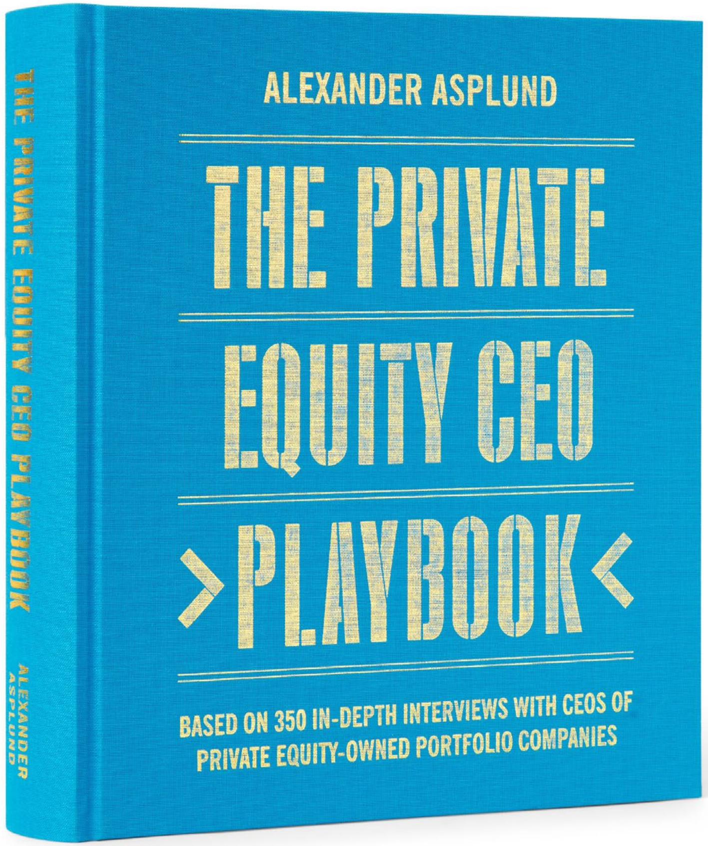
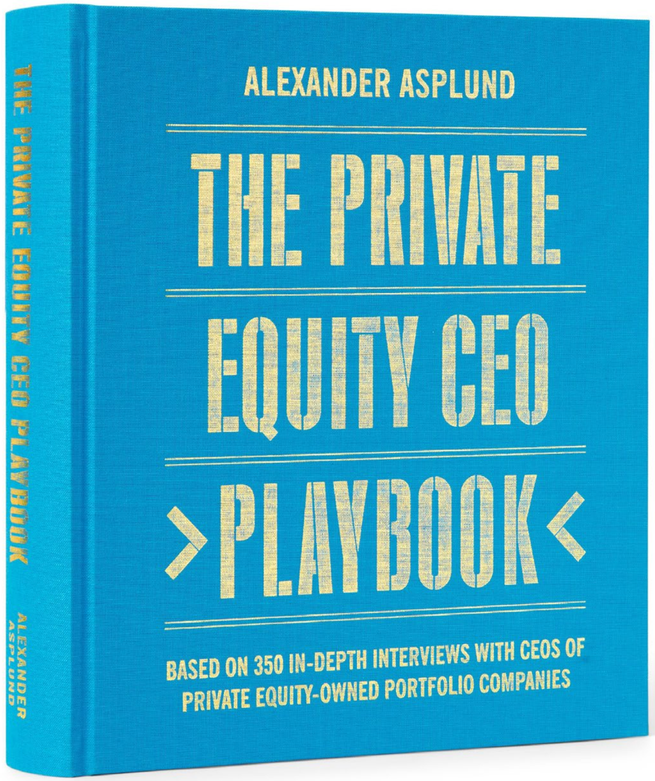
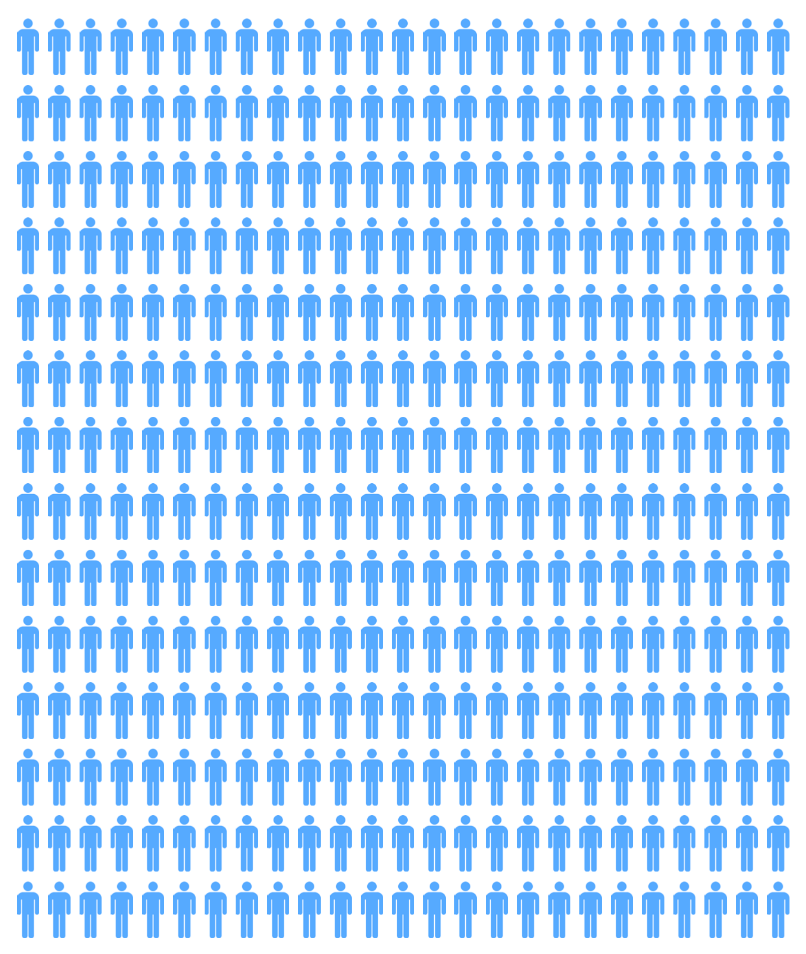
THE PRIVATE EQUITY CEO >PLAYBOOK<



We Interviewed 350 Portfolio Company CEOs in the World's Largest Best Practice Study





350	Portfolio Company CEOs
95	Large-Cap Portfolio Company CEOs
154	Mid-Cap Portfolio Company CEOs
101	Small-Cap Portfolio Company CEOs

Covering Companies based in Nordic Region

The Playbook is the World's Largest CEO-based Best Practice Study in Private Equity

Best Practice Lessons Relate to the Fundamental Building Blocks

Example: Infrastructure, Tangible / Intangible Assets, IT, HR/People, ESG, Branding, Financing etc.

Key Enablers & Resources

Example: Market Share Growth, New Markets, Margin Expansion, OPEX/Cost Reduction, Acquisitions etc.

Key Levers for Value Creation

Example: Buy & Build, Expansion, Internationalization, Impact, Professionalization, Turn-Around, Digitalization, etc.

Case Driven Themes

Fundamental Building Blocks

Effective CEO | Alignment | Critical Support | Governance | Value Creation Plan | Right Team | Org. Ownership | Momentum | Implementation

The Key Success Themes:
CEO Leadership
Alignment & Collaboration
Provision of Support
Effective Governance
Value Creation Plan
Right Team
Commitment & Ownership
Momentum
Implementation Capacity

Investment Strategy & Philosophy

The Investor's Philosophy & Strategy On Value Creation & Ownership

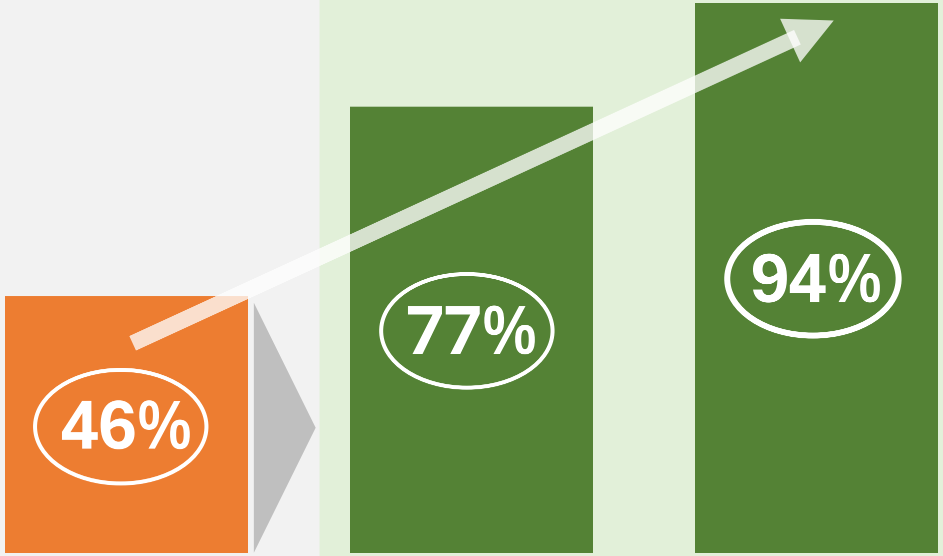
<u>94%</u> Success Rate for Best Practice Performers vs <u>46%</u> for Most Companies

Key Success Themes

Alignment | Critical Support | Governance | Value Creation Plan | Right Team | Org. Ownership | Momentum | CEO Leadership

Consistently Strong Performance on Key Themes Dramatically Improves the Chance of Success in Realizing the Value Creation Plan

Key Success Themes Scores:	**Don't Pass Min 7/10** Score On All KSTs	**Pass Min 7/10** Score On All KSTs	**Pass Min 7.5/10** Score On All KSTs
% Success Rate:	46%	77%	94%
% of 350 firms:	74%	26%	11%



The Playbook Best Practice Promise

Unlock the Full Value Potential by Applying Playbook's Best Practices & Checklists

The Playbook is a Guide to Consistently Great Performance

Just like Stenmark delivered in his days

Men's Slalom World Cup 1980/1981

Ingemar Stenmark - Ski legend

Stig Strand – Also ski legend

	Madonna di Campiglio	Garmisch-Partenk.	Ober-staufen	Kitzbühel	Wengen	St. Anton	Oslo	Åre	Furano	Borovetz	**Final Standing**	
Ingemar Stenmark	1	n/a	2	1	3	1	1	2	3	5	1	Consistently Great
Stig Strand	5	7	15	6	7	9	10	9	10	13	9	Frequently Good

Position in race

The Playbook is a Guide to Achieving Consistently Great Performance

It’s the Challenging Work that Determines Overall Success

The Easy Work

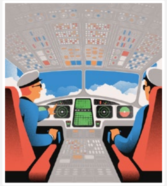
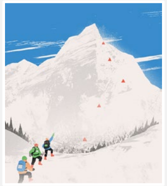
- Full Potential Ambitions
- Uncompromising Financial Control
- Demanding Directives & Expectations
- Speed is Critical
- Complete Accountability

Strike the Balance

The Challenging Work

Reality Check & Focus	Frequent mistakes include lack of reality checking ambitions and plans; doing too much at the same time
Add Mission Critical Value	Owner representatives are expected to add real value; engagement, expertise, best practices, and resources
Manifest Integrity & Proactivity	Don’t be too eager to please; CEOs need to be proactive and share their convictions on the best path to success
Embrace Transparent Collaboration	The key to success is close collaboration without prestige; easy in theory but challenging in practice
Align Stakeholders	Time is money and the clock is ticking. But running too fast result in weak alignment and poor org. commitment
Be Bold	The CEO is always held accountable. But bold moves and transformative leadership is essential to succeed
Empower the Organization	The CEO is expected to be in full control; but success depends on organizational ownership at team-level


TELEPHONE


Alexander has Supported 50+ Portfolio Companies and Managed 110+ CDD Cases

Accance Business Advisory

30 years in Strategy & Operational Consulting
BCG, Celerant, Nordic Boutique Firms
Wharton MBA; MSc from KTH & ESTP

