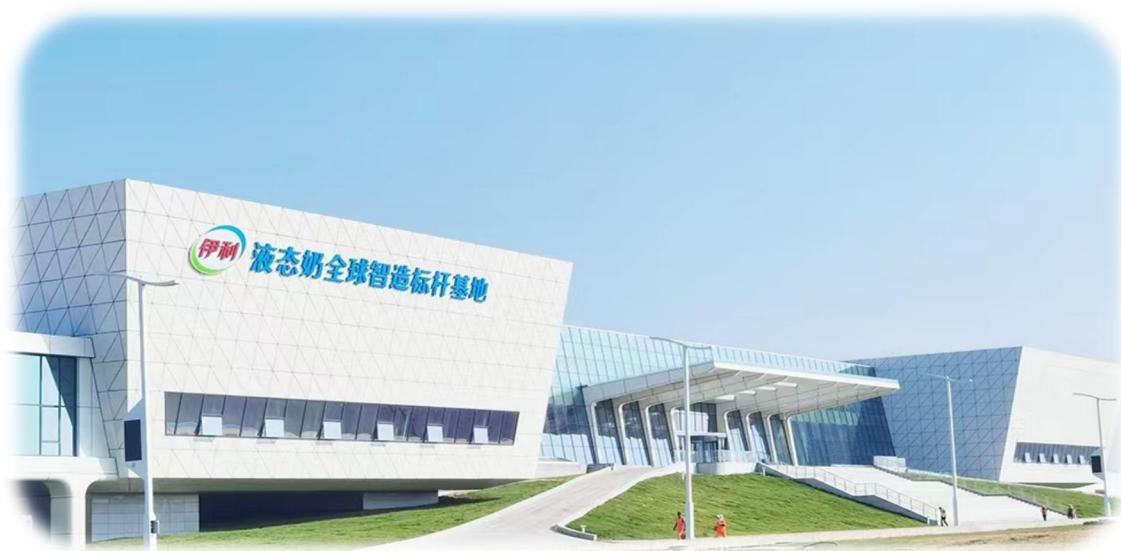


Jinhao Plant

Liquid Milk Division, Yili Group



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Chapter 1 Company/Plant Profile

1.1 Company Profile

Inner Mongolia Yili Industrial Group was founded in 1956. It was called the Hohhot Hui Muslim Dairy Food Factory at that time, but received its currently name after a shareholding reform in 1993. Yili was listed in 1996, the first in China's dairy industry. Yili was a sponsor of Beijing 2008 Olympic Games and Shanghai World Expo 2010. After establishing the Oceania Plant in 2014 and acquiring Westland Dairy (New Zealand) in 2019, Yili became a top 5 dairy company in the world. Yili's global influence kept increasing. In 2021, Yili became a top-200 most valuable companies in the world. (Fig.1.1)



Fig.1.1: Yili Group

1.2 About Jinhao Plant

1.2.1 Profile

With a total capital of 5 billion Yuan and a floor area of 63.33 hectares, Jinhao Plant is composed of 12 buildings. The Plant is equipped with 18 production lines and its daily capacity is 2,213 tons. (Fig.1.2)



Fig.1.2: Jinhao Plant

1.2.2 Production Process

Production process: Acceptance and storage of raw milk → Pasteurization → Mixing → UHT sterilization → Aseptic filling → Straw pasting and packaging

- Acceptance and storage of raw milk



Raw milk from dairy farms is inspected, filtered, cooled, and stored.

- Pasteurization



Through pasteurization, pathogenic and harmful bacteria in milk are killed.

- Membrane filtration



The membrane filtration process effectively filters out excess water in milk and improves the physical

- Mixing



The pasteurized milk is added with various ingredients to form flavors.

- UHT



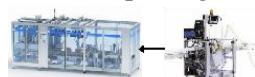
Semi-finished product is heated continuously to reach certain temperature and maintained for certain period. This ensures that products are in a commercially

- Aseptic filling



Aseptic milk product is filled into containers using filling machine.

- Straw pasting and packaging



Products are attached with straws and then packed and transferred to the warehouse.

