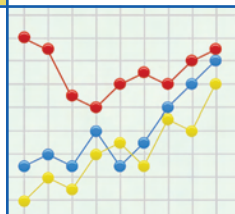
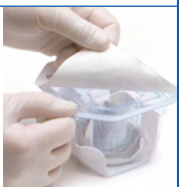
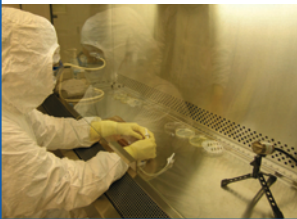
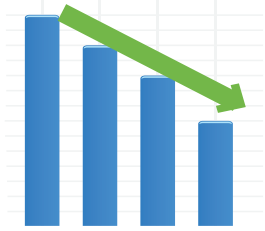


WuXi AppTec



**Operational
Excellence**

Continuous Process Improvement

For over 20 years WuXi AppTec's U.S. operations – in partnership with our quality teams – have employed continuous improvement policies and programs that have allowed us to become one of the world's high quality contract services providers.

The success of these programs is demonstrated by our track record of quality audits by regulatory agencies and our clients, ISO certification in all three U.S. facilities, certification to perform testing and manufacturing of tissue-based products, and GMP testing certification by the EMA and TGA.

To further enhance and expand our operational improvement efforts, the U.S. operations teams have recently taken on a more structured approach and undergone a series of LEAN initiatives.

Adoption of LEAN Principles

Our LEAN initiatives have included mapping processes and activities throughout each facility and identifying areas for improvement based on these studies. In addition, capacity modeling has been completed throughout our organization to allow throughput of work to be measured and resources assigned correctly.

To monitor the effect of change, each U.S. facility and laboratory tracks key client-related metrics. Among them are the examples shown in the table below.

METRIC	GOAL
On-Time Delivery	Identify trends in performance, as well as point to capacity and resource constraints.
Right First Time	Identify trends that can be improved to eliminate errors in sample processing, data entry and quality of report data. Improvements have a direct effect on turnaround times and on-time delivery.
Turnaround Time	Quickly identify and respond to trends to ensure we are meeting client expectations for receiving their reports per agreed upon timelines.
Cost of Quality	Measure the financial impact caused by errors and establish procedures to correct those errors, which, in turn has an impact on service quality.
Process Conformity	Reduce the number of deviations as these have negative impact on turnaround time, right-first-time and cost-of-quality.

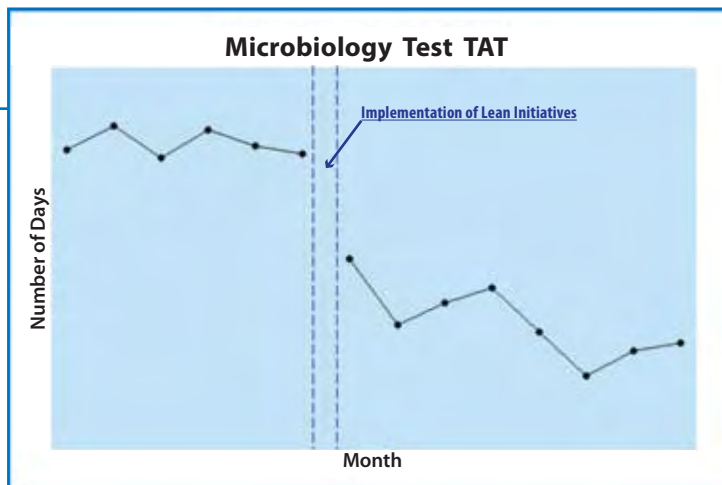
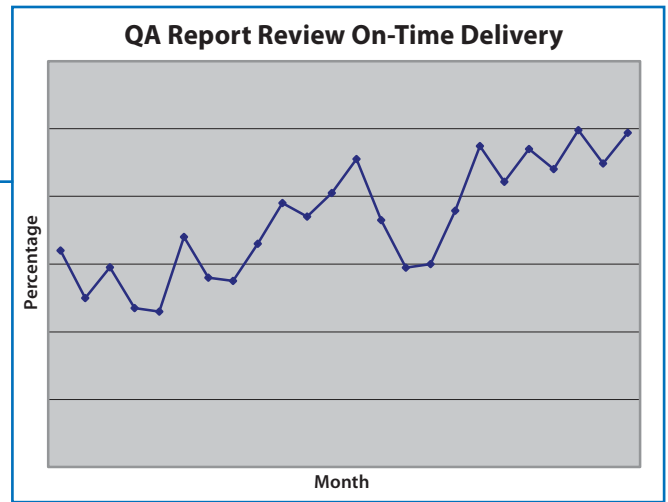
On the next page are case studies – samples from each of our U.S. facilities – that demonstrate how tracking various metrics lead to operational changes and improvement in our services.