Supported 50+ Private Equity Backed Portfolio Companies

Managed 110+ Commercial Due Diligence Cases & worked with 25+ PE Firms

Support to Companies

- Market, Customer & Business Analysis
- Growth Strategy & Business Plans
- Margin Improvement & Operational Excellence
- Project Management & Implementation Support

Support to Investors

- Commercial Due Diligence Analysis
- Value Creation Plans
- Program Office & Implementation Support
- Exit Preparation

Support on Playbook Themes

- Performance Measurement
- Performance Benchmarking
- Gap Assessment & Improvement Potential
- Improvement Strategy & Action Plan

The Mission is to Accelerate Value Creation

Performed 175+ Assignments in Private Equity

25+ Private Equity Clients

- Commercial Due Diligence
- Red Flag Studies
- Value Creation / 100-Day Programs
- Vendor Due Diligence
- Advice on PE Governance Models

110+ Investment Support Cases

- Managed 110+ Commercial Due Diligence Cases

Pet Services | ISO Certi-fication | Compli-ance & Risk Mgmt.
Food Concept | TIC Services | Lab Analysis
Online Travel IT Platform | Cash Registry Systems
IT Security Services | IT Services Platform | Software Quality
Dental Services | Ventilation Equipment | Equipment Measure
Flow Control Systems | Ventilation Services | Construct-ion Services | Industrial Services
Surface Protection | Building Material | BMS platforms

50+ Portfolio Company Cases

- Supported 50+ private equity owned portfolio companies with growth strategy / margin expansion / OPEX / implementation support

A Strong Extended Team with International Reach

International foot-print via i2D Partners - experts on market research & analysis

ANJA CHEMNITZ THYGESEN
Based in: Copenhagen
Covering: Scandinavia , UK

Profile: Industry and market analyst with over 18 years' experience. Previously with Quartz+Co, A.T. Kearney
Sectors: Construction, building materials, FMCG

MARKUS GRUNDKE
i2D Founding Partner
Based in: Stockholm & Munich
Covering: Sweden, Norway, Germany, Austria, Switzerland

Profile: Founder and MD of i2D Partners. Over 17 years of experience in market and industry intelligence in various sectors. Previously with BCG.
Sectors: Industrial Goods, Medtech, Automotive

JUHANI "JUSSI" KIISKINEN
Based in: Helsinki
Covering: Finland

Profile: Business information and marketing professional holding holds several board member positions in business information and marketing companies.
Sectors: B2B, Digital marketing

IRENE KOREN
Based in: Brussels
Covering: BENELUX, France

Profile: Over 20 years of experience in managing pan-European research projects. Previously with McKinsey, Roland Berger
Sectors: Network industries, Industrial Goods and services,

Dr. Cornelia Engelhard
i2D Partner
Based in: Munich
Covering: DACH

Profile: 20 years of experience in market research, competitive and business intelligence, and branding.
Sectors: Consumer Goods and Services, Retail, Media

TERESA RAMIREZ
Based in: Lisbon
Covering: Spain, Portugal, France

Profile: More than 18 years of experience in business intelligence, market research and corporate investigations.
Sectors: Pharmaceuticals, Automotive

MATTEO BOEMI
Base: Bologna
Covering: Italy, Spain

Profile: Over 17 years experince in market research and analysis, competitive intelligence.

SENIOR NORDIC EXPERTS

ANDERS FINNE, former Partner A-Zeta Oy
Based in: Finland

Profile: Senior change management expert focused on helping companies, organizations and leaders.

STRONG TEAM OF MARKET RESEARCHERS & ANALYSTS

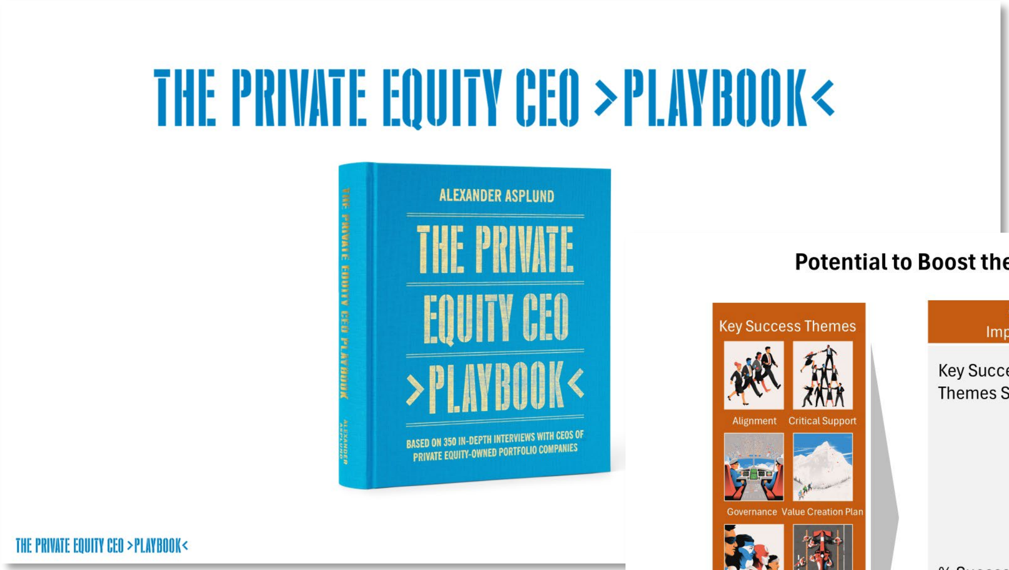
EDVIN	ISAK	CARL	RAVI	LEON	OLLE	MATTIAS	HUGO
							

Senior Expertise and Proven Best Practices

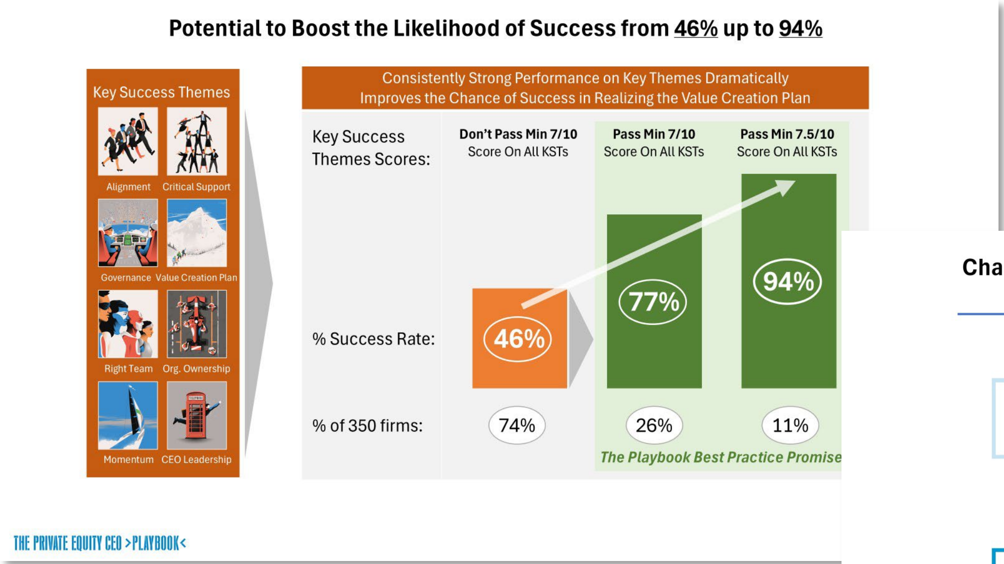
1	Alexander Asplund Represents Senior Expertise	▪ 30 years of experience of strategic and operational management consulting ▪ Senior expert in driving profitable growth and value creation in companies with experience of 100+ growth strategy assignments and 60+ profit improvement / implementation projects
2	Experienced in Private Equity & Value Creation	▪ Expert in Private Equity since 2005; having supported 25 Nordic private equity investors with 110+ investment analysis cases ▪ Provided hands-on support to 50+ portfolio companies with PE/active owners; supporting market assessment / potential analysis, value creation plan development and implementation support
3	Leverage Best Practices of 350 interviewed CEOs	▪ Alexander is the author of The Private Equity CEO Playbook (2024) which is the world's largest CEO-based best practice study in private equity, based on interviews with 350 portfolio company CEOs ▪ The best practices as reported by 350 CEOs are applied in all portfolio company support to maximize success and avoid the common mistakes
4	Experienced in Rapidly Scaling Entrepreneurial Businesses	▪ Alexander and the Accance team frequently supports fast-growing, entrepreneurial-led companies embarking on international expansion with acquisitive agenda ▪ We understand the need for pragmatic approaches and leveraging the entrepreneurial spirit
5	Fact-based Analysis and Primary Interviews	▪ Key to fact-base the attractiveness and potentials in the market; understanding the competitive dynamics and customer buying behavior; we secure insights by large number of primary interviews ▪ Pressure-test and reality-check the value creation ambitions and plans

We Apply Best Practices to Boost Chance of Success from <u>46%</u> up to <u>94%</u>

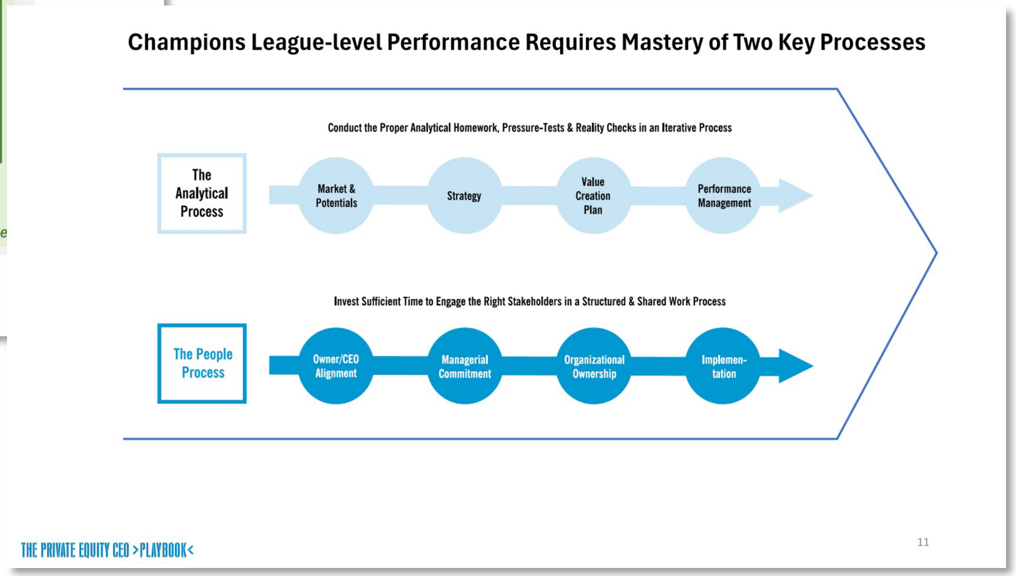
350 CEOs Share Best Practices in 2024 Playbook



Deliver 94% Success Rate vs. 46%



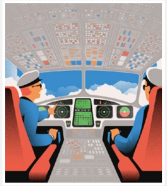
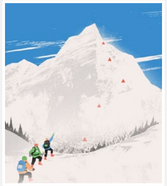
Being Right is Good, Getting it Right Gets Job Done



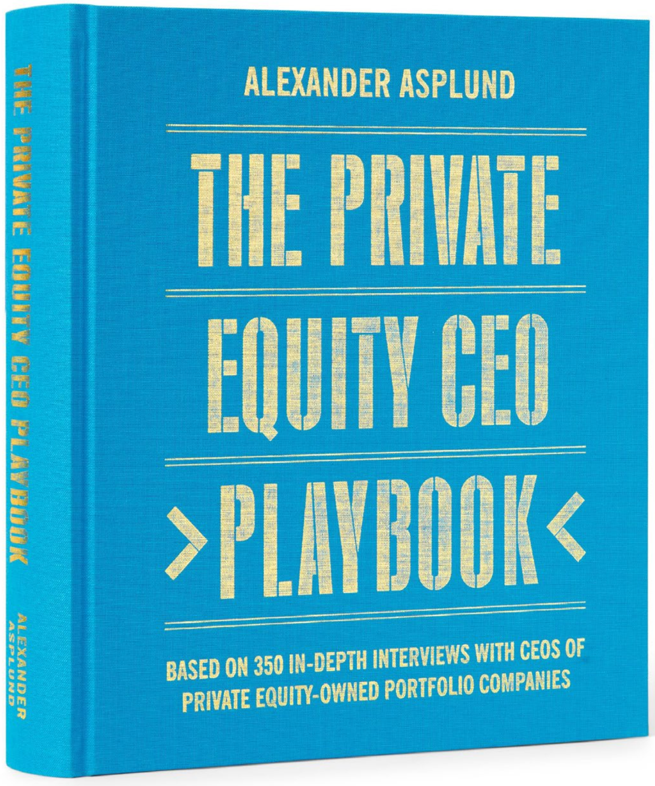
We Leverage Best Practice Lessons as Experienced by 350 CEOs

