

CARLSBERG

SUPPLY

CHAIN

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Disclaimer

FORWARD-LOOKING STATEMENTS

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Carlsberg's supply chain has been on a successful journey...



- Carlsberg Supply Chain function created
- Manufacturing best practices consolidated in COM
- Supply Chain and Procurement functions consolidated in Europe



- Integrated Supply Chain
- Further expansions of COM
- Group procurement organisation and governance across 3 regions
- CarlEx pilots start

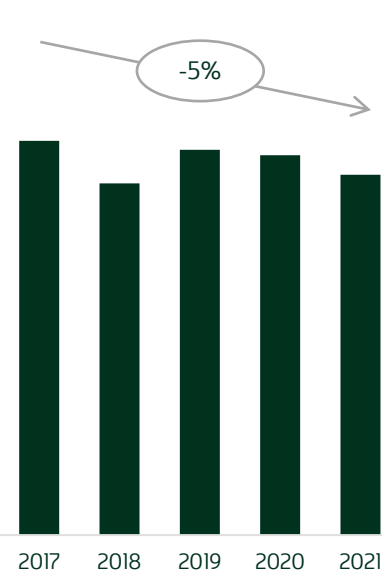


- CarlEx expansion beyond pilots to end-to-end supply chain
- S&OP standardised across 3 regions
- End-to-end planning tool pilot
- Reinforced focus on quality – “Project Best”
- Asset management and renewal programme

... delivering solid improvements across multiple KPIs

Non-material cost

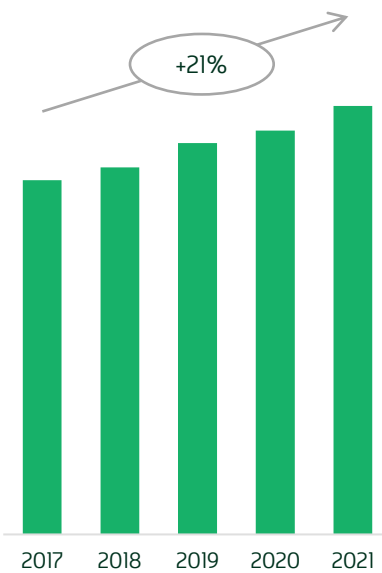
Managing controllable costs to minimise inflation impact



DKK/hl
Decline due to savings projects

Equipment efficiency

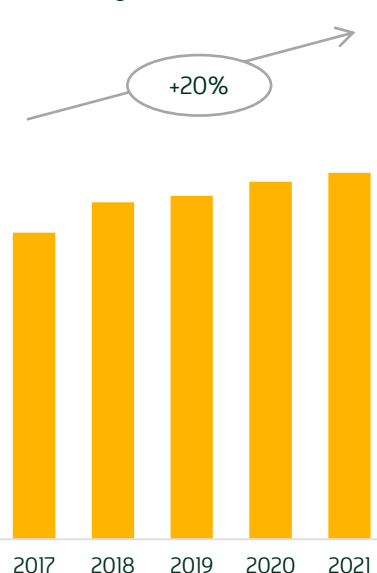
From average to industry-leading performance