1.2.3 Equipment and Products

The Plant is equipped with 18 lines, including 16 TetraPak lines, and 2 Combiblock lines. (Fig.1.3)

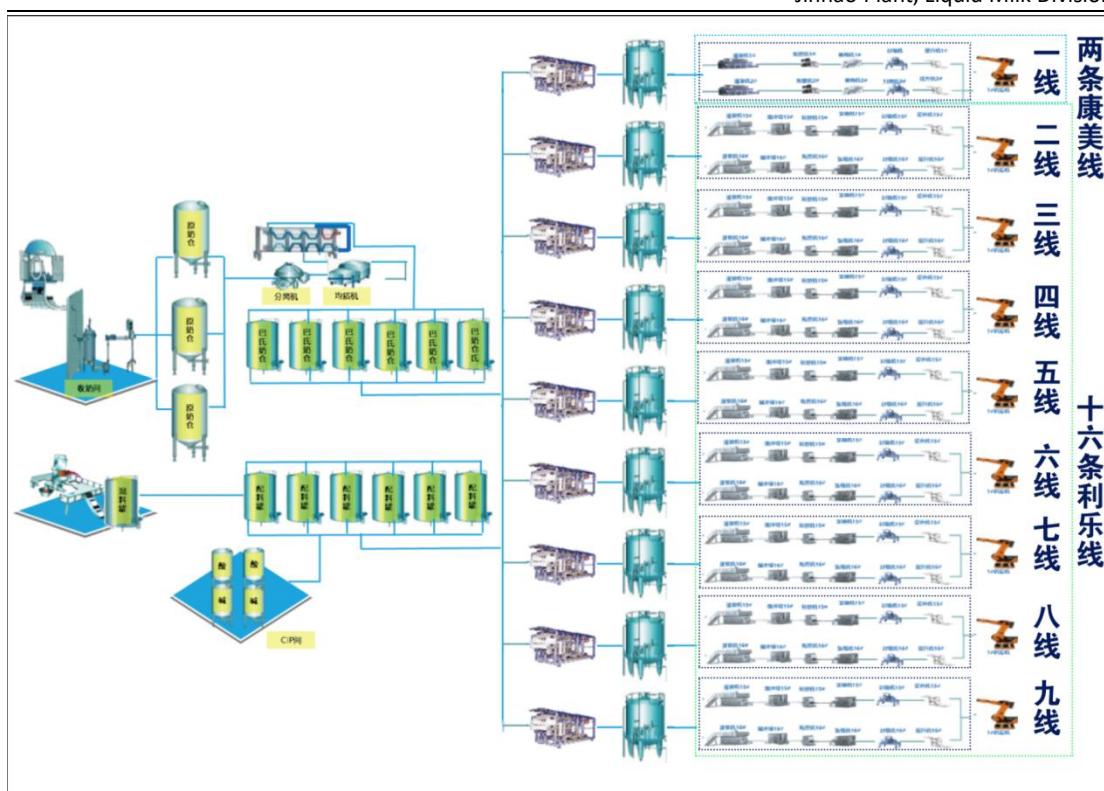


Fig.1.3: Equipment

1.2.4 Organizational Structure

The Plant has 11 departments, including Safety, Production, Technology, Equipment Maintenance etc. (Fig.1.4)