1	Lack of Alignment with Owner Representatives	▪ A common mistake is developing the business plan without sufficient engagement and collaboration with the owner representatives (lead investors / the board) –> lack of alignment
2	Lack of Organizational Commitment & Ownership	▪ A common mistake is developing the business plan without sufficient engagement of key people in the organization, keeping the work only to a tight management group -> lack of org. commitment ▪ Too rushed process / too few workshops, doings things too fast -> lack of quality, lack of alignment
3	Lack of Reality Checks & Validation of Potentials	▪ A common mistake is not sufficiently fact-basing the market potentials or pressure-testing the ambitions; rising questions on the feasibility of targets and plans -> lack of focus & reality checks
4	Aiming for Too Much at the Same Time	▪ Although a full-potential mindset is important; a frequent mistake is having too many initiatives at the same time -> creates a lack of focus and reduces likelihood of implementation success ▪ Often confusion b/w EBIT impact initiatives and enabling projects (and repositioning moves)
5	The Plan is Too Abstract, Not A Useful Tool for Execution	▪ To secure organizational commitment and implementation effectiveness, the plan needs to be broken down to operational team-level with clear deliverables, milestones, KPIs etc.
6	Leadership Not Sufficiently Effective, Bold & Hands-On	▪ Leaders of portfolio companies frequently regret not being sufficiently proactive and hands-on ▪ In retrospect, many leaders wish they had been bolder, done more and with greater speed; for example, in securing the right people in the right key positions; in making big moves earlier


TELEPHONE


Leverage Best Practices to Build Stronger Businesses



The Objective is Value Creation and Stronger Businesses ...

... by Mastering Key Success Themes on Management & Collaboration

Capture the Potential from *Frequently Good* to *Consistently Great* Performance ...

... by Systematically Leveraging Best Practice Lessons from 350 CEOs

Systematic Application of Best Practice Lessons Can Increase the Success Rate of Value Creation Plans by +15-40% on a Portfolio Level

The Playbook Answers 5 Key Questions

1. What are the Key Success Themes?

2. Impact of the Success Themes?

3. Performance by Success Theme?

4. Success Factors & Gaps by Theme?

5. How to Deliver Champions League-level Performance?

"A newcomer to Private Equity has limited access to insight about the road ahead, because there is so little specific guidance in print about the portfolio-company CEO role"

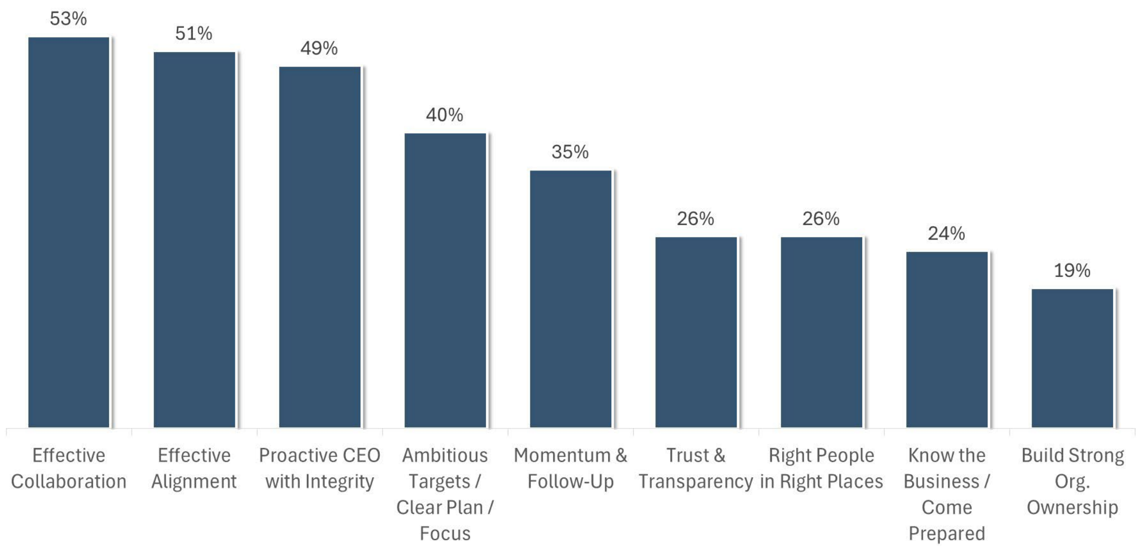
- McKinsey & Company

"As a new CEO without prior experience working with active owners, everything is new and there is so much to learn ... a best practices Playbook like this would have been a fantastic asset"

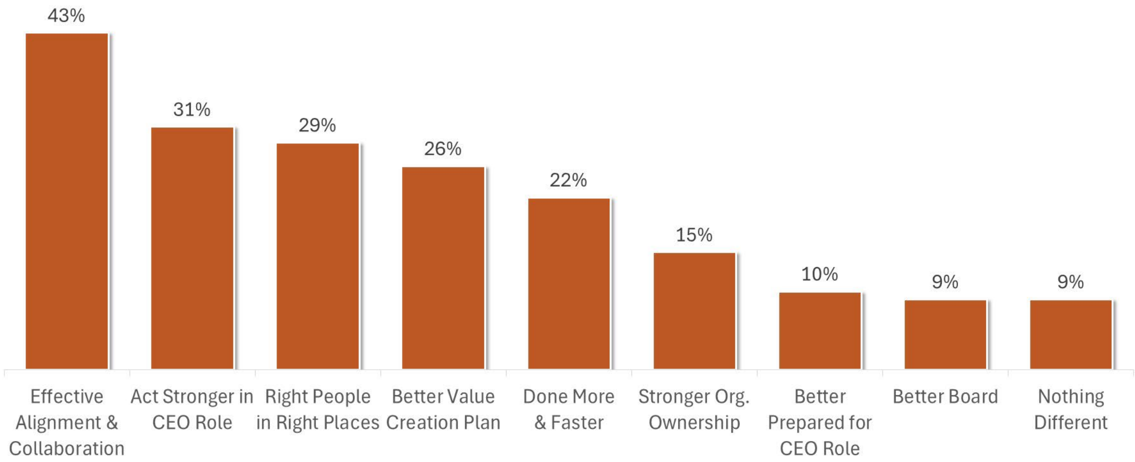
- CEO, the Playbook Study

350 CEOs Best Advice and Main Regrets by Theme

Top 3 Best Advice to a Portfolio Company CEO?



Top 2 Main Regrets / What Should Have Been Done Better?



The Secret is Getting Things Right from the Start and Avoiding the Common Mistakes

Best Practice Lessons Relate to Fundamental Building Blocks

Example: Infrastructure, Tangible / Intangible Assets, IT, HR/People, ESG, Branding, Financing etc.

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Example: Market Share Growth, New Markets, Margin Expansion, OPEX/Cost Reduction, Acquisitions etc.

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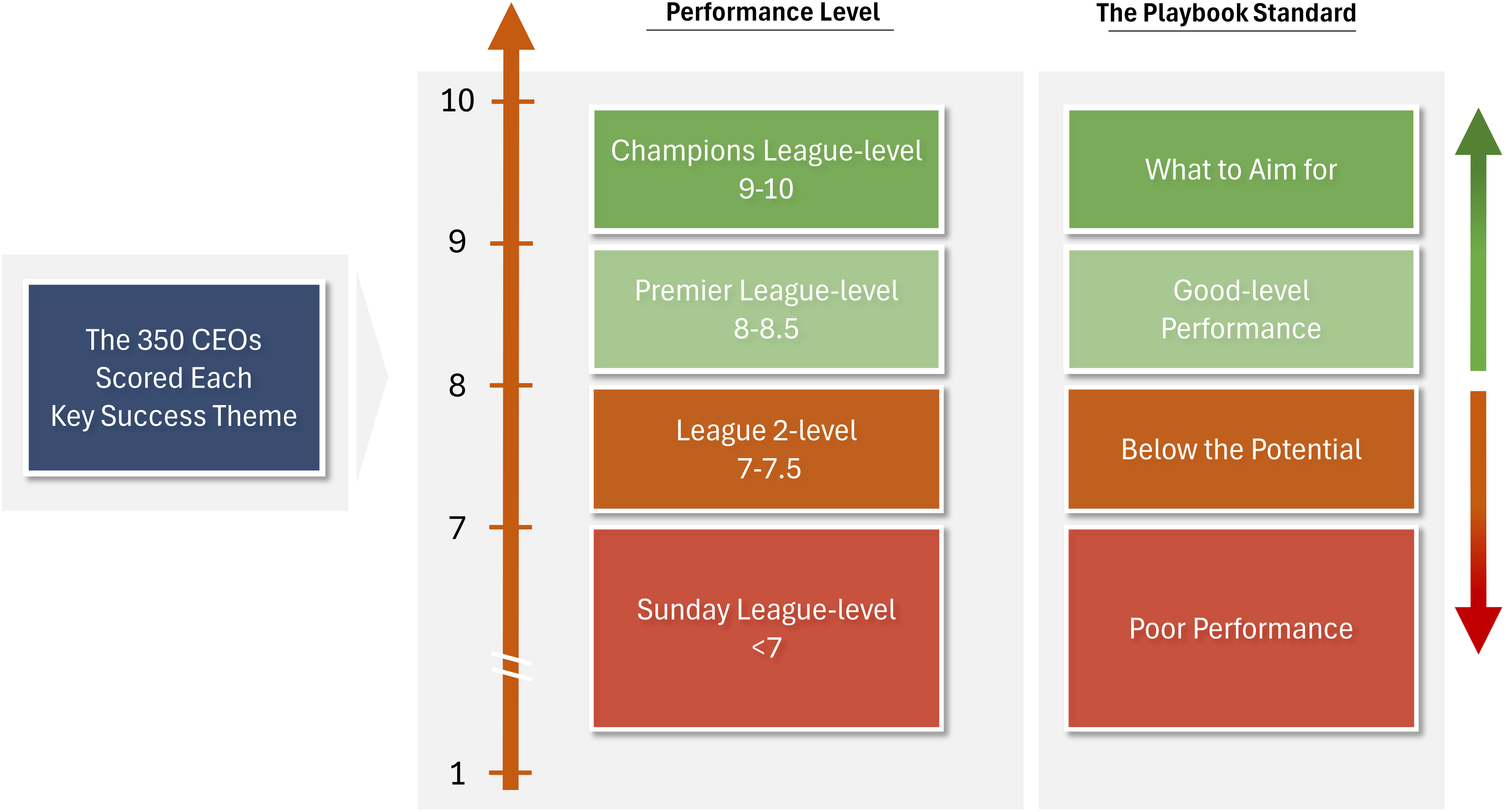
Investment Strategy & Philosophy

