

Acquisition Deal Flow Process™



TARGET SELECTED BOARD/EXEC COMMITTEE **APPROVAL**

SIGNING/ **ANNOUNCE** CLOSING/ DAY 1

FND "XX DAY" PLAN

INTEGRATION **COMPLETE**

Deal Business Due Diligence Comprehensive Due Diligence and **Business Continuity and** Long Term Target Immediate **Pipeline Review** Assessment and Integration Strategy Purchase Agreement Negotiation **Employee Engagement** Integration Integration Stage 1 Stage 2 Stage 0 PRELIMINARY DUE DILIGENCE **DETAILED DUE DILIGENCE** STRATEGY & READINESS Detailed analysis to negotiate and finalize the deal terms Identify and manage pool of suitable Targets and Preliminary evaluation for Board go/no-go to prepare the organization to manage acquisitions proceed with detailed due diligence and conditions Executive Review of All Material Issues Review and Manage Build **Review Target:** Define Develop Perform Refine integration Ensure the pipeline organization preliminary geographic fit, preliminary valuation model detailed due negotiate Sale strategy and and identify product strategy, and business diligence & Purchase readiness via business case integration synergy capture playbook, potential targets and deal thesis financial strategy case for the Agreement plan; determine if valuation, and Board **Transition Services** resourcing and to engage in training diligence critical talent will be provided **OUTPUTS:** • Acquisition Playbook • Deal Thesis OUTPUTS: • Deal Governance & Structure • DD Report • Initial Integration Strategy • Synergy Capture Plan • Valuation • Preliminary Business Case • Identified Target Model • Business Case • Letter of Intent • Sale & Purchase Agreement • Draft Transition Services Agreement

HR ACQUISITION SUPPORT MODEL

STRATEGIC GROUP

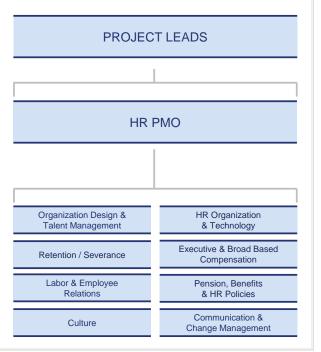
- · Final decision-making authority
- · Establishes joint project priorities
- Provides guidance to HR PMO

PROJECT MANAGEMENT OFFICE

- · Directs day-to-day tasks and workflow
- · Manages dependencies, issues and risks
- Provides updates to HR strategic group and the Enterprise PMO

TECHNICAL WORK TEAMS

- · Identify activities and decisions required to finalize the integration by country
- Complete tasks and prepare recommendations
- Interact with PMO and technical work teams to identify and resolve issues



INTEGRATION PLANNING

Rigorous governance and planning to ensure business continuity on Day 1 and longer term integration planning

Establish PMO and define governance and team structure

Confirm Manage and integration implement Day 1 strategy requirements and and develop prepare to deliver integration plan TSA support (if needed)

Exec Review Integration Recommendations

Stage 4

INTEGRATION MANAGEMENT

Successfully assimilate Target from a business, function and culture perspective

Exec Review of Progress, Recommendations and Metrics

Implement Review Debrief integration scorecard with deal team activities, TSA against deal for future and transition to success deal process measures improvement ongoing operations

OUTPUTS: • Integration Budget • PMO Governance & Structure • Staffing and Resource Needs • Detailed Integration Plan • Integration Scorecard • Transition Services Agreement • Day 1 Readiness Checklist • Continuous Improvement Plan

Stages 2, 3 and 4

CULTURE, COMMUNICATION AND CHANGE MANAGEMENT

Ensure effective, timely and aligned internal/external communication to manage the change for transitioning and current employees

Conduct culture due diligence and identify cultural integration drivers

Define stakeholder needs and create communications plan

Sequence messages and announcement for all stakeholders

Develop change Prepare and management implement plan aligned change and with final communications integration plan for Day 1 approach

Implement change plan to support business continuity and employee

engagement

Conduct Adjust change **Employee** and Survey to communication monitor transition and cultural

integration

plan to incorporate actions from **Employee Survey**

OUTPUTS: • Culture Analysis & Integration Plan • Detailed Stakeholder Analysis • Change and Communication Plan • Announcement (Internal and External) • Day 1 Communication • FAQ Library • Employee Survey Analysis