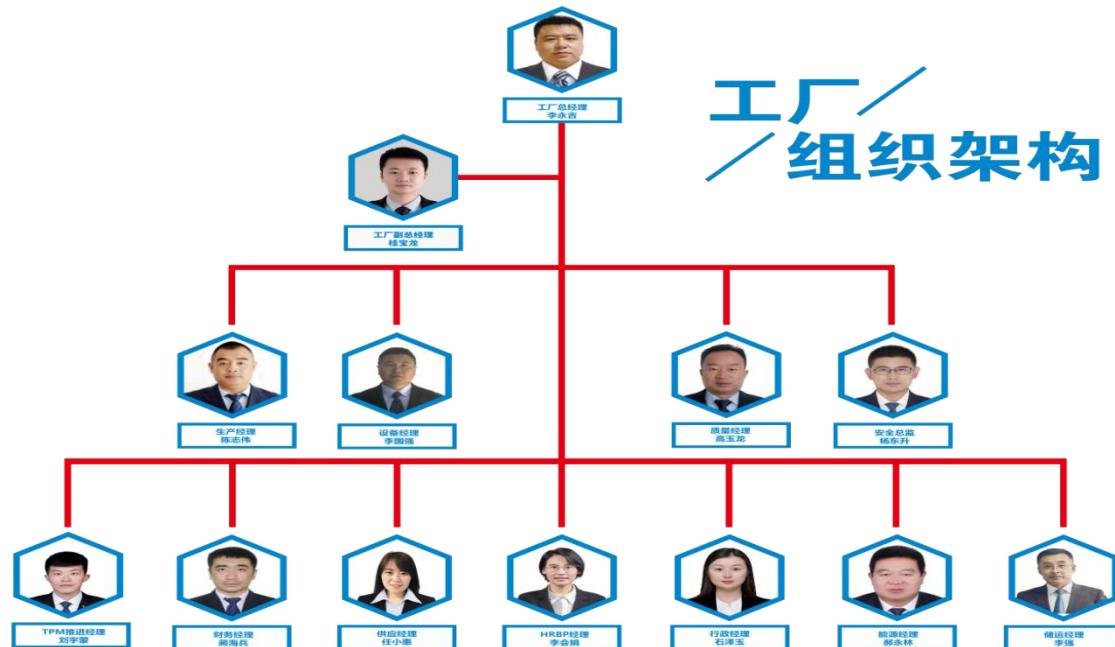


Fig.1.4: Organizational structure

1.2.5 Employees

The Plant hired 709 employees. 41.6% employees have served for more than 2 years. 84% of them are college graduate. With relatively high education level, employees are willing to explore advanced management models. (Fig.1.5)