Case Study #1 – St. Paul Facility

LEAN practices implemented in the QA department led to a significant increase in on-time delivery of report reviews. As one of the first steps, diagrams were created to help visualize the process and identify areas for improvement.

Among the changes implemented:

- Software to track when reports were received by QA and their due dates.
- Reports processed in single-piece flows rather than in batches.
- Instead of first-in/first-out mode, a more even flow for reports based on targeted delivery times.



Case Study #2 – Atlanta Facility

Using five (5) key metrics to monitor laboratory performance and identify areas for improvement, this example laboratory saw a significant reduction in turnaround times.

The LEAN initiatives included:

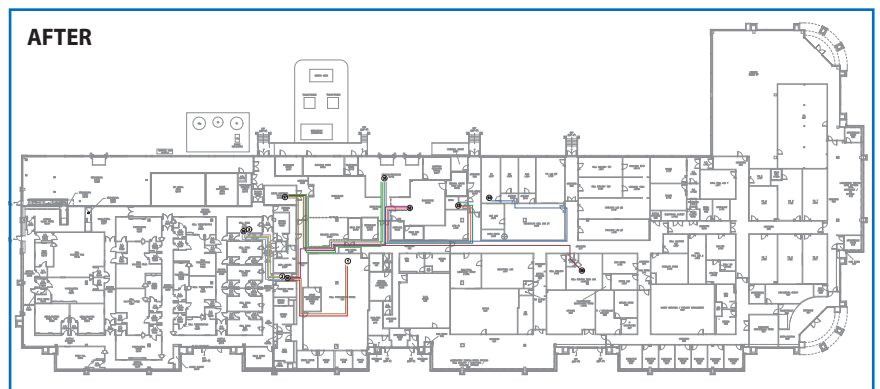
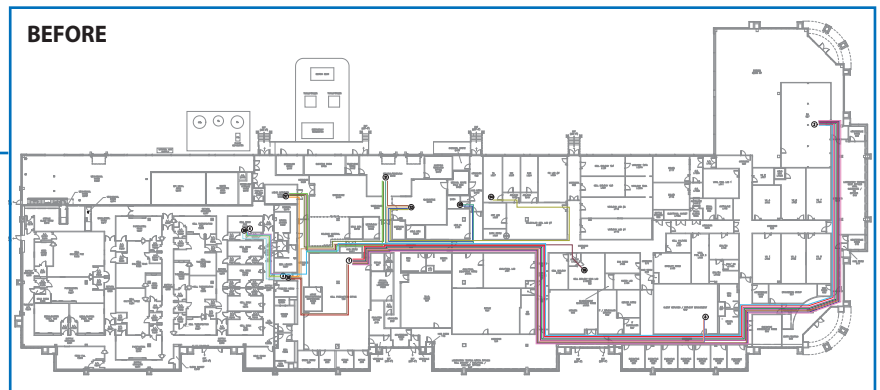
- Processing incoming samples as single pieces rather than in batches.
- Purchasing prepared media to reduce test preparation time.
- Adding more equipment to relieve bottlenecks in key areas.
- Using a barcoding system to reduce transcription errors.

Case Study #3 – Philadelphia Facility

Mapping of batch record review processes revealed what amounted to several miles of daily walking distance for technicians and QA auditors.

Efficiencies were gained by moving the functional groups closer, while also decreasing the number of process steps required for batch record approval.

The result was the elimination of nine (9) walking segments and multiple labs saw a reduction in walking distance of up to 45%.



A Commitment to Operational Excellence

WuXi AppTec Vision Statement

To provide fully integrated pharmaceutical, biotechnology and medical device R&D services to improve the success of research and shorten the time of development by offering our customers world-class capabilities and unparalleled capacities.

COMMITMENT TO OUR VISION

To deliver on the WuXi AppTec vision, we work continuously to operate at the highest level of quality and efficiency. As part of those efforts, we have successfully implemented a series of operational improvement programs and LEAN initiatives. This focus on improving internal processes is integral to our vision of providing world-class capabilities and unparalleled capacities.

COMMITMENT TO OUR CUSTOMERS

WuXi AppTec is committed to providing our customers with the highest quality services to improve the success and shorten the time of your research and development efforts. Implementing our far-reaching operational excellence programs is just one of the many ways we work to fulfill your expectations.

We are eager to discuss how our programs can be of benefit in meeting your testing and manufacturing needs. Please contact us for more information or to speak with a WuXi AppTec representative.

