



Yili Industrial Group Co., Ltd. A Profile of the 3rd Workshop, Jinchuan Plant, Liquid Milk Division



**Address: No.1,Huijin Road, Chilechuan Dairy Development Zone,
Hohhot, Inner Mongolia Autonomous Region**

TPM Manager: Ji Guiqiang

Mobile: +86-18134244969

E-mail: 470260722@qq.com



Content

Chapter 1 Yili Group&Workshop Profile	3
1.1 Yili Group Profile	3
1.2 Plant Profile	3
1.2.1 A Brief History of the Plant	3
1.2.2 Processing Flowchar	4
1.2.3 Equipment&Products	4
1.2.4 Organizational Structure	5
1.2.5 Workforce Profile.....	5
Chapter 2 Manufacturing Excellence Milestones	6
2.1 Motivations to Introduce TPM.....	6
2.2 Our TPM Journey	7
Chapter 3 TPM Achievements	7
3.1 Tangible Achievements	7
3.2 Intangible Achievements.....	8
Chapter 4 Winning Strategy of the Plant	9

Chapter 1 Yili Group & Workshop Profile

1.1 Yili Group Profile

Yili Group, whose predecessor is the Cow-raising Cooperation Group at Hui Min District in Hohhot, which was founded in 1956 formally established itself as Inner Mongolia Yili Industrial Group Co., Ltd. after the privatization of state-owned enterprise in 1993. Three years later, the Group was listed on the stock market as the first pioneer of its kind in China. This is followed by its roles as dairy product providers in both the 2008 Olympic Games and 2010 World Expo. The year of 2014 marks the official operation of the Group’s production base in Oceania before its acquisition of Westland Milk Products in New Zealand in 2019. Listed on Best 200 Global Brands in value once again as the only Chinese player in the food arena, Yili’s global influence has been expanding continuously. (See Figure 1.1)

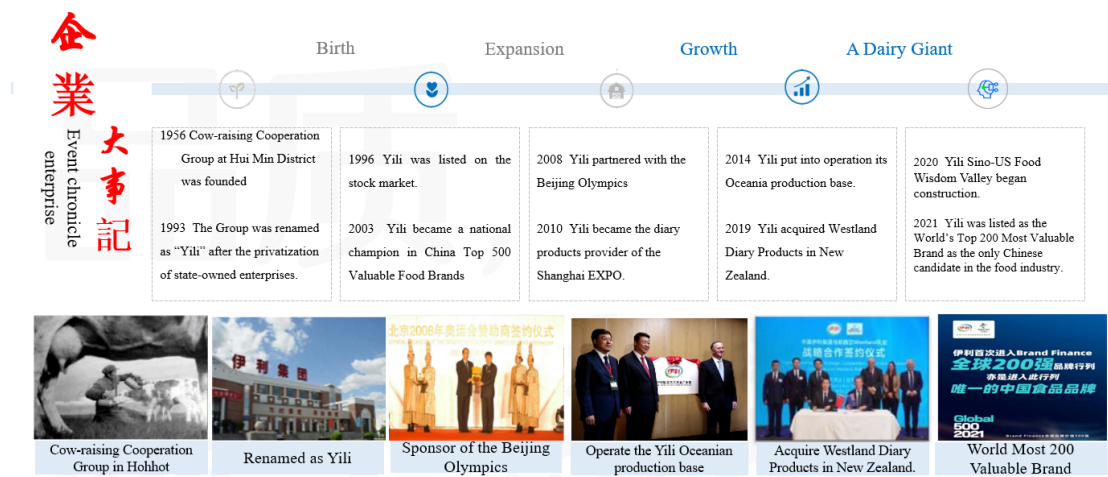


Figure 1.1 Yili Group Profile

1.2 Workshop Profile

1.2.1 Brief History of the Plant

The 3rd workshop of Jinchuan plant, under Liquid Milk Division covers an area of 200,000 square meters and receives a total investment of 350 million yuan. Its daily capacity is 1,200 tonnes (See Figure 1.2).



Figure 1.2 The 3rd Workshop, Jinchuan Plant

1.2.2 Processing Flowchart

Processing procedures of liquid milk are as follows: Receiving and Storing Milk→Pasteurization→ Ingredients Mixing→UHT Sterilization→Sterile Filling→Straw Sticking and Packaging.

■ Receiving and Storing Milk



Transferred from the pasture and filtering, cooling and storage upon positive quality

■ Pasteurization



Sterilize pathogenic bacteria and harmful bacteria in raw milk to ensure food safety.