The Investor's Philosophy & Strategy On Value Creation & Ownership

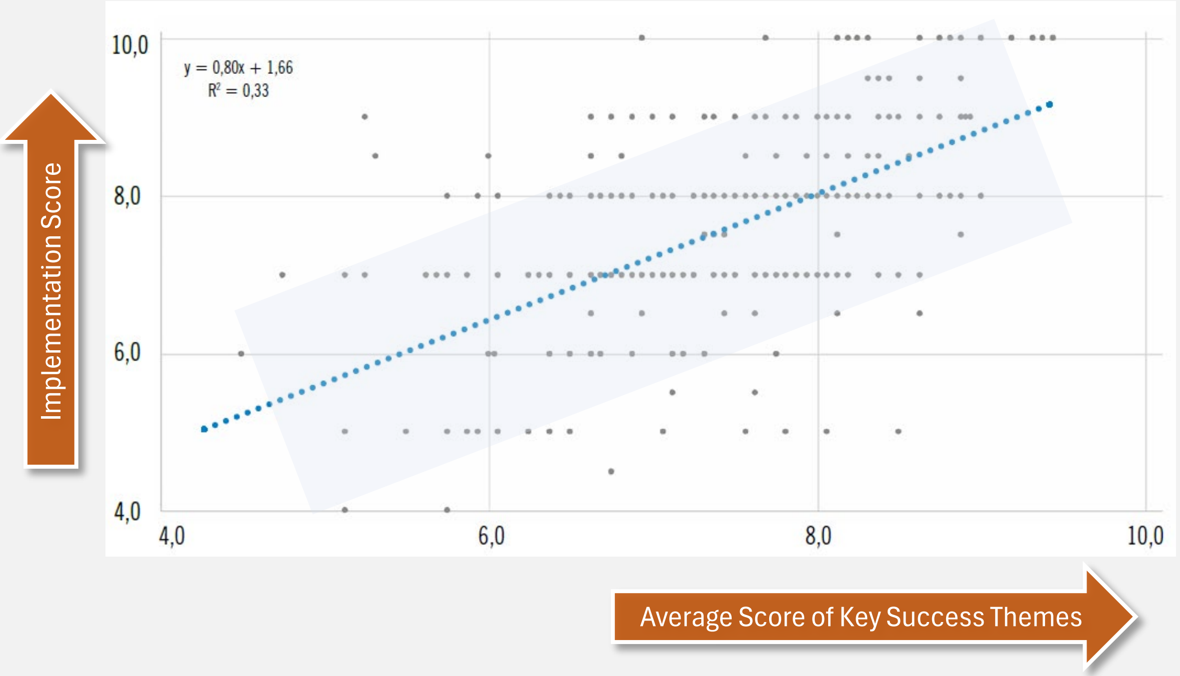
The CEOs Rated Performance for Each Theme



Description of the methodology for performance assessment

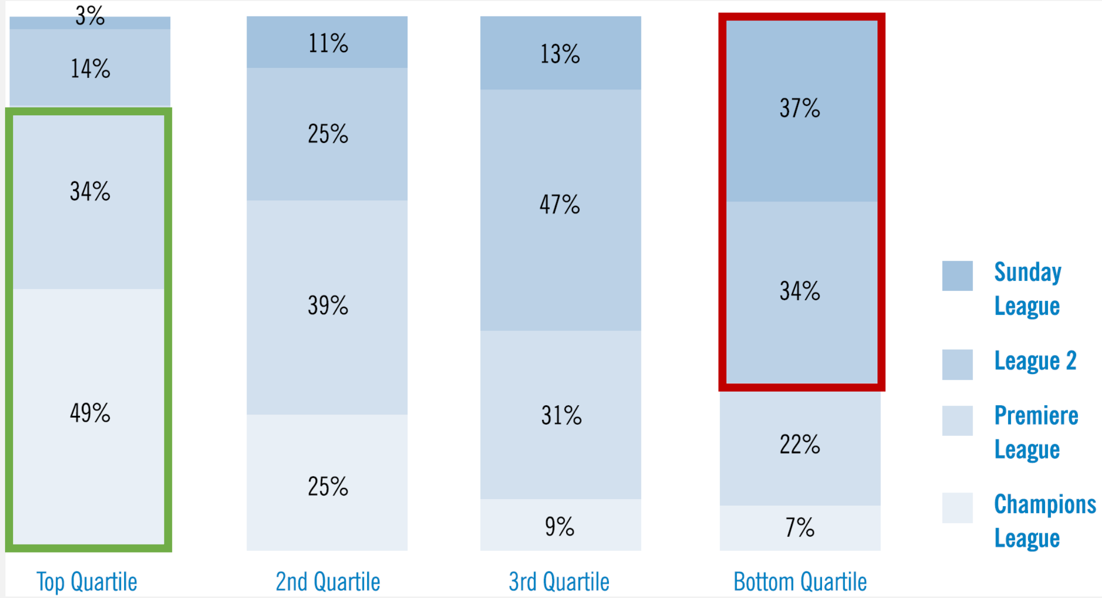
The Key Success Themes Determine Overall Success or Failure

A Clear Relationship Between Key Success Themes Performance and Level of Success in Realizing the Value Creation Plan



83 % in the Top Quartile[1] are Successful with Realization

71 % in Bottom Quartile[1] Report Underperformance



[1]Average score of the Key Success Themes. Standard for CEO self-assessment performance scores is: Champions League (9-10): Premier League (8-8.5): League 2 (7-7.5): Sunday League (<7) on a 1-10 scale.

83% in Top Quartile but only 29% of Bottom Quartile Are Successful with Realizing Ambitions

Potential to Boost the Likelihood of Success from 46% up to 94%

Key Success Themes

Alignment | Critical Support | Governance | Value Creation Plan | Right Team | Org. Ownership | Momentum | CEO Leadership

Consistently Strong Performance on Key Themes Dramatically Improves the Chance of Success in Realizing the Value Creation Plan

Key Success Themes Scores:	**Don't Pass Min 7/10** Score On All KSTs	**Pass Min 7/10** Score On All KSTs	**Pass Min 7.5/10** Score On All KSTs
% Success Rate:	46%	77%	94%
% of 350 firms:	74%	26%	11%

The Playbook Best Practice Promise

Strong Thematic Performance Associated with Success

All

Themes

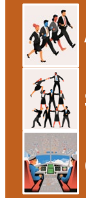
All

Success in Realization of VCP

	Don't Pass Min 7/10 Score On All	Min 7/10 Score On All
Success	46%	77%
% Share of 350:	74%	26%

Align & Support

Themes



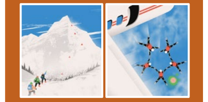
Alignment
Support
Governance

Success in Realization of VCP

	Don't Pass Min 8/10 Score On All	Min 8/10 Score On All Three
Success	47%	71%
% Share of 350:	69%	31%

VCP

Theme



Value Creation Plan

Success in Realization of VCP

	<8/10 Score	Min 8/10 Score
Success	37%	69%
% Share of 350:	45%	55%

RPRP

Theme

Right Team

Success in Realization of VCP

	<8/10 Score	Min 8/10 Score
Success	45%	68%
% Share of 350:	58%	42%

Ownership

Theme

Org. Ownership

Success in Realization of VCP

	<8/10 Score	Min 8/10 Score
Success	40%	73%
% Share of 350:	57%	43%

Momentum

Theme

Momentum

Success in Realization of VCP

	<8/10 Score	Min 8/10 Score
Success	22%	77%
% Share of 350:	41%	59%

Address Performance Gaps with Playbook Best Practice Lessons and Accance Methodology

Summary Overview of Key Success Themes

"The owners should provide tangible support; serve as strategic sounding board & provide best practice methods"

"Get the right team in place as quickly as possible. Spend a lot of time getting the management team together. Then you can move mountains!"

"The owners, along with the consultants, pushed for overly aggressive targets that were unrealistic"

"Make sure you use your mandate to the fullest and, within those limits, go all-in"

"I should have taken control much faster. When you are new to the role, you get very reactive to the owner's requests. Put yourself in the driver's seat"

Key Features of Effective Alignment & Collaboration

A. Engage
- Good Relations & Trust
- Transparent Communication
- 'In It Together' Partnering

B. Understand the Business
- Understand Company & Business Logic
- Sector Expertise

C. Add Mission-Critical Value
- Mission Critical Expertise
- Best Practice Methods
- Right People for Board & Management
- Add Resources & Leverage Network

D. Collaborate Effectively
- Clear Structure
- Collaborate on the Plan
- Clear Mandate & Respected Roles
- Act the Sounding Board
- Frequent Informal Communication
- Balance Push vs Pull

Balance Financial & Operational Perspectives in the Plan

Value Creation Ambition: The Financial Perspective	Key to Realization: The Operational Perspective
A Full-Potential Mindset	All-In on Few Must-Wins

Avoid the Common Mistakes in Value Creation Planning:

- Insufficient Collaboration b/w Stakeholders
- Lack of Reality-Checked Ambitions & Plans
- Lack of Clear Focus & Priorities
- Too Many Initiatives at Same Time
- Plans Not Aligned in Organization
- Abstract Plans Not Suitable for Execution

Master the People Process Along with the Analytical Steps

Conduct the Proper Analytical Homework, Pressure-Tests & Reality Checks in an Iterative Process

The Analytical Process

Market & Potentials → Strategy → Value Creation Plan → Performance Management

Invest Sufficient Time to Engage the Right Stakeholders in a Structured & Shared Work Process

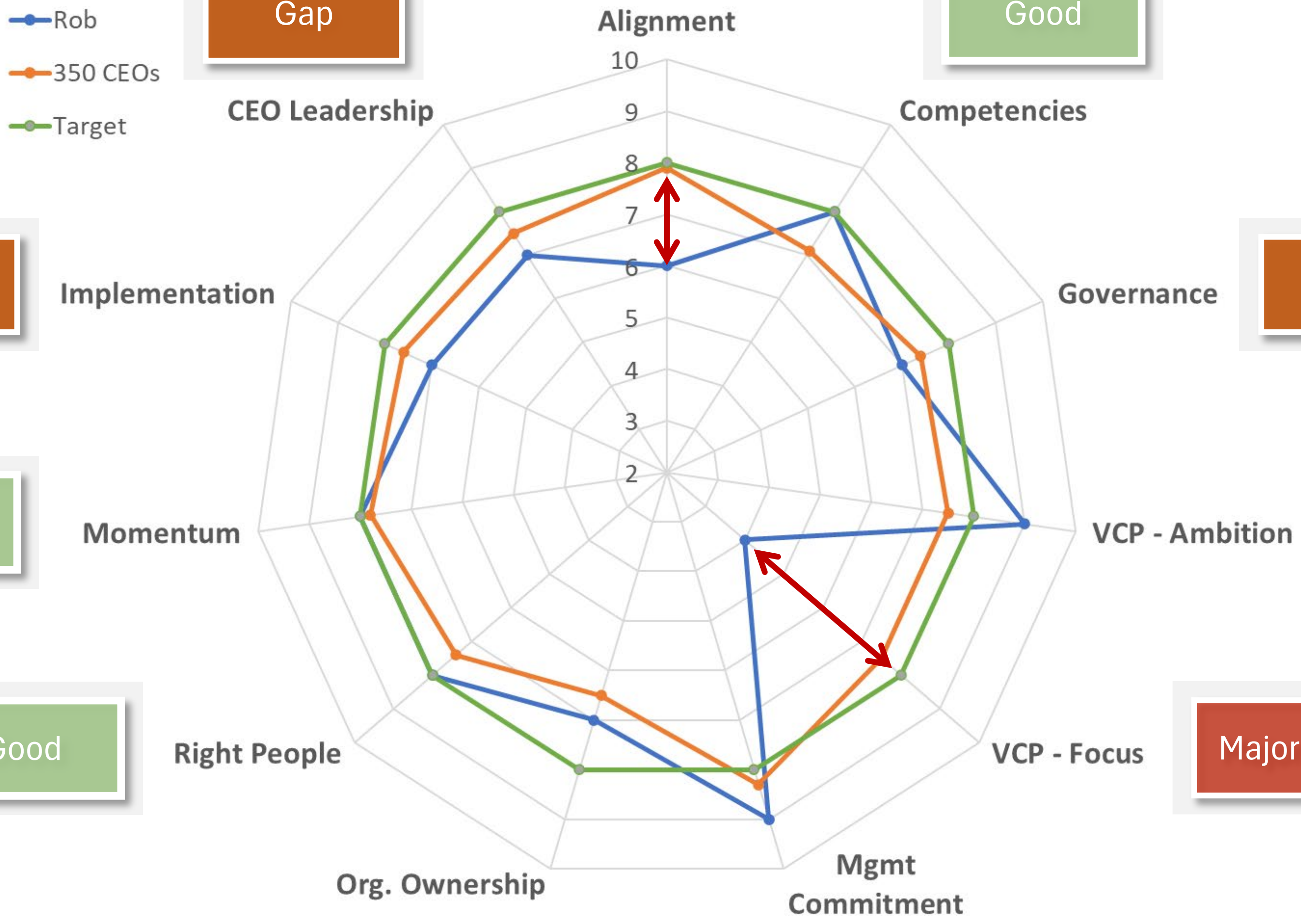
The People Process

Owner/CEO Alignment → Managerial Commitment → Organizational Ownership → Implemen-tation

