



FrieslandCampina
nourishing by nature



The Secret to Successful Supply Chain Transformation: Fundamentals First

David Cutter

FrieslandCampina at a glance



12.9 billion
euros revenue



Branches in
30 countries



19,576
employees



14,183
member
dairy farmers



Export to
>100 countries

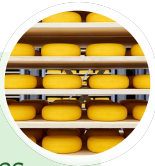



Every day
millions
of consumers

FrieslandCampina worldwide

30
Countries of operation
>100 countries
Products in the market
19,576
Employees

Growing market for high-quality Dutch cheeses



 North and South America

550 **169**
Revenue Employees



Strong local brands, private labels and food service


 Europe

7,100 **11,166**
Revenue Employees

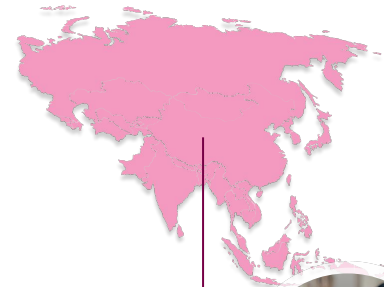
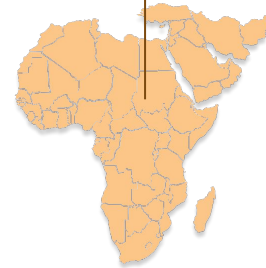


Increasing demand for affordable dairy products




 Africa and the Middle East

1,129 **905**
Revenue Employees



Growing market for high-quality dairy products

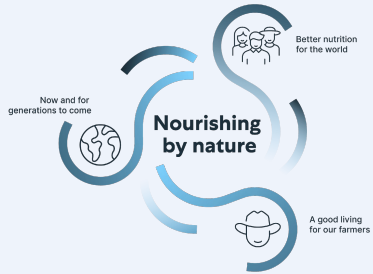


 Asia and Oceania

4,144 **7,336**
Revenue Employees

Our Story

Why we exist,
our purpose



Who we are,
our values



What we want to
achieve, our ambition

Top performer
focused
on dairy

How we deliver,
our strategy



**Our mission is
to be the No.1
Global Dairy
Supply Chain**



Our key transformation programs within Supply Chain focus on improving performance and managing costs

Performance



How do we **RUN**
and **IMPROVE**

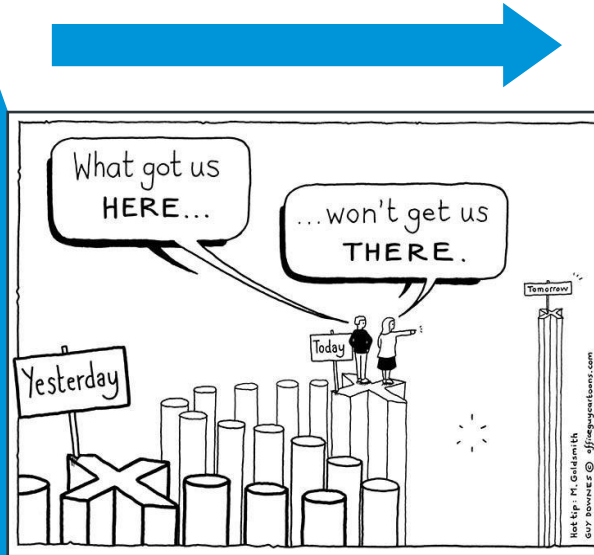
***End-to-End
COGS and Cash
Management***