■ Ingredients Mixing



Pasteurized milk is blended into various semi-finished flavoured products.

■ UHT Sterilization



Semi-finished products are first heated continuously by a heat exchanger to a certain temperature, which is maintained for a period of time to achieve commercial sterility.

■ Sterile Filling

Sterilized milk is packaged after going through sterile filling machines.



■ Straw Sticking and Packaging



Sticking straws onto sterilized milk products which are packed into boxes for storage.

1.2.3 Equipment&Products

The 3rd workshop of Jinchuan plant under Liquid Milk Division has 18 production line, among which there are 4 Tetra Pak production lines and 14 SIG production lines. (See Figure 1.3)

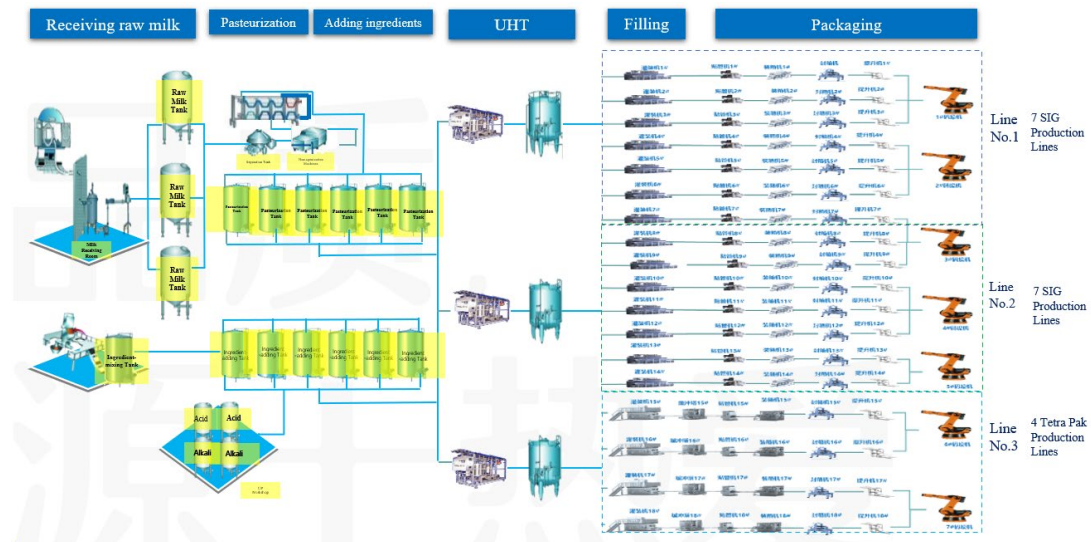


Figure 1.3: Plant Equipment

1.2.4 Organizational Structure

A General Manager is responsible for the plant, under which there is the deputy General Manager and 10 units including safety and security, production, technology, equipment units (See Figure 1.4).



Figure 1.4 Organizational Structure

1.2.5 Workforce Profile

There are 436 employees in the 3rd Workshop of Jinchuan Plant, 69% of whom enjoy a work history of more than five years in Yili and 62% of whom are above vocational college degree. There is an increasing number of young and well-educated talents each year, planting a seed for us to faithfully implement well-established management models (See Figure 1.5).

