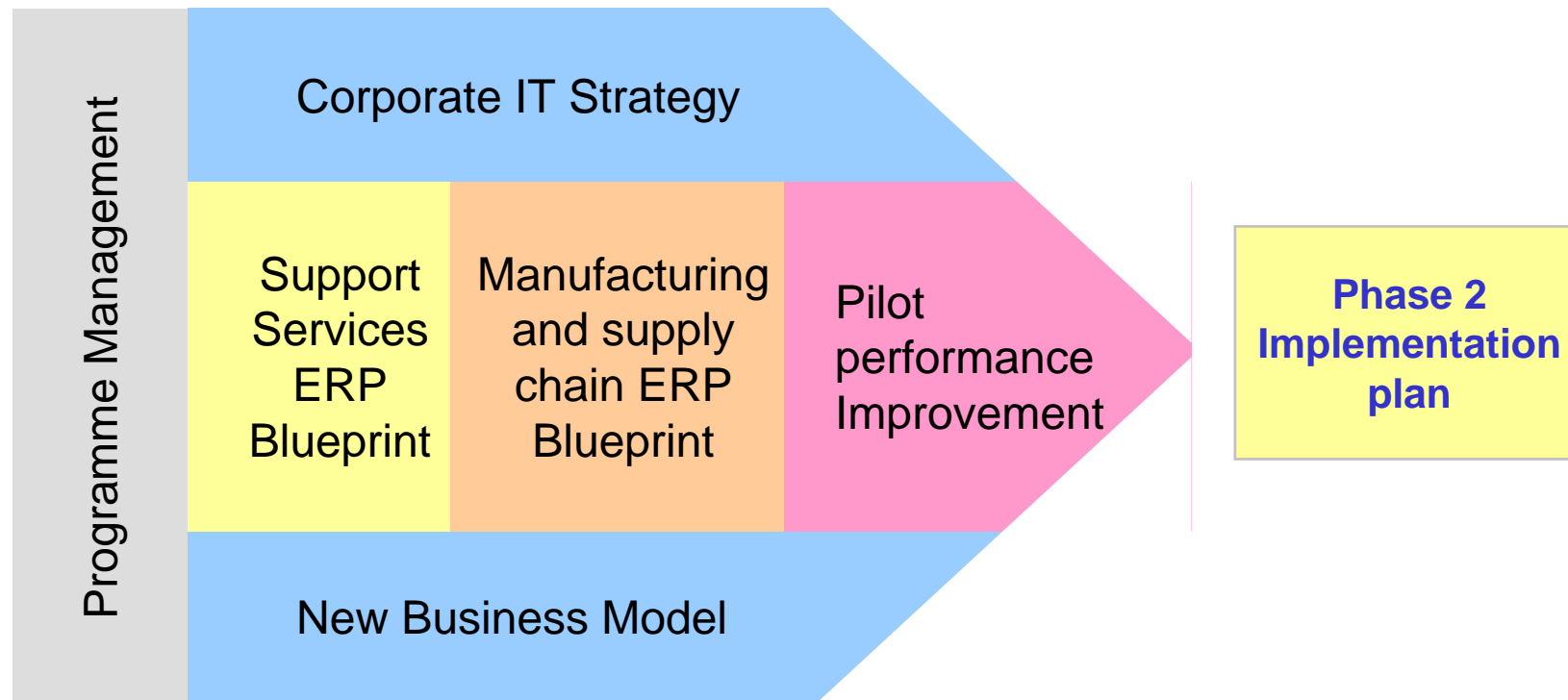


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Phase 1 - Six integrated delivery workstreams



An end-to-end delivery model...