How do we
TRANSFORM

We need to **get the basics right** to achieve the next level of performance

FROM

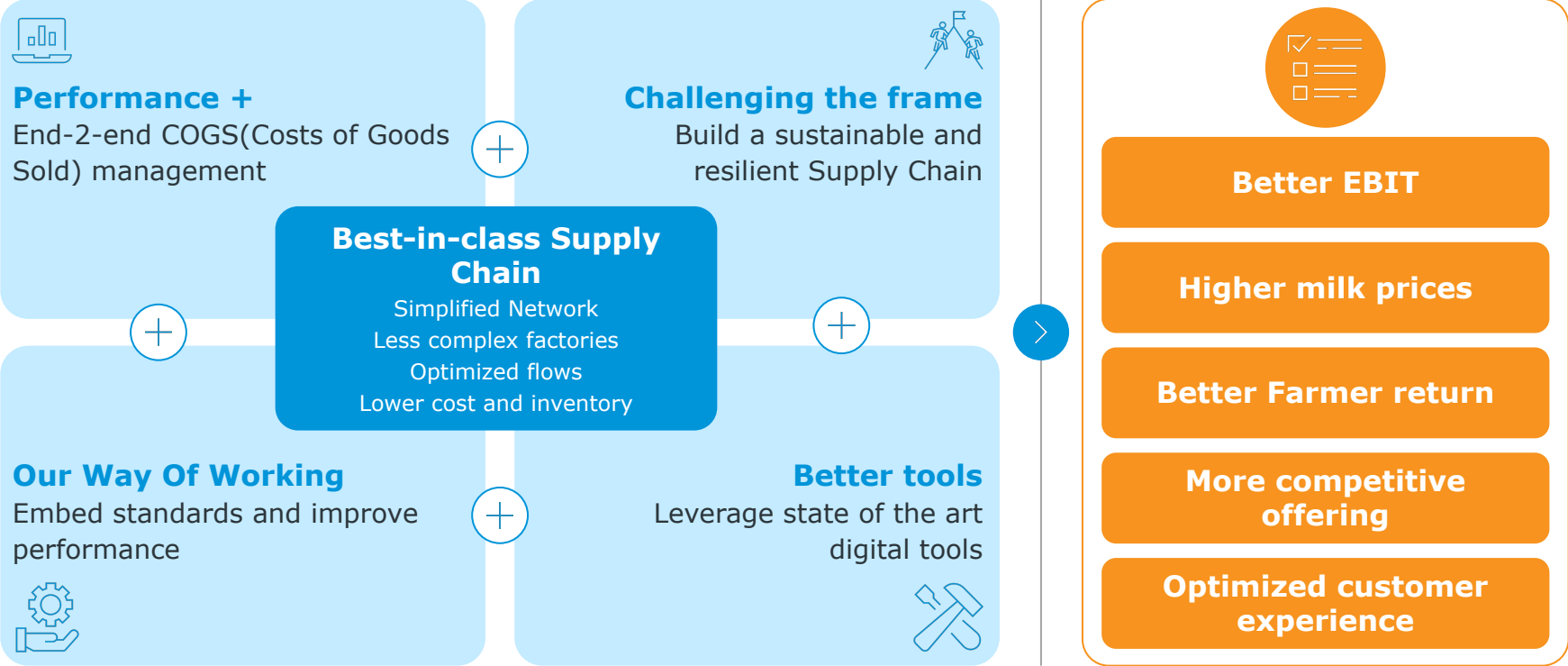
- **Leadership** most important
- **Attracting** talent
- **Budget** adherence focus
- Gross savings
- **Reporting** up, telling down
- **Siloed functions**



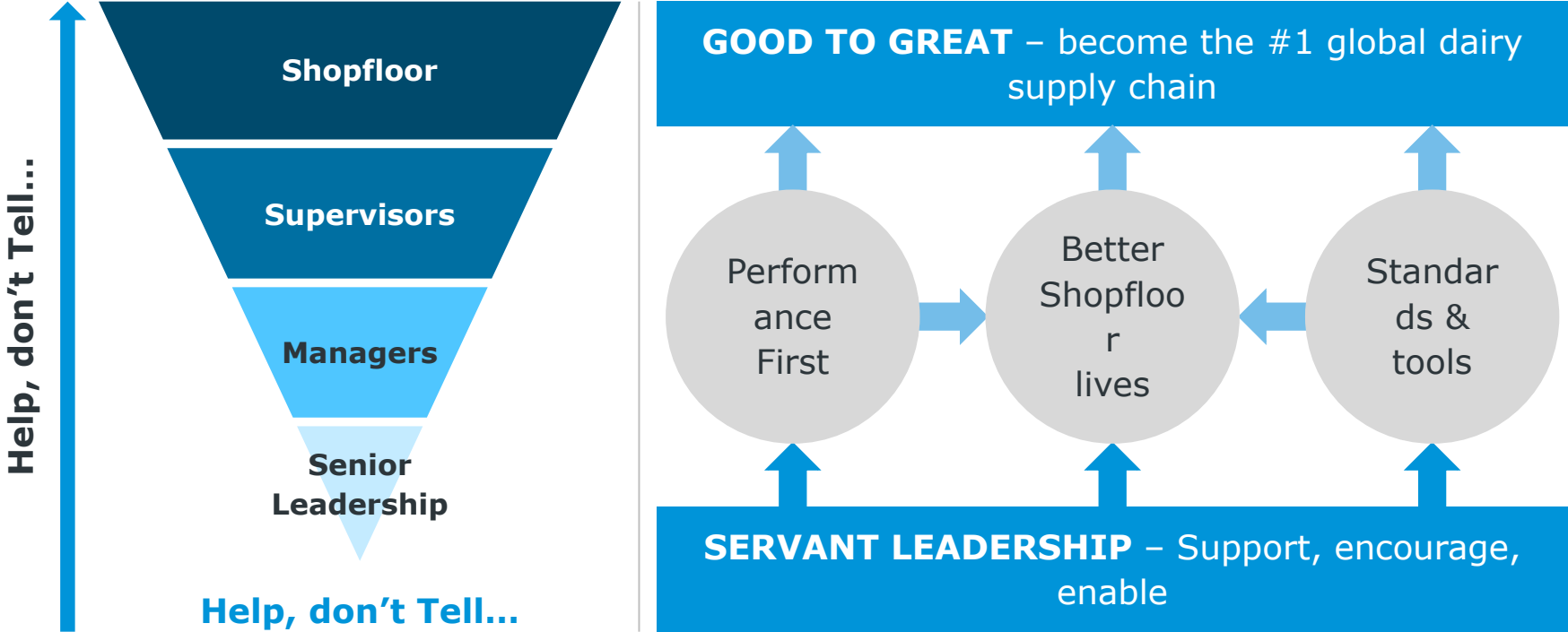
TO

- **Shopfloor** most important
- **Attracting** and retaining talent
- **Performance** improvement focus
- Net **COGS** impact
- Asking/escalating up, **helping** down
- **End-2-End supply chain view**