CAN OEE increased
Released capacity equivalent of 14 lines

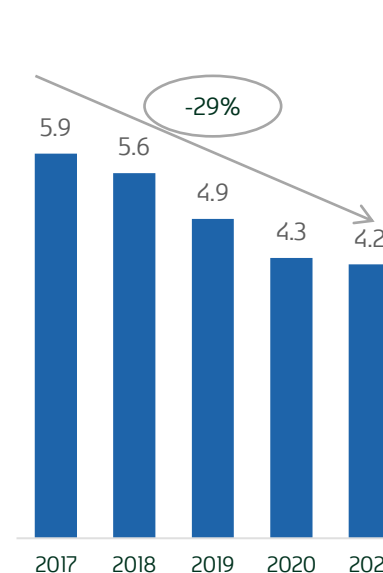
Labour efficiency

Following equipment efficiency and health & safety improvements



Labour hl/ FTE
Reinvested into organisation

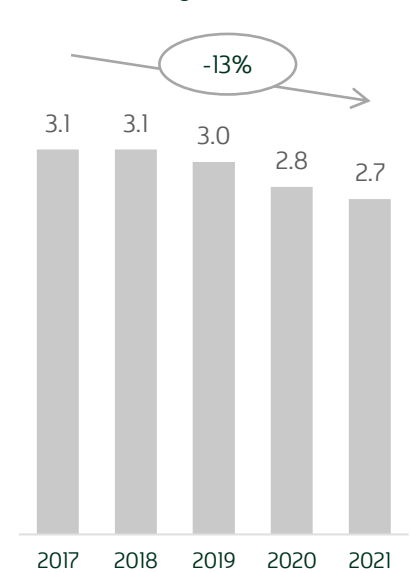
CO₂ emissions



Kg CO₂/hl
Reduction of 51.1 tonnes per hour

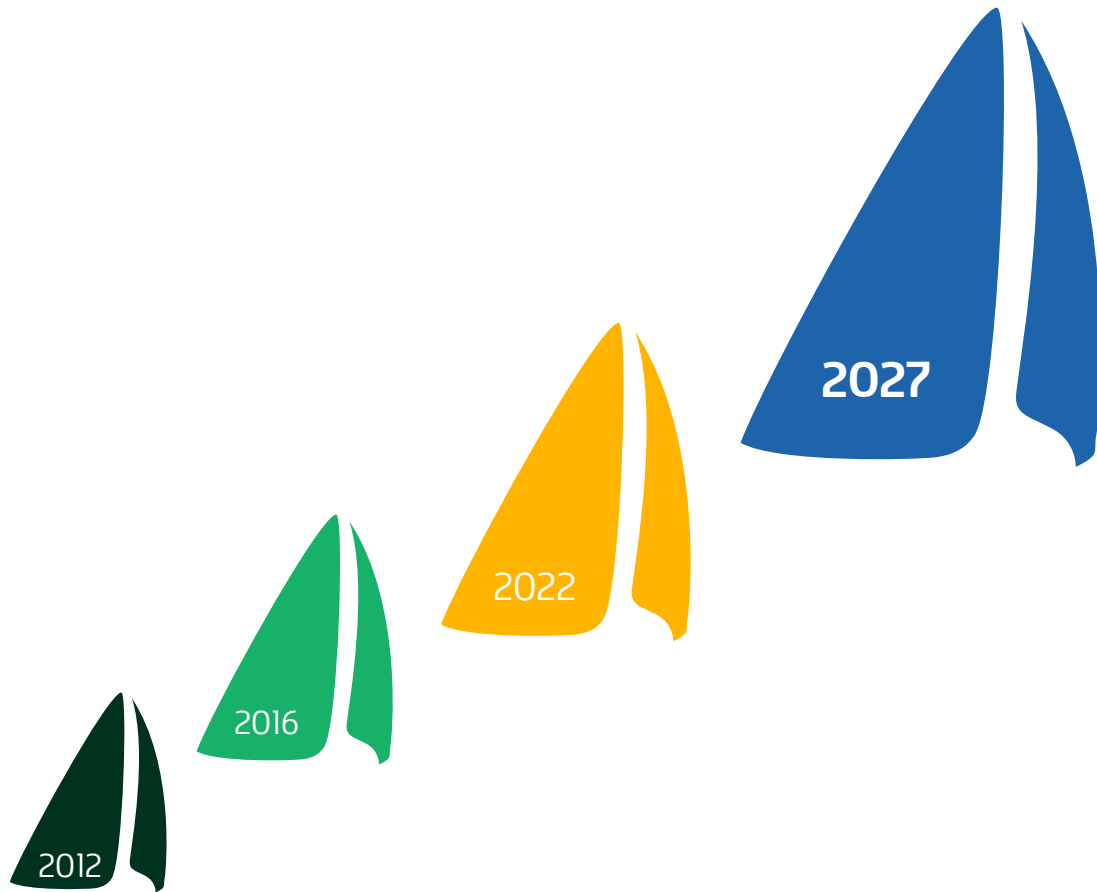
Water

Delivering our sustainability commitments via operational efficiency improvements



