Integrated Business Planning with ANAPLAN

April 2022

Agenda

1. Kersia : Inventing a Food Safe World – Short Story
2. IBP : Integrated Business Planning @ Kersia
3. Project Planning
4. Architecture & key functionalities
5. Conclusion & Questions

What do we do @Kersia

INVENTING A FOOD SAFE WORLD

From Farm *to* Fork

Dairy FARMING

HEALTHY ANIMAL... PROFITABLE FARMER

A global approach to minimize infections, increase yield and animal welfare, thanks to complementary feed, water disinfection, udder and equipment hygiene.

Pig & Poultry FARMING

STRENGTHENED ON-FARM BIOSECURITY

Innovative biosecurity solutions to secure animals on farms, thanks to water disinfection detergents and disinfection solutions.

Water treatment

SAFE WATER ... SAFE ANIMALS...

Make the drinking water safe for higher feed conversion – offering the livestock farmer a global and complete approach for the welfare and performance of animals.

HANDS TRANSMISSION RISK - Preventing risks associated with the transmission of bacteria, viruses and other pathogens to operators and to consumers is our primary concern.

Food INDUSTRY

COST-EFFICIENT, RESOURCES, SAVINGS, SUITABLE SOLUTIONS

Hygiene solutions for all food processing and equipments: circuit, pasteurizer, tunnel, cheese mould, surfaces, packaging areas, evisceration areas.

Food SERVICE

CLIENT-TAILORED HYGIENE PROTOCOLS

Hygiene solutions tailored to the degreasing, disinfecting or floor cleaning needs of food preparation laboratories of large retailers and central kitchens.

Water purification

MAKING & KEEPING WATER SAFE

Kersia offers solutions for improving access to safe drinking water for humans. Based on our experience and expertise, largely developed with our brand, Aquatabs™, the worldwide leader in human drinking water purification. Our solutions guarantee safe water to ensure Food Safety.

With Kersia, the farming and food sectors have a business partner committed to the safety of production, processing, distribution and the enjoyment of food, at every stage of the food supply chain.

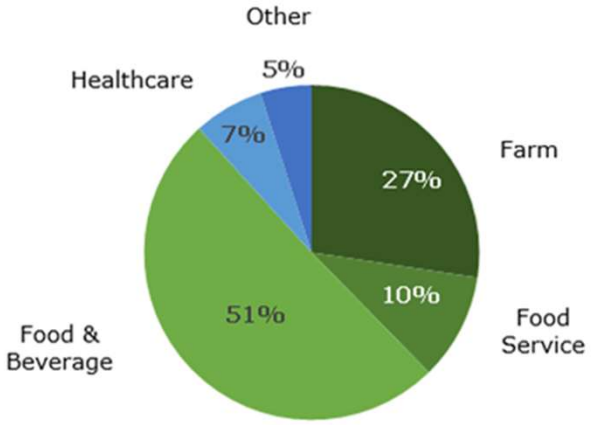
To this end, we develop reliable cleaning products, ***innovative*** disinfectant solutions and special services based on our scientific expertise and field experience. Our ***biosecurity*** solutions are constantly reinvented to guarantee full compliance with new ***regulations*** and a ***sustainable*** approach.

In few figures

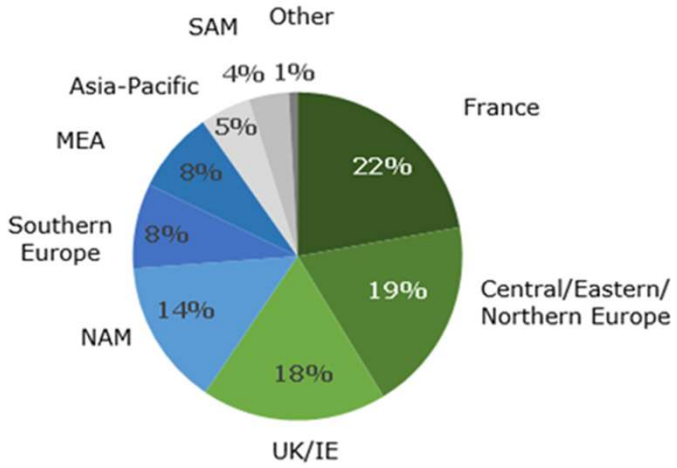
GLOBAL PRESENCE TRHOUGH DEVELOPPING INTERNATIONAL FOOTPRINT

c€410m	>120	35	>10,000	>2,100	>700	>3,000
	Countries where we sell	Industrial Sites worldwide *o/w 25 owned* *o/w 10 sub-contracted*	Active customers	FTEs worldwide	# rep sales worldwide	Active registrations