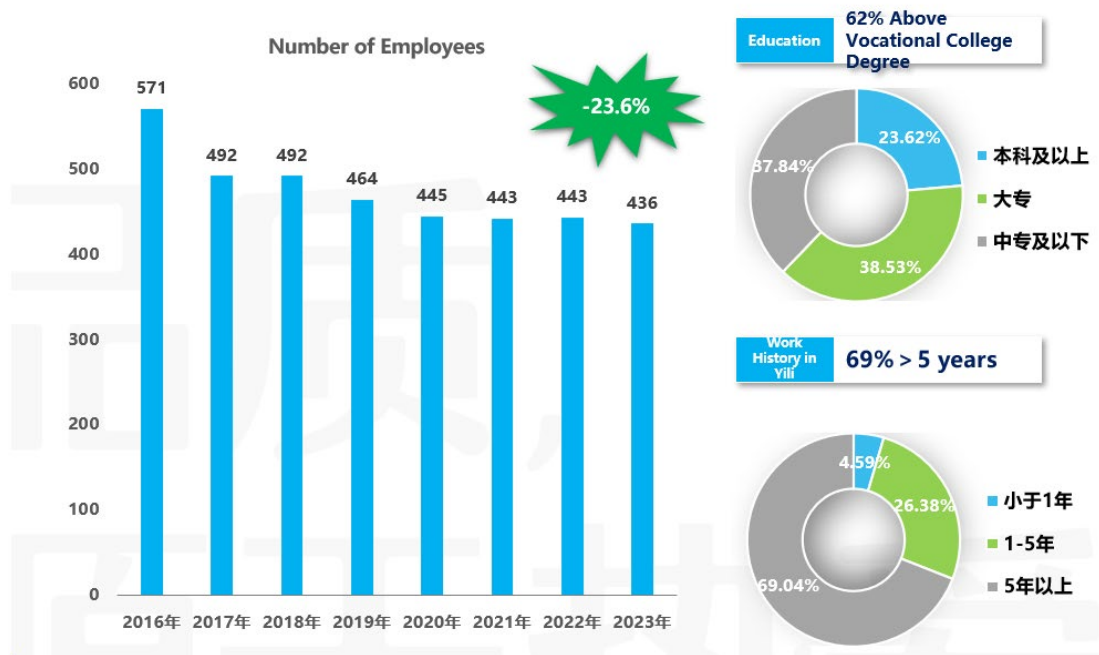


Figure 1.5: Workforce Profile

Chapter 2 Manufacturing Excellence Milestones

2.1 Motivations to Introduce TPM

We have been aligned with the Group's vision and the plant's vision, that is, “Be the World's most Trustworthy Health Food Provider” and “Build A World-class Health Food Manufacturing Plant”. By drawing upon the status quo analysis of the plant, we have formulated The 3rd Plant 2021-2025 Strategy, namely “Robust Safety, Excellent Quality, High Efficiency, Low Cost, and Skilled Workforce (See Figure 1.6).”



Figure 1.6: Plant Strategy

2.2 Our TPM Journey

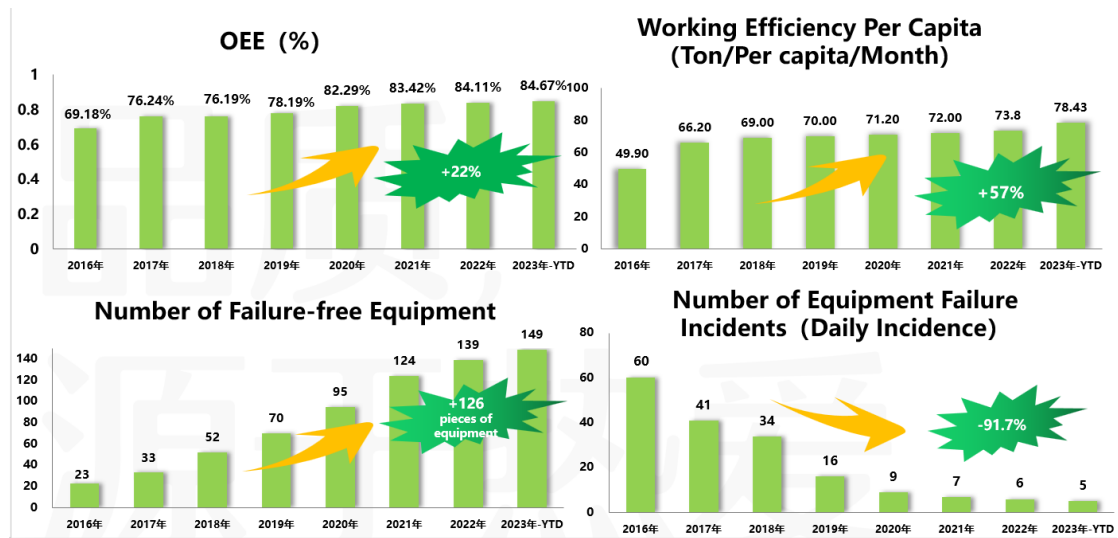
In 2016, the plant began to introduce DMS and standardization, and then FI, E&T, AM and other pillars accordingly. In 2017, Yili launched organization-wide TPM activities, successively carried out PM, QM, SH, ENV Pillars, and introduced OM, EM pillars in 2018 before achieving for the TPM Excellence Award A Certification in 2020. It was certified the Outstanding Continuation Award in 2022 and challenge itself to Special Award in 2024 (See Figure 1.7).