L/L
12.7m people's annual supply of drinking water

SAIL'27 will take supply chain to the next level of performance excellence



Leveraging best industrial and Carlsberg experience, we will continue to develop our supply chain

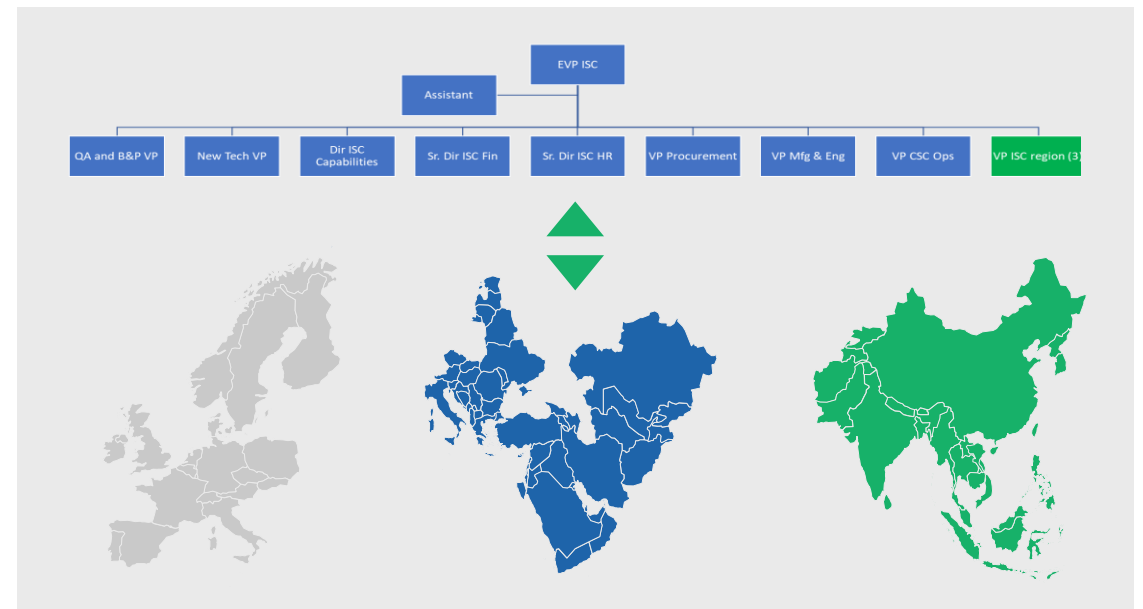
1. Clarifying ways of working and roles & responsibilities through the entire supply chain organisation
2. Sharpening and expanding Carlsberg Excellence programme
3. Implementing end-to-end planning solution ("One Plan") to effect step change in service-to-sales
4. Improving asset utilisation and stewardship
5. Leveraging technology and supply chain solutions to improve cost
6. Delivering against TTZAB commitments

By clarifying ways of working, we will unleash the full potential of our supply chain, avoiding “gaps” and/or duplication of activities

Group and regional supply chain organisational structures implemented in 2022 to align with SAIL'27 priorities

1. Synchronised organisational designs at Group, region and market level
2. Set to deliver synergies via stronger "vertical" and "horizontal" interconnections within the supply chain organisation and with commercial function
3. Eliminating resource duplications or gaps