Accance Assessment Tool:

Apply for Assessment, Benchmarking, Root-Cause Analysis & Improvement Initiatives

REAL-LIFE EXAMPLE



Alignment – Major Gap

1. Better Agreement on the Value Creation Plan
2. More Financial Support
3. Better Collaboration
4. Better Governance Model

CEO Leadership – Gap

1. Better Collaboration
2. Do More & Push Harder
3. Take More Charge
4. Stronger Pace

Competencies – Good

Implementation – Gap

1. Better Focus of VCP
2. Adequate Resources
3. Engage the Org.
4. Better Perform. Mgmt.

Governance – Gap

1. A Better Value Creation Plan
2. More Pragmatism & Flexibility
3. Better Structure & Standards
4. A More Effective Board

Momentum – Good

VCP - Ambition – Good

Right People – Good

VCP - Focus – Major Gap

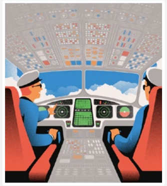
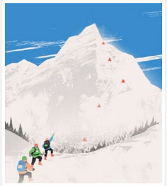
1. Better Market Understanding
2. Better Business Analysis
3. Better Alignment with Owner Reps
4. Better Focus of Value Creation Plan

Org. Ownership – Gap

1. Better Communication
2. Better Focus of Value Creation Plan
3. Engage the Org. Better
4. Better Perform. Mgmt.

Mgmt Commitment – Good




CEO Leadership

Effective CEO Leadership

"Next time, I will seek greater support from the owner. I will focus more, push harder on key initiatives, and work harder to get the organization on board"

- CEO in the Playbook Study

Top 5 Improvement Areas for CEO Leadership

Top 5 Improvement Areas for Effective CEO Leadership

#1 Be Proactive & Maintain CEO Integrity / Clear Roles & Mandate

#3a Take Charge & Move Fast / Do More & Push Hard

It's Hands-On Hard Work

#5 Be Well-Prepared

#2 Right People in the Right Place

#4 Visible & Engaged Leadership

#3b Effective Closework Collaboration

Talk Straight & Be Transparent

#1 – Be Proactive & Maintain Integrity

Improvement Area	Key Lever	Check-list	Score
1 Be Proactive & Maintain Integrity as CEO	E Engage & Challenge	Have thick skin. Stay calm and be humble	
		Dare to push-back and challenge	
		Demand support or engagement when needed	
	D Constructively Speak Your Mind	Don't fake your commitment. Don't be a push-over	
		Manifest constructive integrity & voice your opinion	
	C Shape Your View	Don't get swept away. Apply reality-checks	
		Shape your own view	
		Trust yourself and stay true to your convictions	
	B Respect the Roles	Clarify & respect the respective roles of CEO, Chair, Board and Owner	
	A Clear Expectations & Mandate	Clarity on expectations and the CEO mandate	

#2 – Secure the Right People in the Right Place

Improvement Area	Key Lever	Check-list	Score
2 Right People in Right Key Positions	F Develop People	Invest in people development and training	
	E Balance Risks	Balance risks associated with organizational change	
	D Trust Instinct	Trust your instinct and gut feeling more often	
	C Do More	Do more, invest more time and energy	
	B Act Faster	Act more quickly and firmly	
	A Assess Needs	Assess the business needs and match accordingly	

#3a – Take Charge & Push Hard

Improvement Area	Key Lever	Check-list	Score
3 Take Charge & Push Hard	D Push Hard & Act Swiftly	Capture the opportunities. Push harder. Do more. Invest more.	
		Address heavy-lifting fixes early & up-front	
	C Be Bold & Decisive	Be effective in decision making; don't overanalyze	
		Be bold and drive change with decisiveness	
	B Drive Momentum	Kickstart momentum and move with speed	
	A Be in Driver's Seat	Take initiative, be proactive and in the driver's seat	

#3b – Ensure Effective Collaboration with Owner Representatives

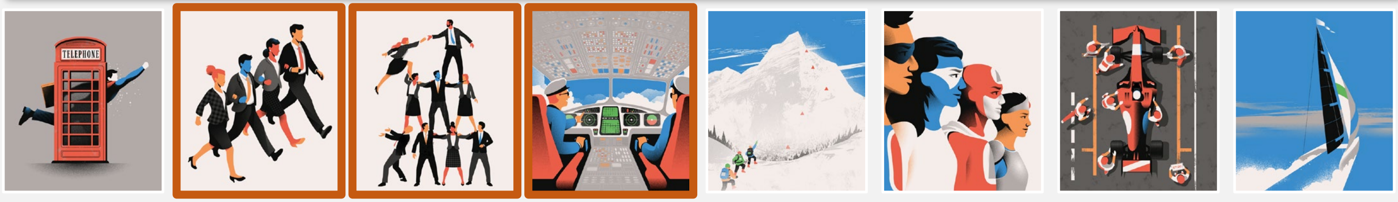
Improvement Area	Key Lever	Check-list	Score
3 Effective Closework Collaboration	F Deliver	Manage expectations & deliver on commitments	
	E Leverage Support	Leverage available support & resources	
	D Relationship & Transparency	Partner with the chair	
		Be fully transparent and apply straight-talk	
		Build good relations and a high level of mutual trust	
	C Engaged & Invested	Engage the owner reps. Make them visible	
		Be engaged and invest time. Be open and curious. You're in it together	
	B Clear Roles	Ensure clear roles and well-defined mandate	
	A Close Collaboration Model	Embrace close collaboration and frequent communication	
		Establish the right model for close collaboration	

#4 – Apply Hands-On Leadership

Improvement Area	Key Lever	Check-list	Score
4 Visible & Engaged Leadership	D Face Facts & Be Resolute	Face facts and see reality as it is	
		Be resolute and don't hesitate to set clear demands	
	C Be the Role Model & Chief Motivator	Be the chief motivator and coach your teams	
		Be the role model and walk the talk	
	B Be Hands-On	Be engaged, get involved and contribute hands-on	
	A Lead from the Center	Be highly visible & accessible. Lead from the center - not the top	

#5 – Be Well-Prepared

Improvement Area	Key Lever	Check-list	Score
5 Be Well-Prepared	D Seek Support	Actively seek advice and support	
	C Are You The Right Fit?	Do you fit with the owner's profile and active ownership style?	
		Be ready for tough expectations and demands – are you the right fit?	
	B Understand the Company & Mission	Proper homework on the company and the market	
		Clearly understand the investment case and the mission	
	A It's About Value Creation	Understand the game — it's about ambitious value creation	



Alignment & Collaboration

Effective Alignment & Collaboration

“Through partnership, capital, deep sector knowledge, expertise and collaboration we help companies maximize their potential…based on best practices of 125 portfolio company investments, we have developed operationally focused sector playbooks”

"We didn't have a good cooperation between the board, management and us. We sold the company with only 1 percent return. After that, we developed the Troika concept where the company's chairman and CEO and responsible deal partner work closely together"

- Major Nordic Private Equity Firms

Provision of Critical Support

"We partner with ambitious management teams and provide additional operational know-how, experience, with a dedicated value creation unit comprising operational and functional specialists to help unlock companies' full potential"

"The board should consist of leaders who have accomplished great things. The CEO should respect and look up to the board members. The members can't be less qualified than those reporting to the CEO"

- Nordic Private Equity Firm
- Chairman, Swedish Industry Group

Effective Governance

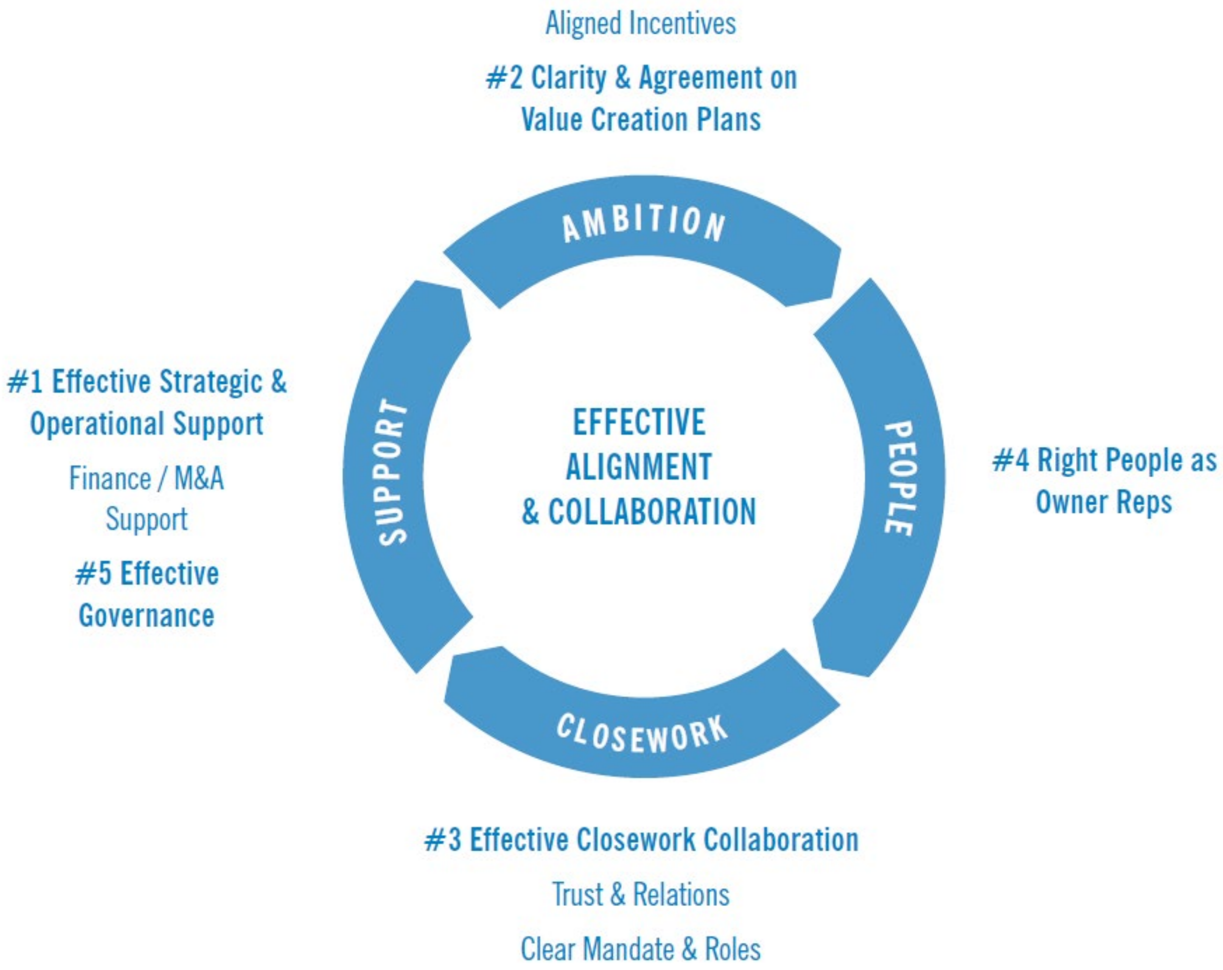
"The governance model is designed to enable accountability, promote fast decision-making and empower portfolio companies' CEOs, while also allowing for informal free-thinking and limiting internal politics"

"An important pillar is the TROIKA forum that enables smooth communication, transparency and efficient governance"

- Nordic Private Equity Firm

Top 5 Improvement Areas for Alignment & Collaboration

Top 5 Improvement Areas for Alignment & Collaboration



#1 – Deliver Real Engagement & Effective Support

Improvement Area	Key Lever	Check-list	Score
1 Engagement & Critical Support	E Find the Right People	Support recruiting of key people to the organization	
		Recruit skilled and experienced people to the board	
	D Hands-On Expertise	Provide or enable strategic and operational support of critical value	
		Provide topic expertise and strategic/operational best practices	
	C Leverage Network & Resources	Enable best practice sharing across the portfolio	
		Strengthen and leverage relevant expertise and resources	
	B Understand Market & Company	Thorough due diligence analysis and collaborative value creation planning	
		Secure strong understanding of the market & company	
	A Be Engaged & Relevant	Be engaged and an active sounding board	
		Avoid generic or theoretical concepts of limited relevance to the company	