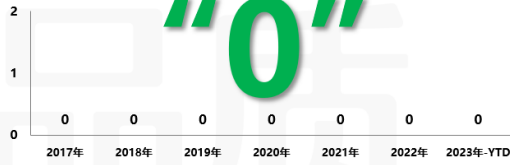
Figure 1.7 Our TPM Journey

Chapter 3 TPM Achievements

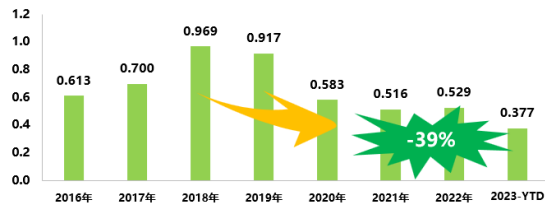
3.1 Tangible Achievements



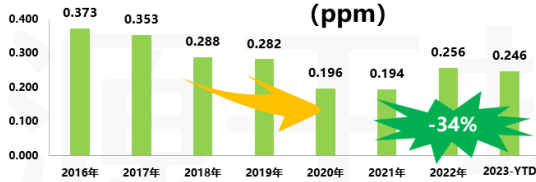
Food Safety Incidents (Number of Cases)



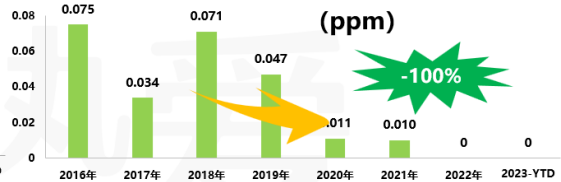
SIG Net Complaint Rate (ppm)



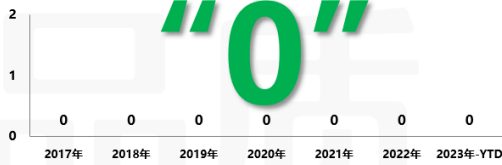
Tetra Pak Net Complaint Rate (ppm)



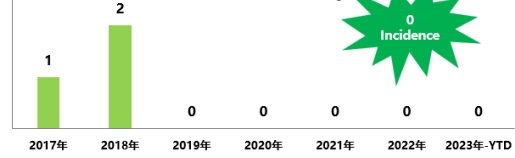
YOU SUAN RU Net Complaint Rate (ppm)



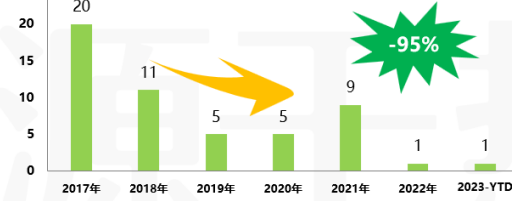
Safety Incidents (Number of Case)



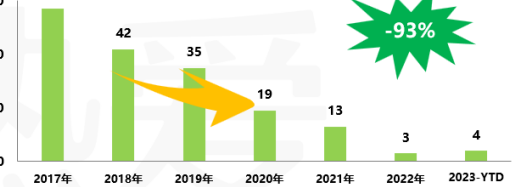
Lost Time Incidents (Number of Case)



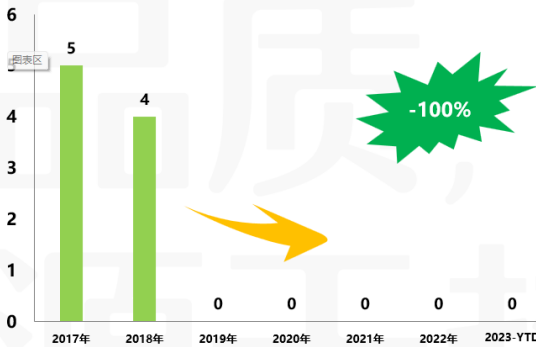
Near Miss Incidents (Number of Case)



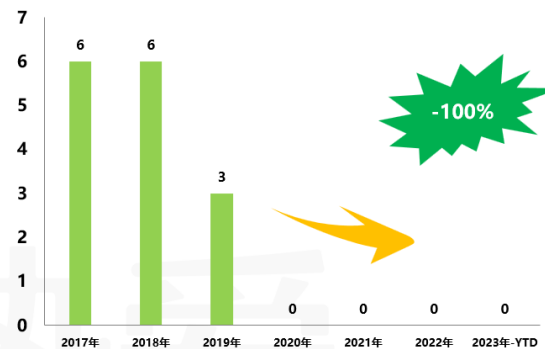
Band-aid Incidents (Number of Case)



High Safety Risks (Number of Risks)



Medium Safety Risks (Number of Risks)