Sales by End - Market



Sales by Geography



A Group in perpetual transformation

WITH A STRONG GROWTH THROUGH BUY & BUILD

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Simplified Road to Market…

Factory

Mixing in reactors

Filling & Labelling

Raw Materials (chemicals), Packaging, Labels, ets.

1 week to 6 months

Less than a day

Direct Deliveries

Warehouses

Pick, Pack, Ship

Factories

Mixing & Filling

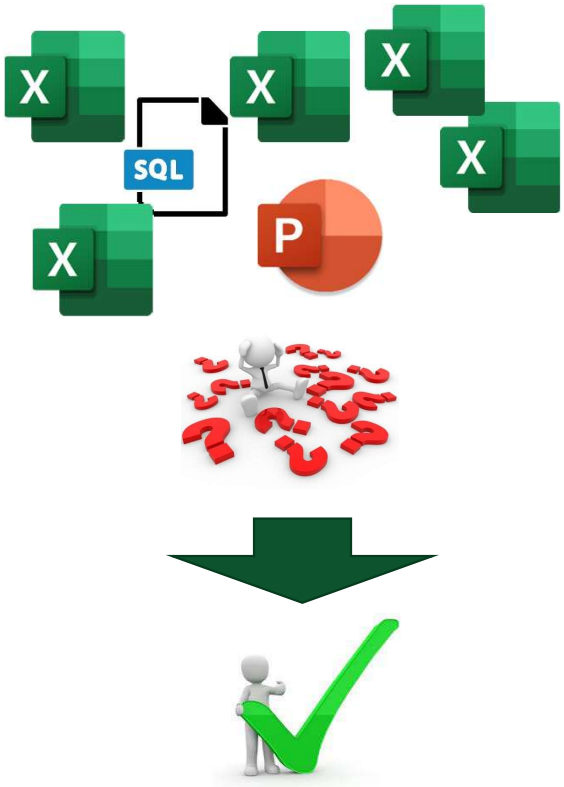
Between 1 to 10 days between order intake & deliveries

Stakes for Kersia

- **Kersia Markets & organization are evolving :**
  - New subsidiaries to integrate in the scope every year
  - Disruptions on Demand & Supplies
  - Expansion in People to coordinate, from Sales to Plants
  - Completion of Product Portfolio with new ranges coming from acquisition and Innovation developped by our R&D Teams
  - Different ERPs across the Group (~65 instances, majority without MRPs)

- **BUT :**
  - Customers still want to be delivered with the highest service level they deserve
  - Our internal organization still need to stay efficient – even if different models exist after acquisitions

- **This is why :**
  - Anticipation is key : Need to work on operations agility, collaboration, information sharing and business-oriented decision making
  - Get rid of excel sheets, email exchanges, leadtimes, delays, missing information, complex calculations, arbitrations, etc.



Anaplan

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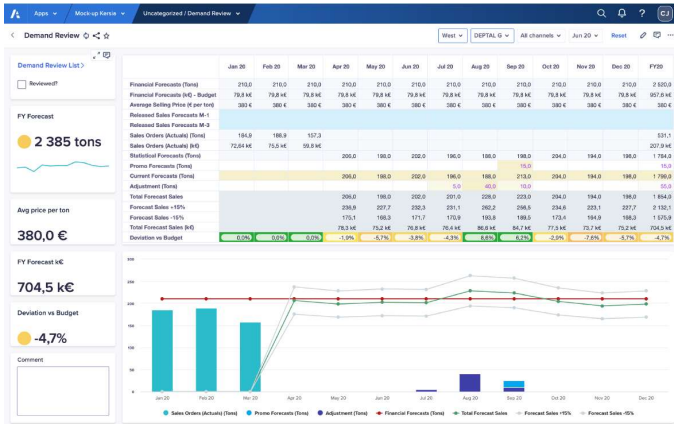
IBP Process