Group Supply Chain organisation



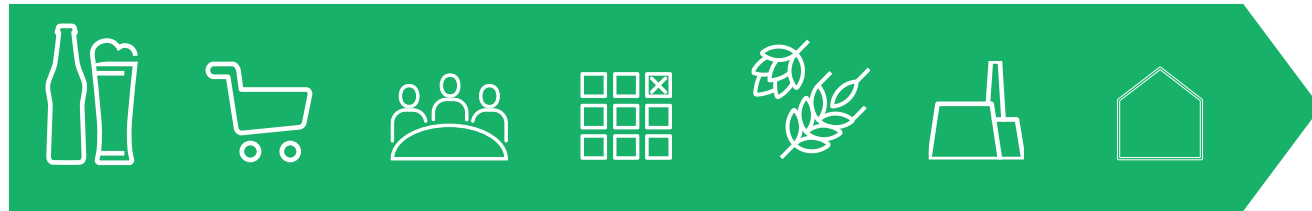
Carlsberg Excellence will further strengthen our end-to-end supply chain by ensuring best practice implementation



Following multiple pilots and trials completed during SAIL'22, we have identified industrial best practices applicable to our supply chain. These practices are being consolidated into an updated and refined Carlsberg Excellence programme, covering end-to-end supply chain operations

1. Four critical levels of Carlsberg Excellence
2. Purpose of each level clearly defined and communicated across the Group
3. Full clarity and transparency on responsibilities
4. Duplication of functions and/or activities eliminated

Ensuring an end-to-end approach to demand and supply planning via our “One Plan” solution



Consumer Demand ▶ Customer Demand ▶ Demand planning ▶ Supply planning ▶ Material planning ▶ Brewery ▶ Warehouse

- | | | | |
|---|---|--|--|
| <ul style="list-style-type: none"> ▪ Available input data: sell-out, promotions, events, etc. ▪ Customer hierarchy ▪ Route-to-market differences | <ul style="list-style-type: none"> ▪ Alternative suppliers ▪ Empties handling / regulations | <ul style="list-style-type: none"> ▪ # breweries ▪ Intercompany sourcing | <ul style="list-style-type: none"> ▪ # warehouses ▪ # shipping points ▪ Distribution models |
|---|---|--|--|

One Plan solution

1. Same planning tool for all regions
2. Covering end-to-end planning: from demand to inventory
3. Standard template but with flexibility based on individual market set-up
4. Data transparency at each step of the planning process
5. Avoidance of human errors related to data transfer from/to various planning solutions
6. Greater opportunity for Carlsberg to leverage cross-regional planning expertise
7. Reputable and strong tool developer and provider

Technology of the future: we are leveraging breakthrough developments to improve supply chain performance and deliver on SAIL'27 ambitions

1. New technologies and developments available from our suppliers

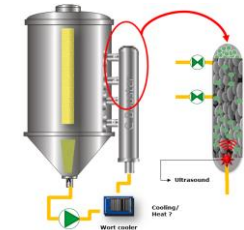
- Lightweighting of glass bottles and cans
- Recyclable cardboards
- Energy-efficient manufacturing and logistics equipment
- Digital tools

2. Carlsberg proprietary developments

Fermentation tanks enabling accelerated fermentation process, increased asset utilisation, improved energy efficiency and simplified planning process

New yeast varieties enabling simplified control of fermentation process and significantly improved energy consumption during process, also enabling faster and more efficient new product launches

Water-recycling process – pilot in Denmark will enable water consumption of less than 1.7 hl/hl at other sites, based on process installation plans



CARLSBERG SUPPLY CHAIN



1.

Solid performance improvement already achieved during SAIL'22, with accumulated learnings and experience being leveraged to deliver next-level supply chain improvements



2.

The updated Carlsberg Excellence programme will be a critical enabler for end-to-end supply chain improvement to deliver on SAIL'27 priorities, improving asset utilisation & efficiency and reduce costs



3.

New technologies will support delivery against SAIL'27 commercial priorities and sustainability targets while reducing costs



4.

Supply chain will play a pivotal role in delivering on TTZAB targets

- Specific projects (water recycling, regenerative agriculture and suppliers' development)
- Overall asset efficiency improvements, reducing energy consumption, water usage and CO₂ emissions