#2 – Align on the Value Creation Plan

Improvement Area	Key Lever	Check-list	Score
2 Clarity & Agreement on Value Creation Plan	E Persistency & Agility	Stay consistent with the plans	
		Still - be agile and adjust when circumstances require	
	D Proper Analysis & Reality Check	Perform reality checks of assumptions, potentials and plans	
		Base the plan on robust market analysis & business understanding	
	C Ambition & Focus	Go all-in on few must-win initiatives	
		Set stretched but achievable ambitions for value creation	
	B Structured Process	Apply the W-model: A structured top-down and bottom-up process	
		Invest time to work through the plan properly	
	A Collaborate	Develop the value creation plan together	
		Ensure clarity on the owner's vision and case for value creation	

#3 – Ensure Effective Collaboration

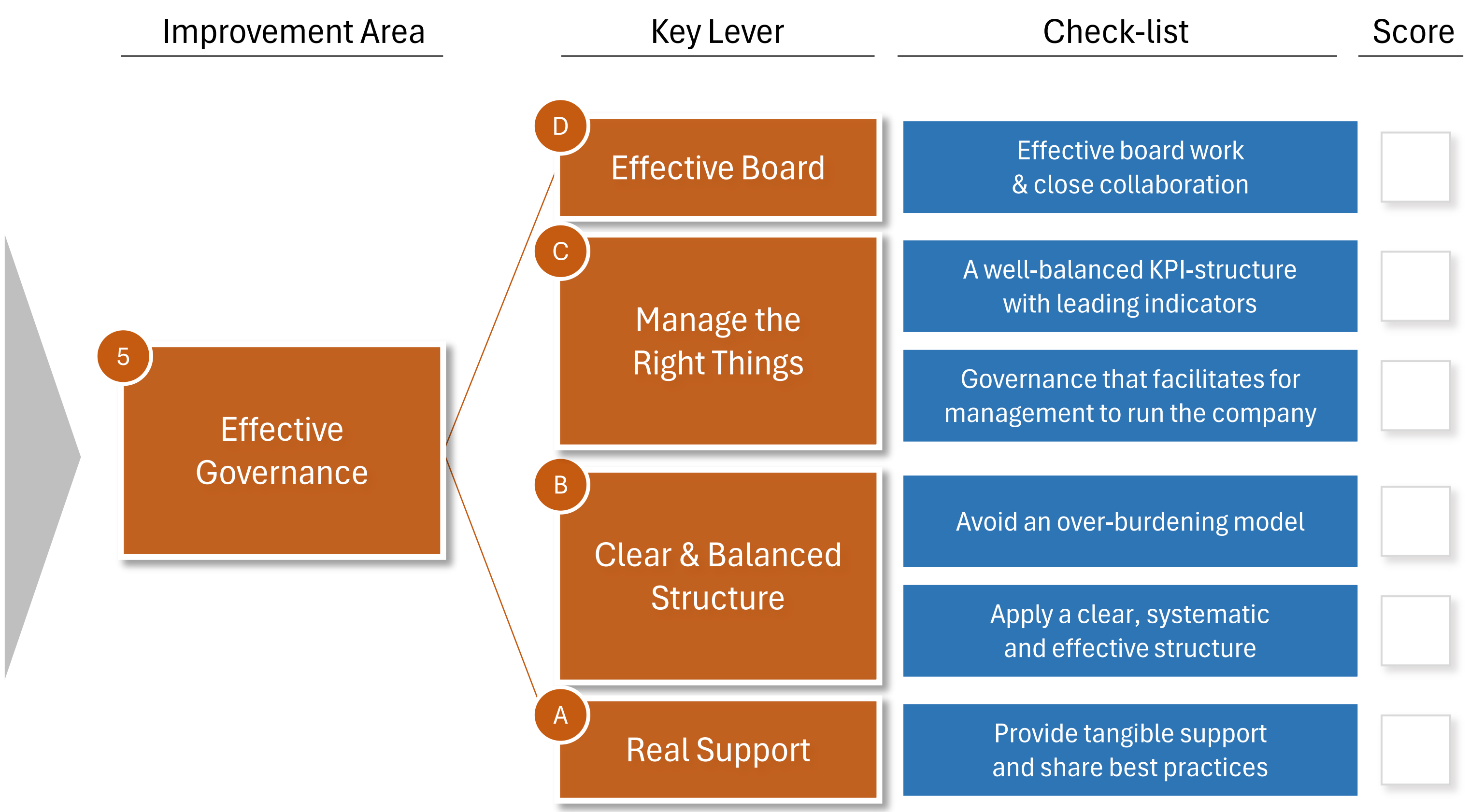
Improvement Area	Key Lever	Check-list	Score
3 Effective Closework Collaboration	E Provide Support	Provide and enable real support	
	D Relation & Transparency	Be fully transparent and apply straight-talk	
		Build good relations and a high level of mutual trust	
	C Engaged & Invested	In it together mentality	
		Be truly engaged and invest sufficient time	
	B Clear Roles	Ensure clear roles and mandates	
	A Close Collaboration Model	Embrace close collaboration and frequent communication	
		Establish the right model for close collaboration	

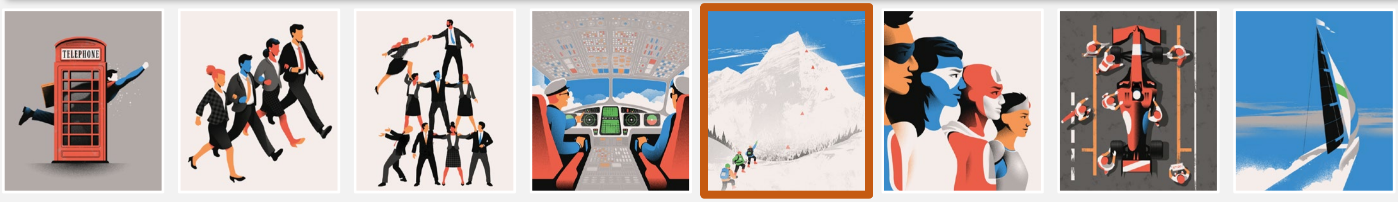
Key area also for CEO Leadership theme

#4 – Assign the Right People as Owner Representatives

Improvement Area	Key Lever	Check-list	Score
4 Right People as Owner Representatives	C Value Creation Savviness	Experienced in value creation and the active ownership model	
	B Skill-set Match Company Needs	Expertise that match critical needs of the business	
		Relevant industrial and operational skills	
	A Capacity to Engage	Well suited to engage in close collaboration	
		Capacity and engagement to be effective support	

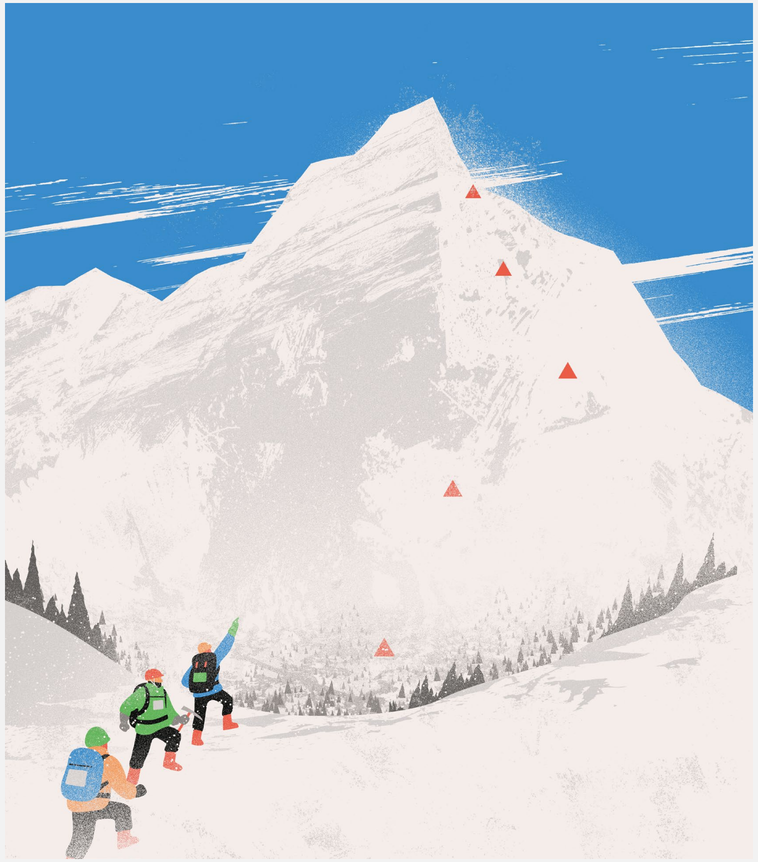
#5 – Apply Optimal Governance





Value Creation Plan

Ambitious & Focused Value Creation Plan

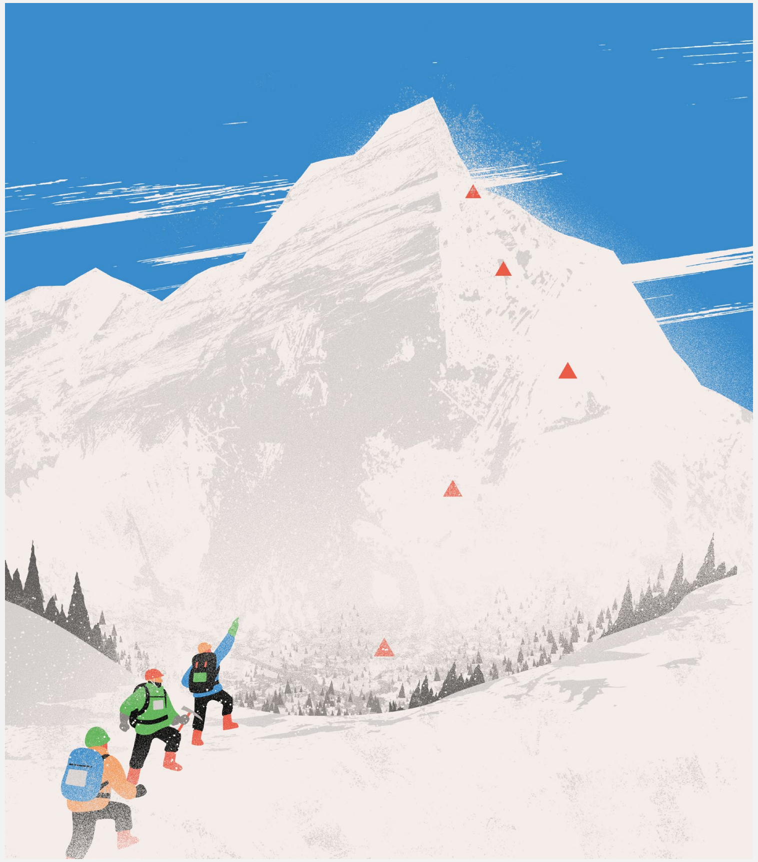


"Together with the management team, we work as allies to build a truly world-class business. We look at how we can maximize the full potential of the company, benchmarking the operating targets against the most admired companies"

"Partnership starts with the development of a shared value creation plan, owned by the Management team and fully supported by us as majority investor"