...integrated across the different workstreams

Top level deliverables



In-Scope Deliverables

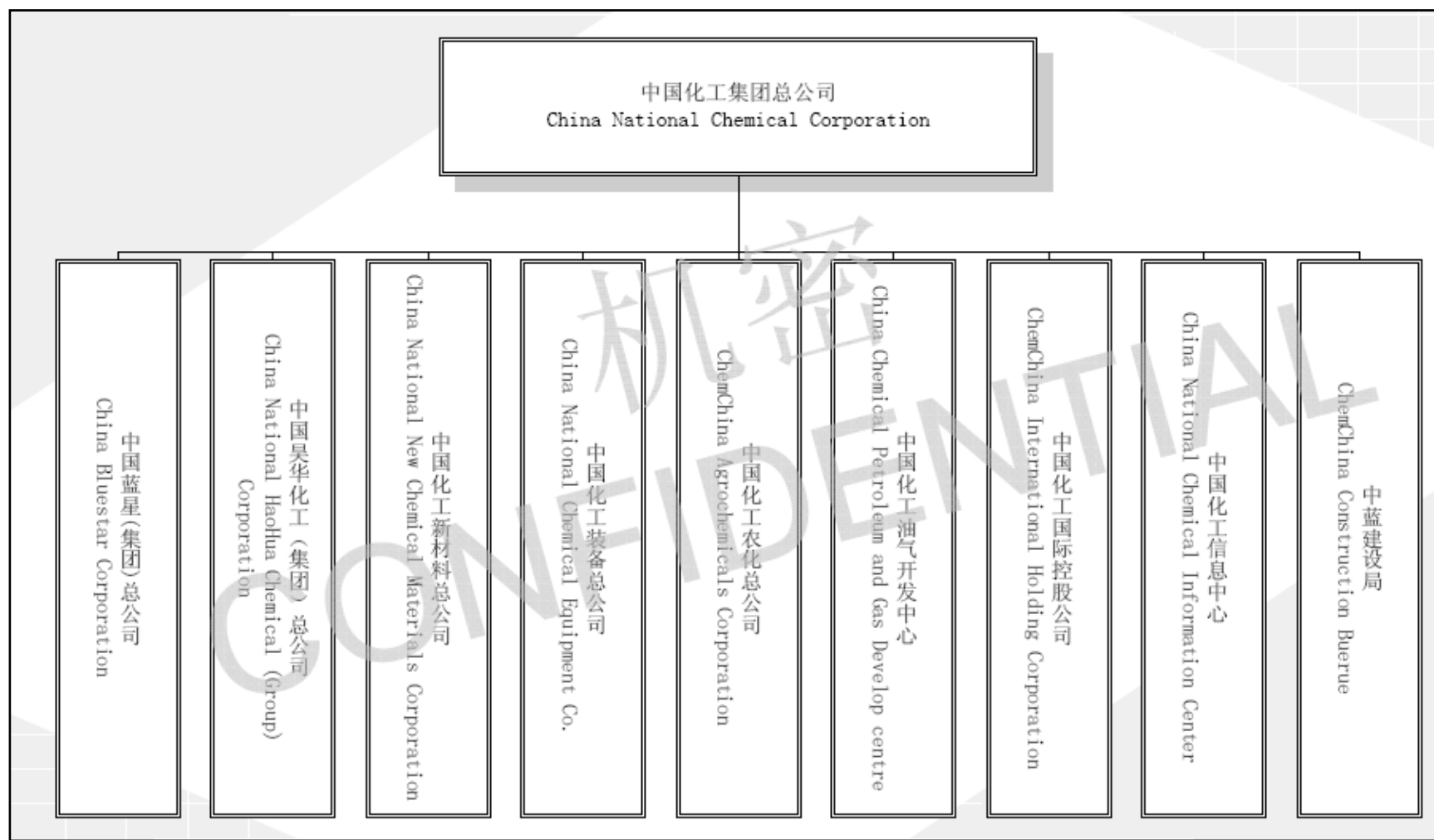
	Status	Dates (2007)
» Programme Mobilisation Report	Signed-Off	January
» Assessment Stage Report	Signed-Off	May
» ERP Recommendation Report	Signed-Off	May
» ERP Blueprint Report (Design Stage)	Signed-Off	August
» Manufacturing and Supply Chain Strategy Report	Signed-Off	August
» Corporate IT Strategy Report	Completed	September
» New Business Model Report	Completed	September
» Costed Implementation Plan	Completed	September