IBP IS A DATA DRIVEN DECISION MAKING PROCESS FOR MANAGEMENT AND OPERATIONS

- Integrated Business Planning is a **management process** enabling :
  - **Aligning** offer, demand, supply and corporate functions on a common plan
  - Executing this common plan

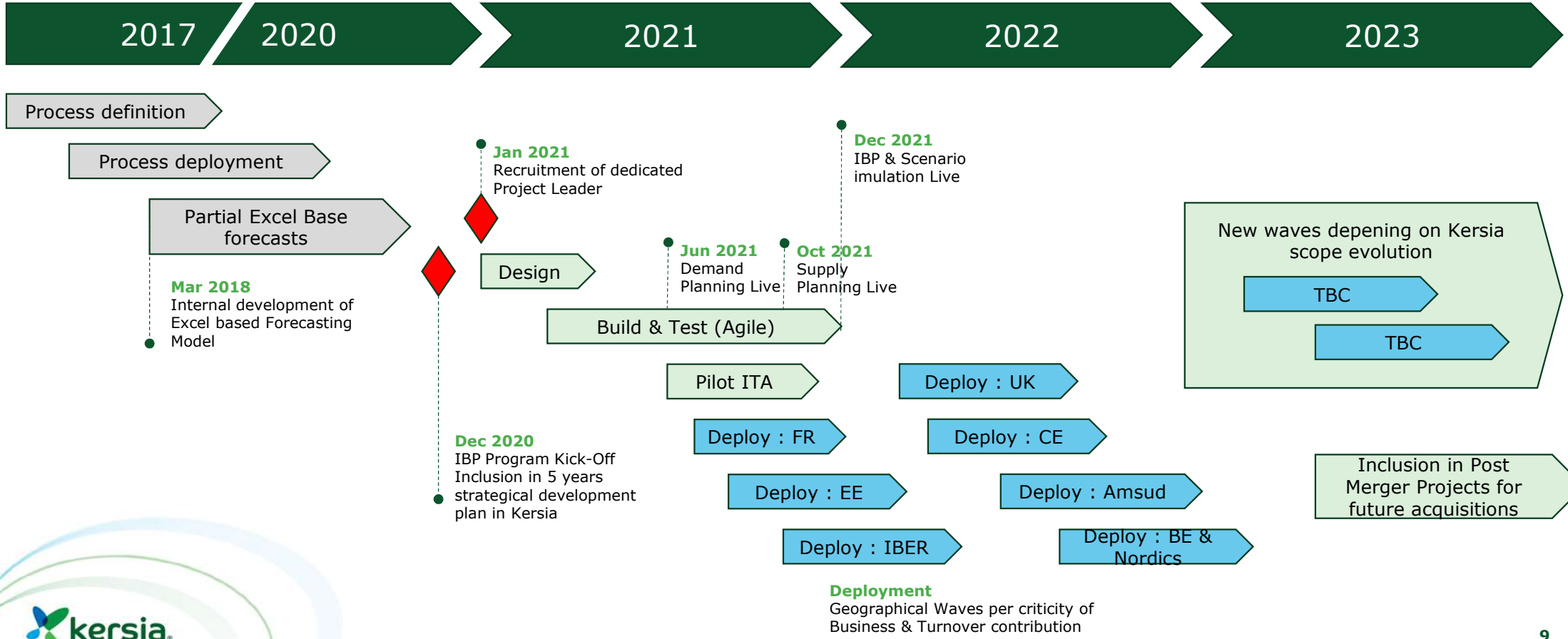
- Integrated Business Planning is a **business process** not limited to operations or Supply Chain. It is a decision-making process, with standardized decision models, analysis and scenarios

- Integrated Business Planning is a **collaborative monthly process**, engaging direction board, marketing, sales, finance, operations and supply chain