- Two Leading Private Equity Firms

Top 5 Improvement Areas for the Value Creation Plan



Top 5 Improvement Areas for the Value Creation Plan

Value Creation Impact

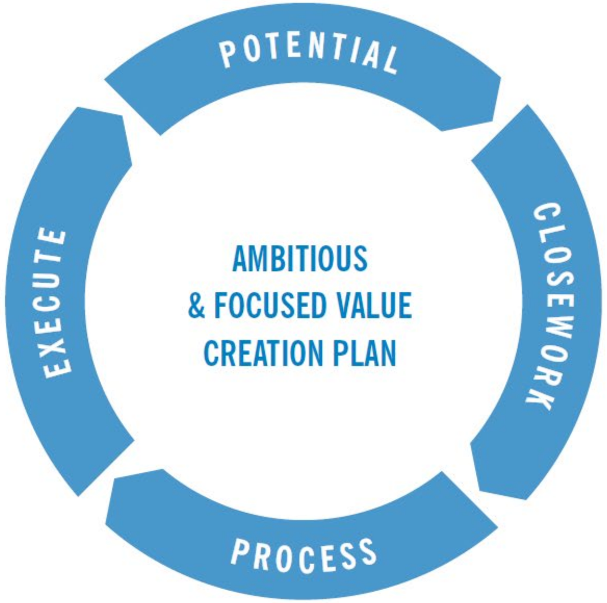
#2a Strategic Clarity

#3a Robust Market Analysis & Business Insights

#3b Reality Checks

#5 Effective Performance Management

Adjust & Support



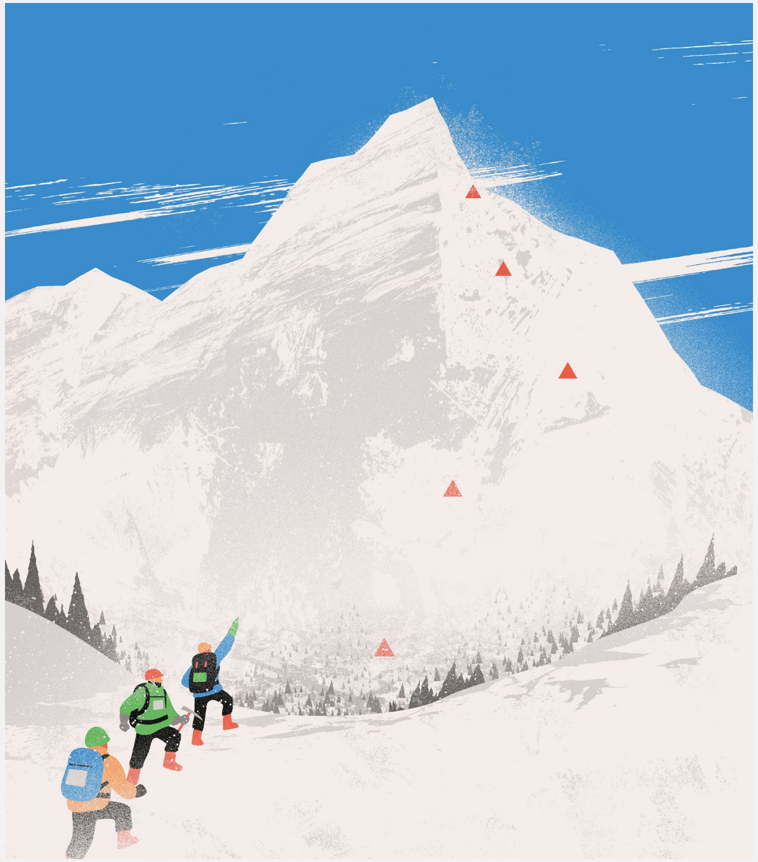
#1 Effective Alignment & Closework Collaboration

#2b Sharp Focus & Clear Priorities

#4a Engage the Organization

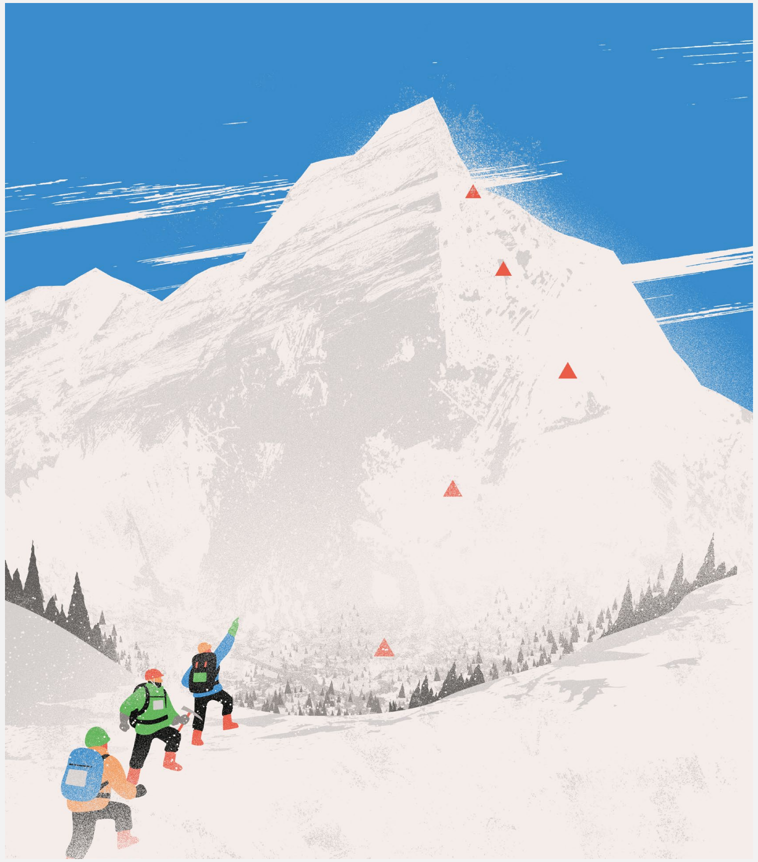
#4b Right Skills & Resources

#1 – Align on the Value Creation Plan



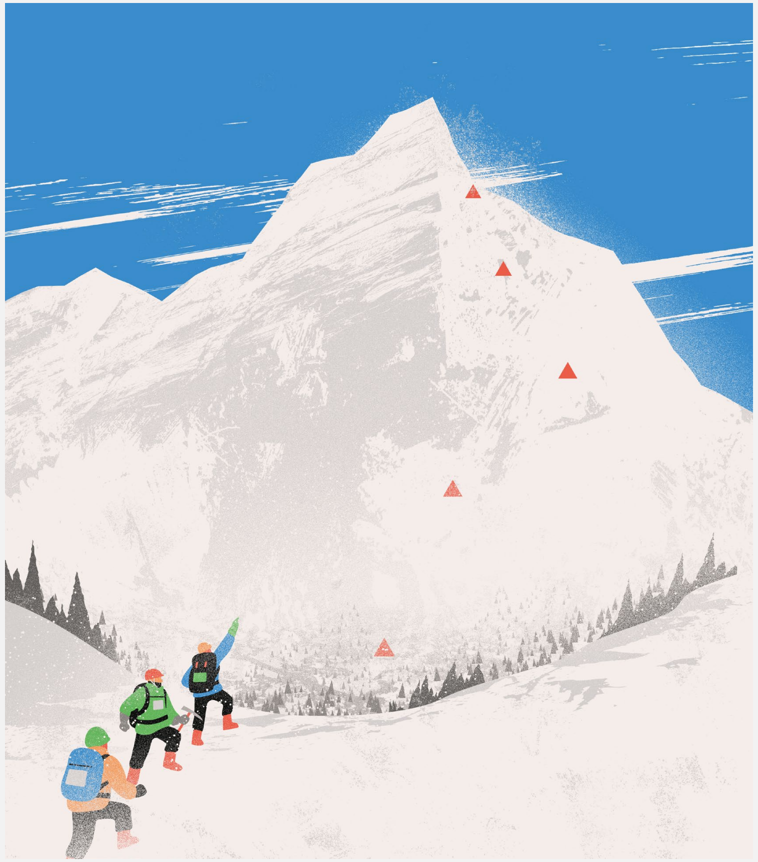
Improvement Area	Key Lever	Check-list	Score
1 Align on the Value Creation Plan *Key area also for Alignment theme*	E Persistency & Agility	Stay consistent with the plans	
		Still - be agile and adjust when circumstances require	
	D Proper Analysis & Reality Check	Perform reality checks of assumptions, potentials and plans	
		Base the plan on robust market analysis & business understanding	
	C Ambition & Focus	Go all-in on few must-win initiatives	
		Set stretched but achievable ambitions for value creation	
	B Structured Process	Apply the W-model: A structured top-down and bottom-up process	
		Invest time to work through the plan properly	
	A Collaborate	Develop the value creation plan together	
		Ensure clarity on the owner's vision and case for value creation	

#2 – Ensure Clarity & Focus



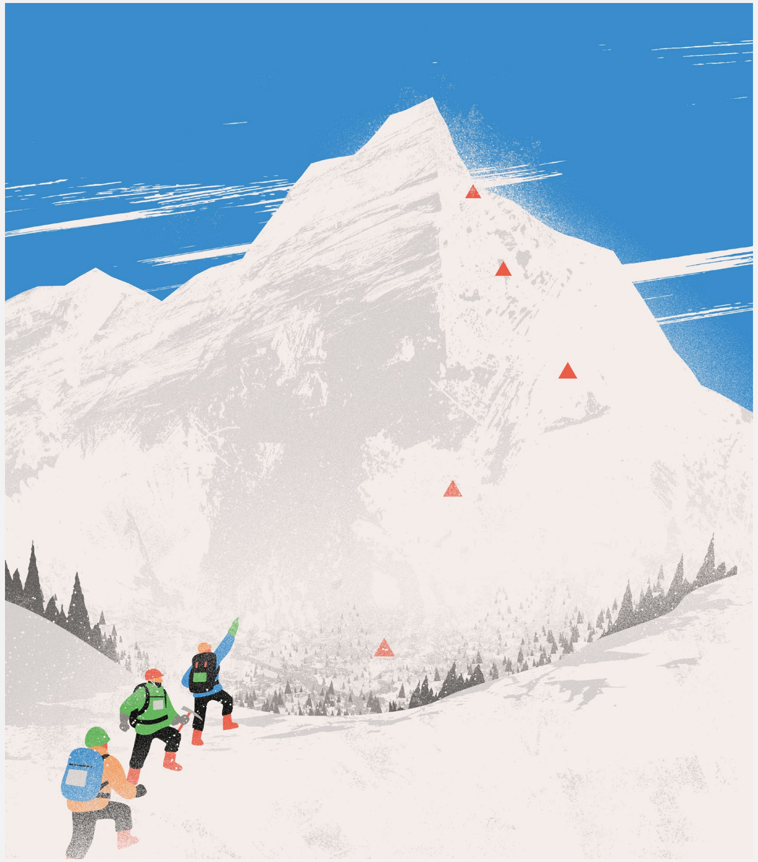
Improvement Area	Key Lever	Check-list	Score
2 Strategic Clarity & Focused Priorities	D All in on Few Must Wins	Don't do too much at the same time	
	C Slice the Elephant	'Slice the elephant' and break down the targets and initiatives	
	B Prioritize Hard	Clear prioritization of the value creation plan initiatives	
		Prioritize the initiatives with biggest impact on value creation	
	A Ensure Shared Clarity	Shared clarity on specific initiatives, road-maps, and time plans	
		Secure a clear understanding of the strategy and the 'Big Why'	
		Shared clarity of the overall vision, objectives and targets	

#3 – Do the Homework & Perform Reality Checks



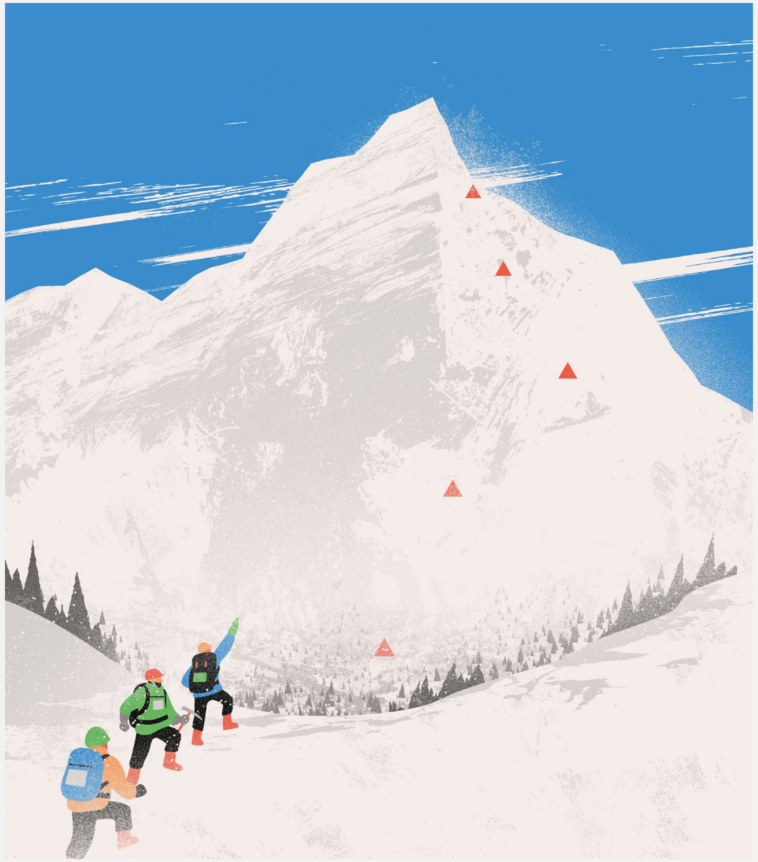
Improvement Area	Key Lever	Check-list	Score
3 Robust Analysis & Reality Checks	B Perform Reality Checks	Thorough reality checks of all assumptions, potentials, and plans	
	A Robust Analysis	Perform robust analysis of the market, the customers & the potentials	
		Comprehensive analysis of company, business logic & situation	
		Apply data-driven and fact-based analysis	