Additional Deliverables

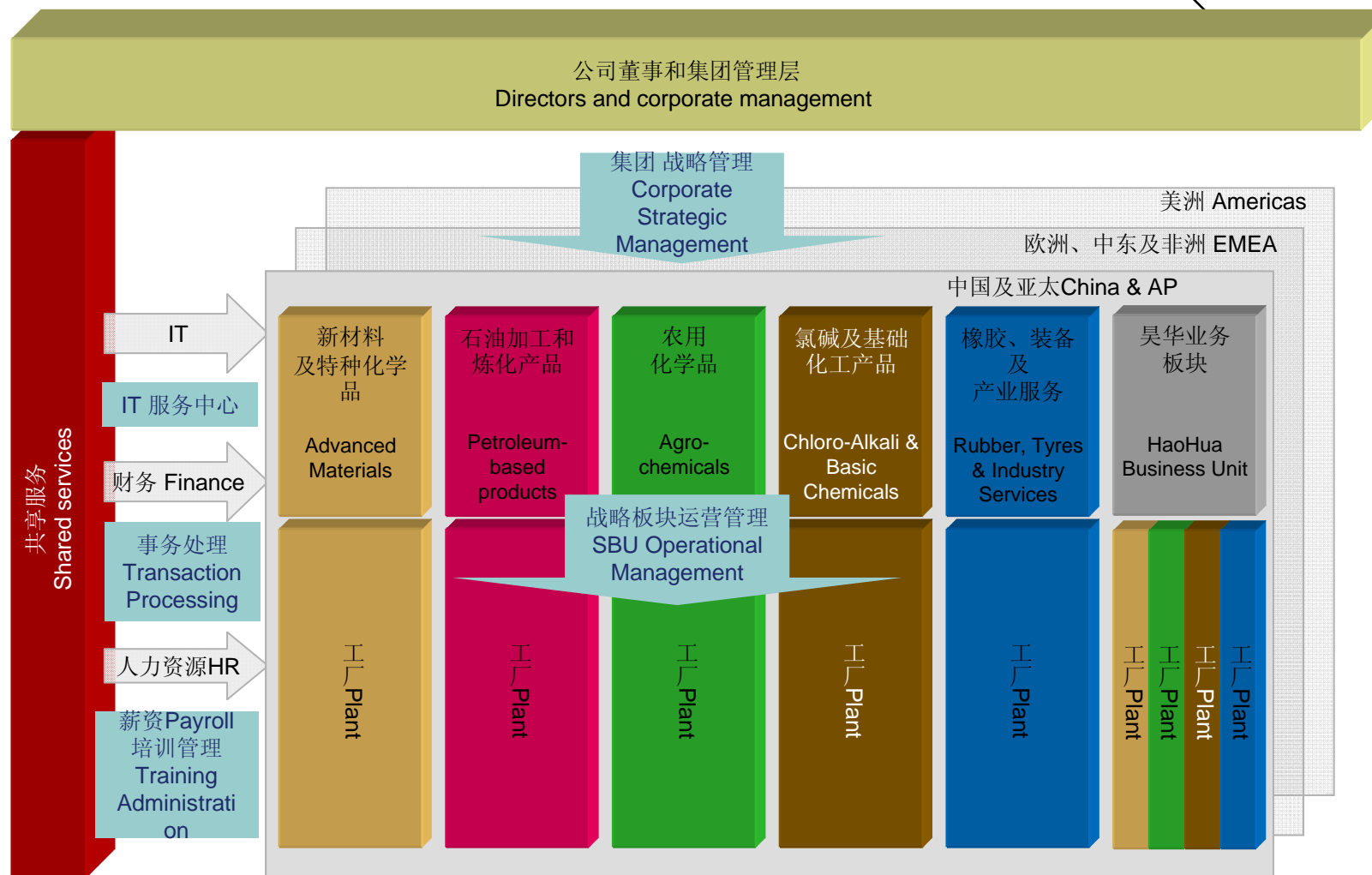
» IPO fast-track Report	Completed	April
» 8 Commercial Proposals	Submitted	August
» Phase 2 BlueStar Mobilisation	Completed	August

ChemChina AS IS Business Model

CHEMCHINA
中國化工集團公司



ChemChina To Be New Business Model



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Global Partnership Agreement signed on **11 Sep 2007**



- » Framework agreement without TCV but with **mutual obligations**:
 - » **Atos Origin**: dedicated account manager, partnership board, preferential rates, best resources
 - » **ChemChina**: dedicated relationship manager, partnership board, assign Atos Origin to be strategic supplier
- » Outlines format of purchase order, payment terms and rate-table.
- » **Status 11th September:**
 - » Rates and Discount agreed and finalized
 - » Contract Terms and Conditions agreed and finalized

The way forward Phase 2 – All Service Lines



Business Consulting

- » Procurement Transformation
- » Financial Transformation including Shared Services consulting
- » Continuous Improvement
- » Enterprise Data Management
- » New Business model Implementation
- » IT Transformation
- » Wave 2 – Supply Chain, Sales and HR

Systems Integration

- » SAP ERP Pilot
- » SAP ERP Roll-out, CRM, BI, SCM
- » SAP Template implementation in ChemChina subsidiaries abroad
 - First opportunity identified: Rhodia Paraffin FRANCE