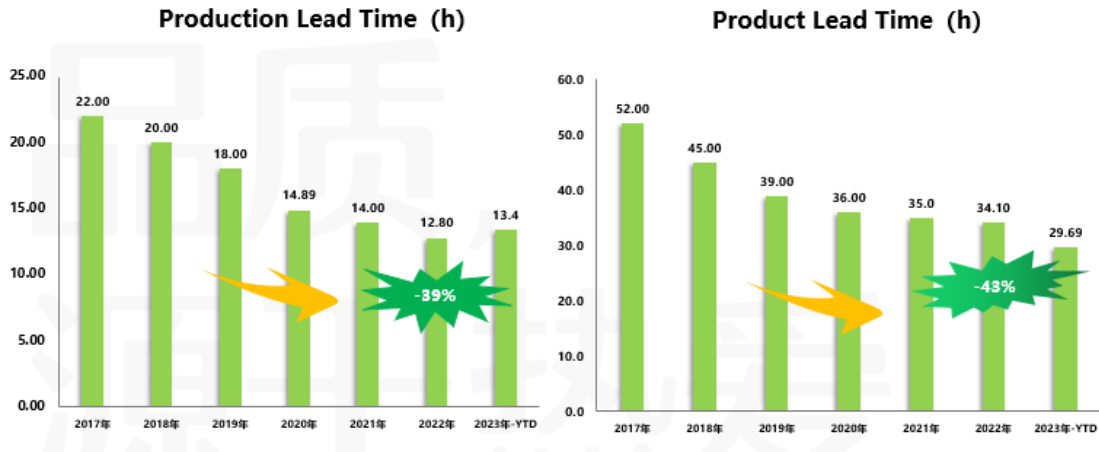


Figure 1.8: Tangible Achievements

3.2 Intangible Achievements

Since 2016, a total of 35,073 rational proposals have been generated, with a total of 453 knowledge outputs. Personnel's motivation to participate in TPM has been increasing, with the personnel participation rate achieving 100% and all managers participating in TPM activities (Figure 1.8).

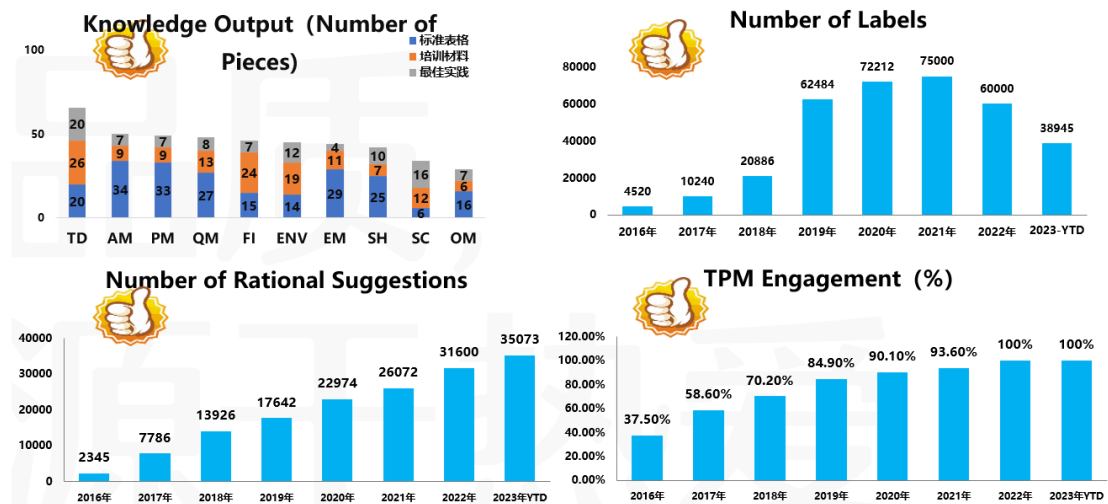


Figure 1.9: TPM Achievements

Chapter 4 Winning Strategy of the Plant

With the continuous development of TPM activities, the participation of all staff has reached 100%, and TPM will be expanded to the upper and lower ends of the raw milk node and to the supplier end. We have identified losses for improvement



alongside the whole chain, and continuously to promoted TPM activities to the relevant partners, related parties and other stakeholders to achieve comprehensive lean management; TPM not only improves the plant's operating indicators, but also nurtures a large number of professionals to drive the rapid development of the company; The key to TPM activities is the automatic and self-motivated participation of all employees in pillar and group activities, through which cross-departmental teams are formed to solve problems and improve performance, breaking down the silos between the original departments and enabling swift and effective improvements. Ultimately, TPM methodologies have realized the goal of zero loss in the factory and established a high-efficiency production mode of operation with continuous improvement.