#4 – Engage the Organization



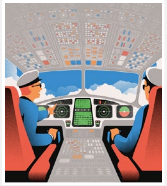
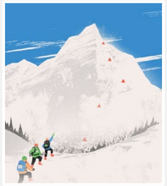
Improvement Area	Key Lever	Check-list	Score
4 Engage the Organization	E Keep the Plan Alive	Frequently discuss how things are going	
	D Get the Commitment	Build strong organizational ownership to the ambitions	
	C Sell the Story	Tell and sell the story of the company's journey	
	B Organize the Process	Break down targets and initiatives and delegate and empower	
		Apply the W-model: A structured top-down and bottom-up process	
	A Involve People	Leverage co-workers' skills and experiences	
		Invite and engage the organization in developing the value creation plan	

#5 – Ensure Effective Performance Management



Improvement Area	Key Lever	Check-list	Score
5 Effective Performance Management	E Accountability	Empower the organization to take accountability for the KPIs	
	D Understand and Share Performance	Apply systematic root-cause analysis and feedback loops	
		Frequently measure and share progress updates	
	C Leading & Pragmatic KPIs	Work with leading and not only lagging KPIs	
		Break down targets to a pragmatic set of KPIs	
	B Clear Link to Value Creation Plan	Link performance management and KPIs to the value creation plan	
	A Right Structure Early-On	A balanced and structured model for performance management early on	




Right Team


The Right People in the Right Place

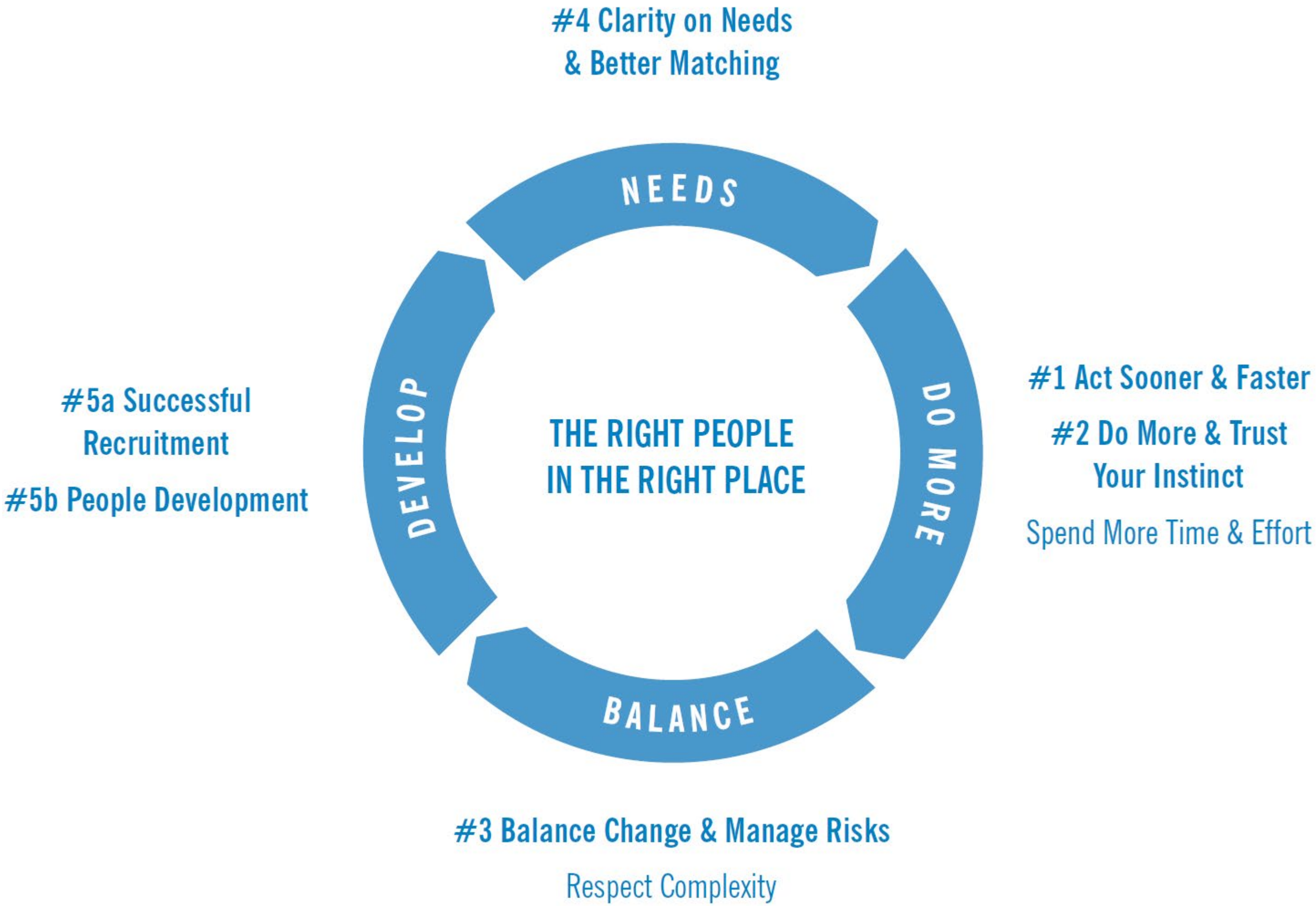
"We partner with ambitious management teams and provide additional operational know-how, experience, and investment to help unlock companies' full potential"

"A thorough assessment of the strength and suitability of the management team, and the wider organizational capacity to deliver on the strategic themes are critical"

- Leading Private Equity Firms
- OPX Partners

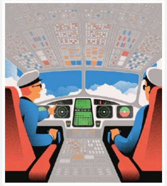
Top 5 Improvement Areas – Right People in the Right Place

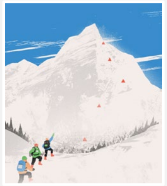
Top 5 Improvement Areas for the Right People in the Right Place

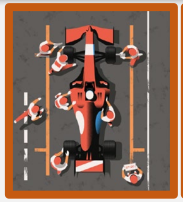


In Short – Act Sooner & Do More

Improvement Area	Key Lever	Check-list	Score
Right People in Right Key Positions	F Develop People	Invest in people development and training	
	E Balance Risks	Balance risks associated with organizational change	
	D Trust Instinct	Trust your instinct and gut feeling more often	
	C Do More	Do more, invest more time and energy	
	B Act Faster	Act more quickly and firmly	
	A Assess Needs	Assess the business needs and match accordingly	







Ownership & Implementation

Organizational Ownership

"Companies that create a winning culture are five times more likely to be top performers; and they have five times higher EBIT Growth over a 5-year period"

"In high-performance organizations people are empowered to make decisions, given the resources to get things done and held accountable for delivering results ...and also energized & motivated to tackle challenges"

- Bain & Company

Momentum & Implementation Success

"We form close partnerships with management and seek to realize the full potential of our businesses by applying our owner philosophy: Big and bold goals, Low number of high impact initiatives, World class leadership at all levels, Accelerate & Capitalize on strong momentum"

- Nordic Private Equity Firm

Top Improvement Areas for Implementation Success

Top Improvement Areas for Momentum & Implementation

Ensure Clarity & Focus

Improvement Area	Key Lever	Check-list	Score
Strategic Clarity & Focus *Key area also for Value Creation Plan theme*	D All in on Few Must Wins	Don't do too much at the same time	
	C Slice the Elephant	'Slice the elephant' and break down the targets and initiatives	
	B Prioritize Hard	Clear prioritization of the value creation plan initiatives	
		Prioritize the initiatives with largest impact on value creation	
	A Ensure Shared Clarity	Shared clarity on specific initiatives, road-maps, and time plans	
		Secure a clear understanding of the strategy and the 'Big Why'	
		Shared clarity of the overall vision, objectives and targets	

Ensure Right People in the Right Place

Improvement Area	Key Lever	Check-list	Score
Right People in Right Key Positions	F Develop People	Invest in people development and training	
	E Balance Risks	Balance risks associated with organizational change	
	D Trust Instinct	Trust your instinct and gut feeling more often	
	C Do More	Do more, invest more time and energy	
	B Act Faster	Act more quickly and firmly	
	A Assess Needs	Assess the business needs and match accordingly	

Key area also for CEO Leadership theme

Engage the Organization

Improvement Area	Key Lever	Check-list	Score
Engage the Organization (*Key area also for Value Creation Plan theme*)	E Keep the Plan Alive	Frequently discuss how things are going	
	D Get the Commitment	Build strong organizational ownership to the ambitions	
	C Sell the Story	Tell and sell the story of the company's journey	
	B Organize the Process	Break down targets and initiatives and delegate and empower	
		Apply the W-model: A structured top-down and bottom-up process	
	A Involve People	Leverage co-workers' skills and experiences	
		Invite and engage the organization in developing the value creation plan	

Communicate Effectively

Improvement Area	Key Lever	Check-list	Score
Effective Communication	C A Two-Way Street	Remember: it's a two-way street, leverage co-workers' input	
	B Clear & Constant Communication	Share information transparently and frequently; try to reach everyone	
		Keep communication clear, simple, and relevant	
	A Sell the Vision	Communicate the big picture and clarify the 'Big Why'	
		Tell and sell the story of the company's journey	

Break Down Initiatives & Delegate

Improvement Area	Key Lever	Check-list	Score
Break Down Initiatives & Delegate	C Support Teams	Support teams in charge of initiatives and work-streams	
	B Delegate & Empower	Set clear expectations and enforce accountability	
		Ensure clarity on who does what	
		Delegate and empower	
	A Break Down into Actionable Deliverables	Define actionable deliverables	
		Break down targets and initiatives	

Secure Adequate Resources

Improvement Area	Key Lever	Check-list	Score
Adequate Resources	C Resource Allocation	Optimal allocation of resources	
	B People & Skills	The right skills & capacity	
		The right people in the right key positions	
	A Financing	Sufficient funding for investments	
		Sufficient capital to support plan	

Ensure Effective Performance Management

Improvement Area	Key Lever	Check-list	Score
Effective Performance Management *Key area also for Value Creation Plan theme*	E Accountability	Empower the organization to take accountability for the KPIs	
	D Understand and Share Performance	Apply systematic root-cause analysis and feedback loops	
		Frequently measure and share progress updates	
	C Leading & Pragmatic KPIs	Work with leading and not only lagging KPIs	
		Break down targets to a pragmatic set of KPIs	
	B Clear Link to Value Creation Plan	Link performance management and KPIs to the value creation plan	
	A Right Structure Early-On	A balanced and structured model for performance management early on	

Boost the Likelihood of Success from <u>46%</u> up to <u>94%</u> with Playbook's Best Practices

Key Success Themes


Alignment


Critical Support


Governance


Value Creation Plan


Right Team


Org. Ownership


Momentum


CEO Leadership

Consistently Strong Performance on Key Themes Dramatically Improves the Chance of Success in Realizing the Value Creation Plan

Key Success Themes Scores:	**Don't Pass Min 7/10** Score On All KSTs	**Pass Min 7/10** Score On All KSTs	**Pass Min 7.5/10** Score On All KSTs
% Success Rate:	46%	77%	94%
% of 350 firms:	74%	26%	11%

The Playbook Best Practice Promise

Unlock the Full Value Potential by Applying Playbook's Best Practices Checklists

THE PRIVATE EQUITY CEO >PLAYBOOK<