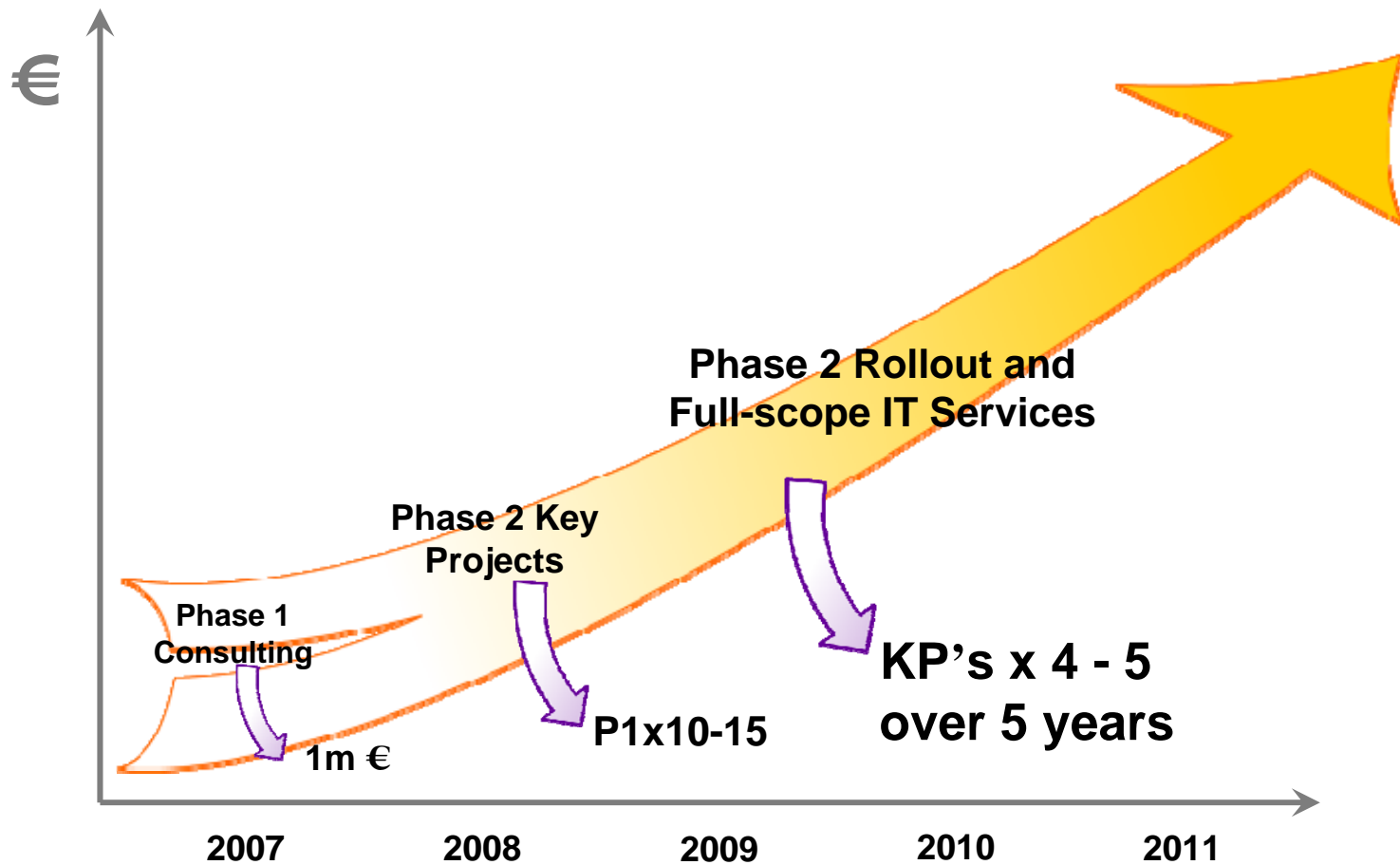
Managed Operations

- » IT Infrastructure and Data center
- » Desktop and Server management
- » Network and Security services

A truly Global team led by Consulting with resources from UK, Netherlands, China and wider Asia Pacific will deliver Phase 2.

Driver of Growth in **Manufacturing** sector in AO China

(Consulting, SAP, MMT & MO)



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Summary



- » Trusted advisor of ChemChina
- » The Atos Consulting Managing Partner for Asia Pacific Mark Godson appointed by ChemChina as the Corporate Strategic Advisor to the CEO
- » The Atos Consulting lead IT Partner for China, Ross Macallister has been formally appointed by ChemChina as Group CIO on secondment terms.

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