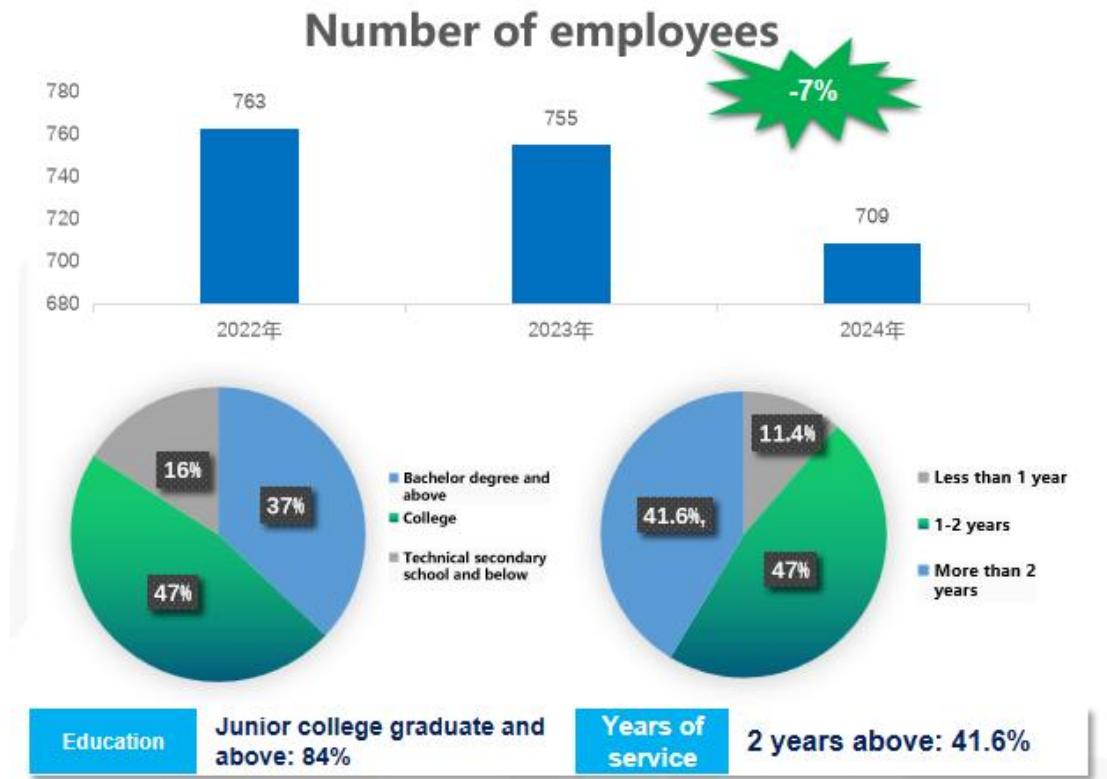


Fig.1.5: Employees

Chapter 2 Roadmap towards Manufacturing Excellence

2.1 Why we introduced TPM?

To fulfill the goal of Yili Group, which is to become the world's most trusted provider of health foods, we set up a vision of becoming the global benchmark of smart manufacturing of liquid milk. Based on the current situation, we developed our 2022-2027 strategies, i.e. 1) Leading smart manufacturing, 