We have a holistic approach towards making our organisation a better place to work



Our Way of Working (OWOW) | This is how we are focusing on running and improving the business



We have built **Our Way Of Working** around 5 key design principles

1



We own it

2



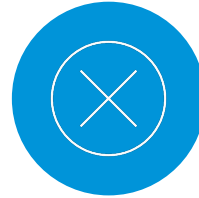
Aim higher

3



Standards

4



Red=Good

5



**One
consistent
way**

Our Way of Working Journey so far..



OWOW kicked off in March 2023; now launched in **>40 sites in RFC**



Increased engagement scores in all OWOW sites



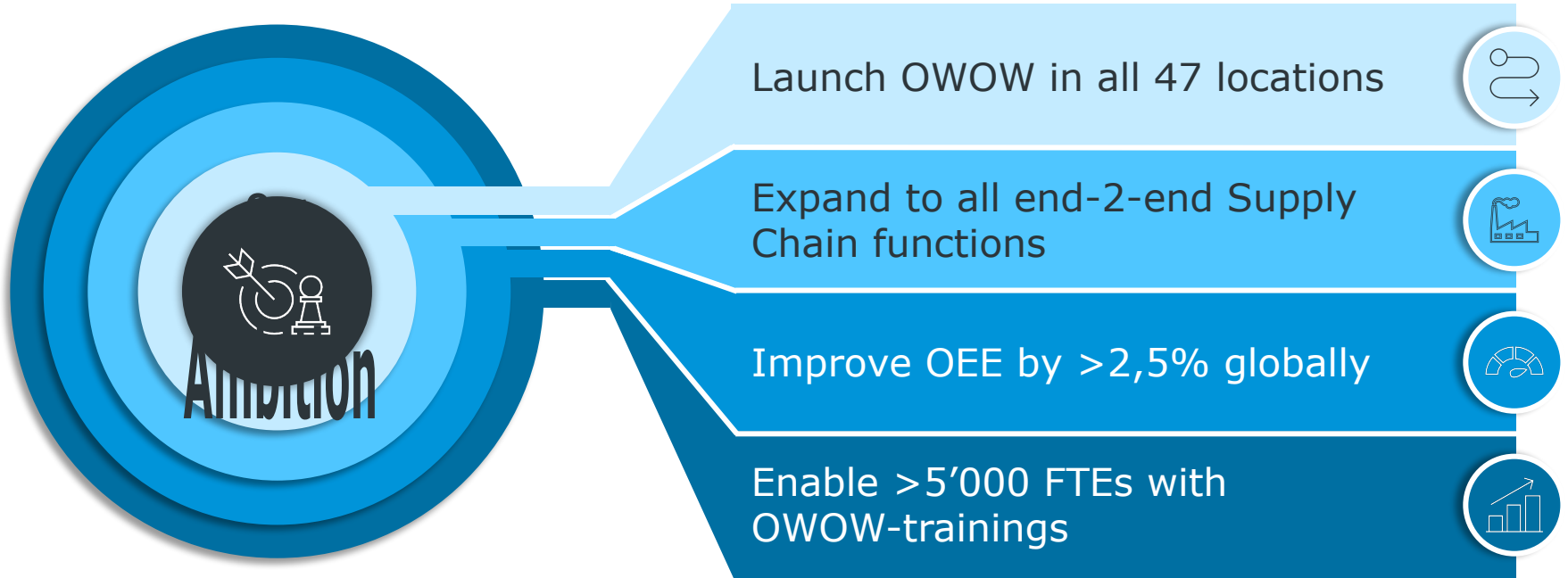
Visible OEE improvements **>10% line improvement**



Alaska team awarded for **Outstanding Performance Excellence** by CCI



Our ambition is to expand Our Way Of Working to all end-2-end Supply Chain functions



Performance+ | This is how we are focusing on managing costs



Functional excellence

Enhanced operational efficiency

Quality optimization

Negotiation factory

Waste management



End-2-End improvements

Data-driven insights

Design-to-value

Cost-2-Serve

Organizational efficiency



Challenge the frame

"Build a sustainable & resilient SC"

Network optimization

Harmonization and platforming

AI and Digitization

Commitment of Our Way Of Working to Employee Purpose and Fulfillment

The benefits of OWOW goes beyond financial gains

It inspires engagement and transforms the shop floor into a great place to work

OWOW supports personal growth, helping talents find their best fit, and fosters ownership by enabling decision-making

Most importantly, it empowers employees with purpose

And Purpose makes Nothing Impossible!



Alaska's Journey to better shop floor lives





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