2) Pioneering and Sharing, 3) Smart team, and 4) Creating excellence. (Fig.1.6)



Fig.1.6: Plant strategies

2.2 TPM milestones

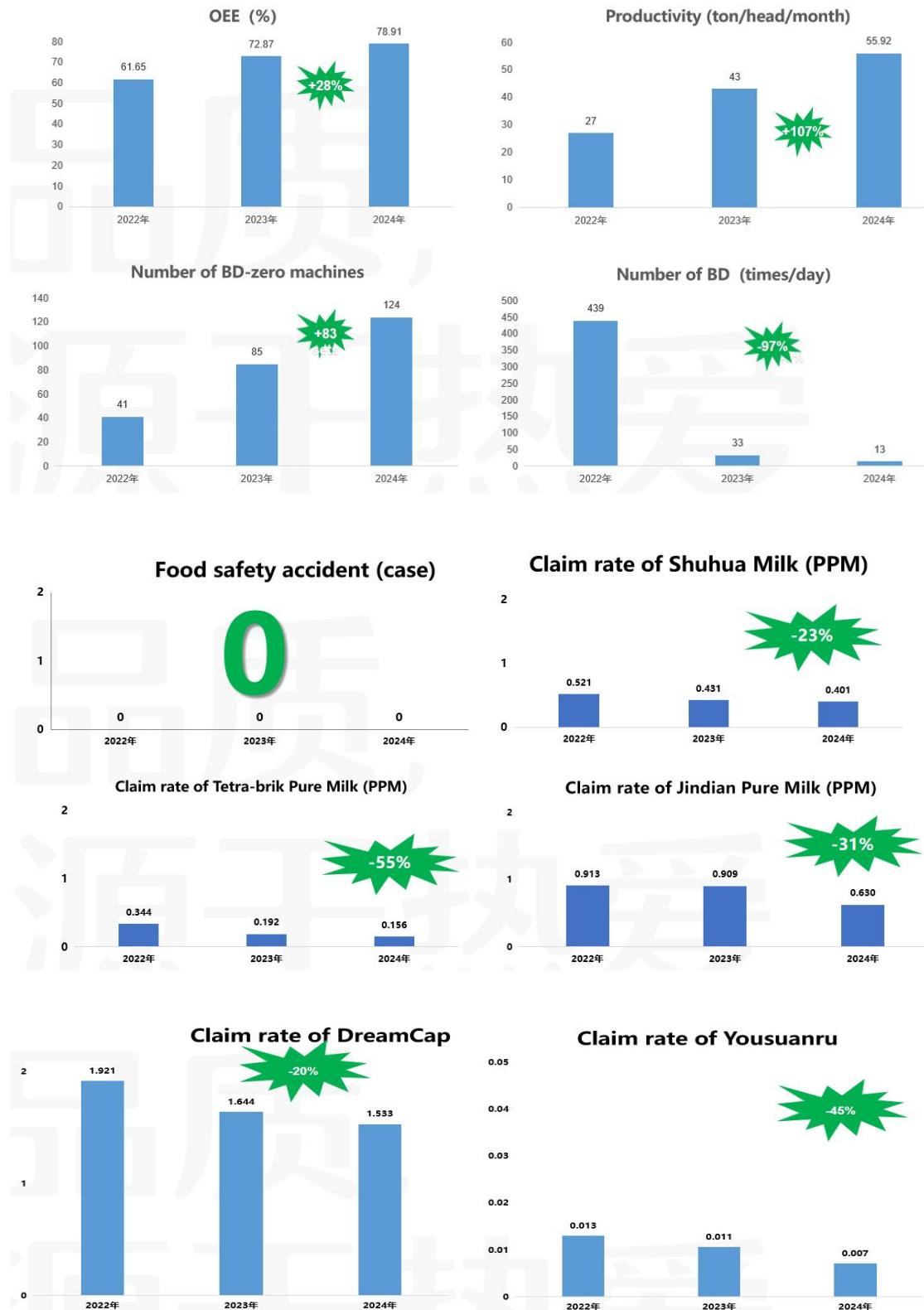
We introduced DMS, standardization, and set up TD (talent development) pillar in 2022. Then we started TPM activities and established AM, PM, QM, SH, EM, ENV, and OM pillars in 2023. With all pillars running stably, we applied for TPM Excellence Award in 2025. (Fig.1.7)



Fig.1.7: TPM milestones

Chapter 3 Achievements

3.1 Tangible achievements



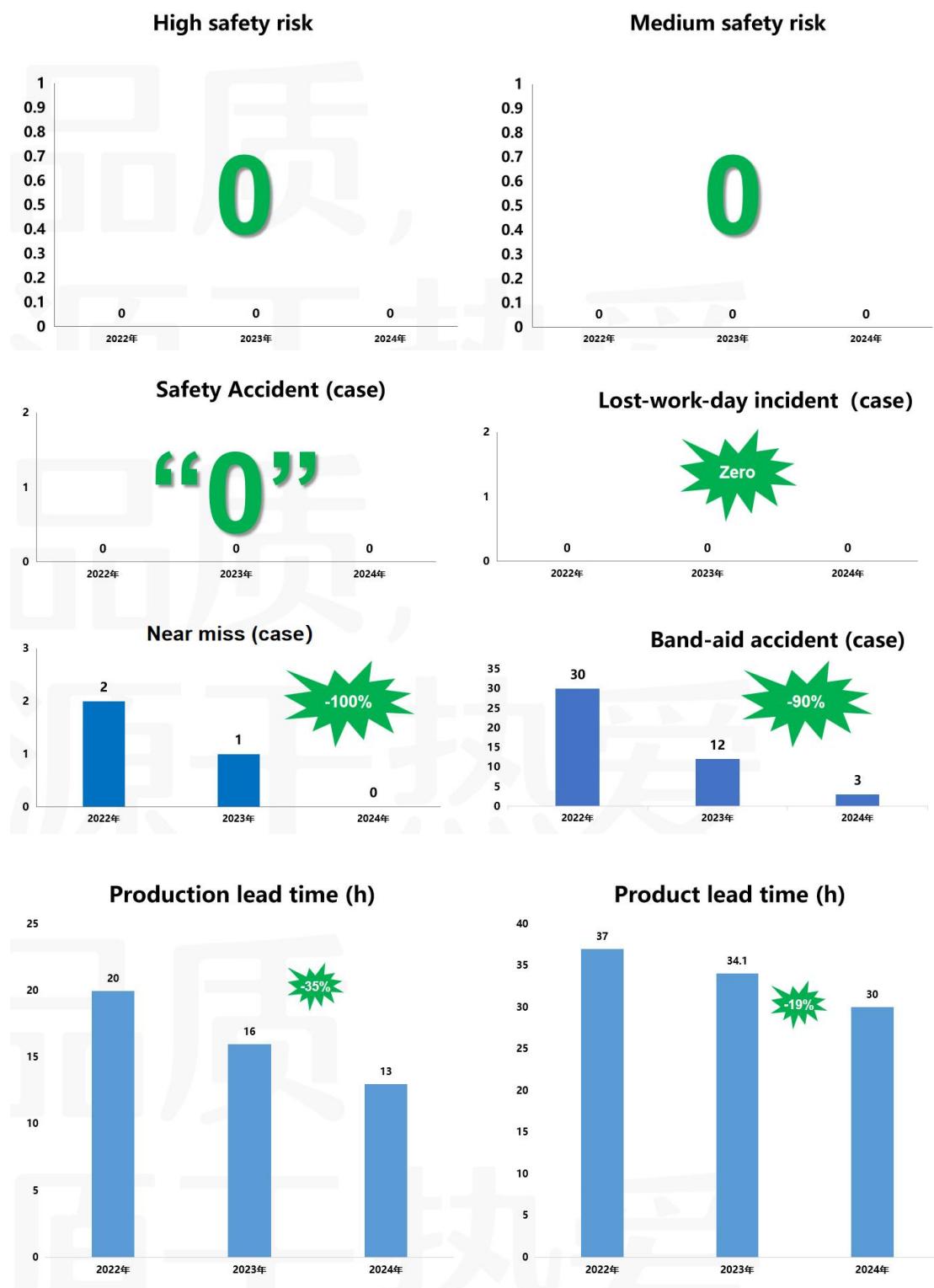


Fig.1.8: Tangible achievements

3.2 Intangible achievements

From 2022 to now, our employees submitted a total of 22,487 improvement suggestions and 208 good practices. They are more willing to participate in TPM activities. The TPM

involvement rate is 100%. (Fig.1.8)

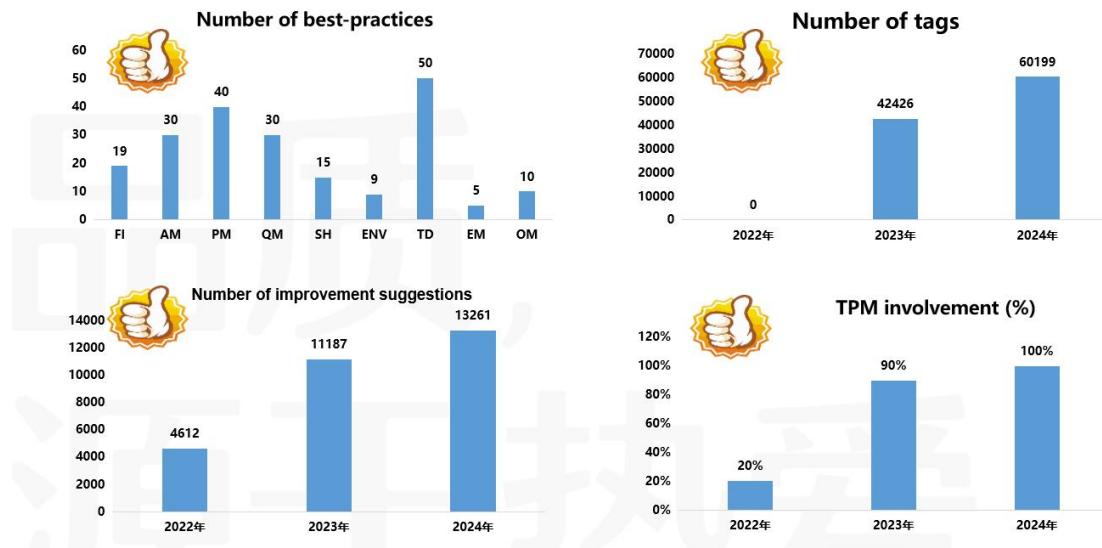


Fig.1.9: TPM achievements

Chapter 4 Key Factors to Success

- 1) Continuous TPM activity, 100% involvement, and horizontal and vertical deployment throughout the supply chain.
- 2) Employee development for future growth.
- 3) Cross-functional, voluntary, and continuous improvement team activities for problem solving, performance improvement, and loss reduction.