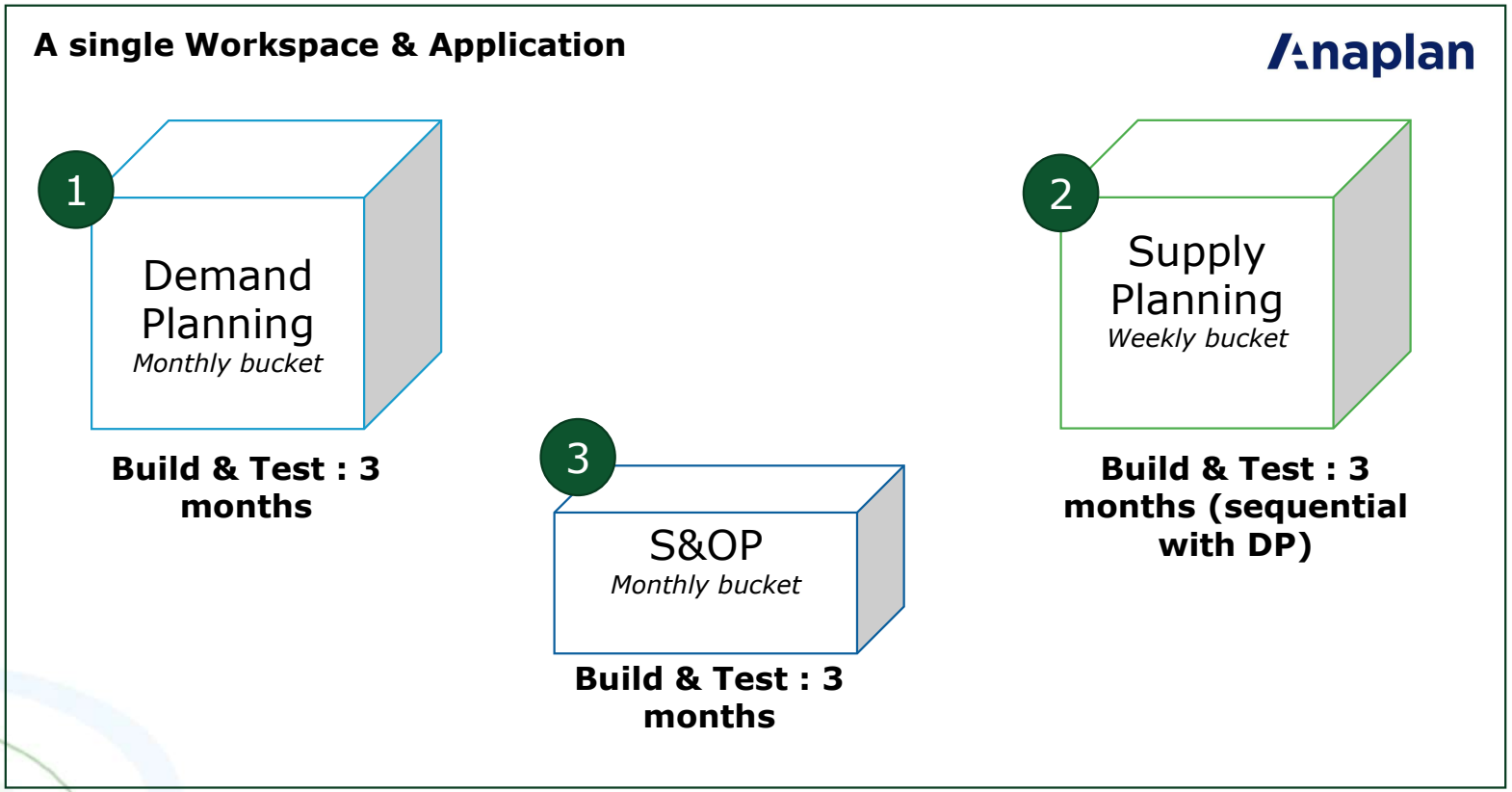
IBP Journey

PAST & FUTURE



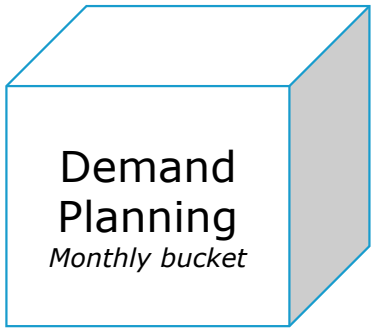
Steps of Build

3 COMMUNICATING MODELS UNDER 1 APP

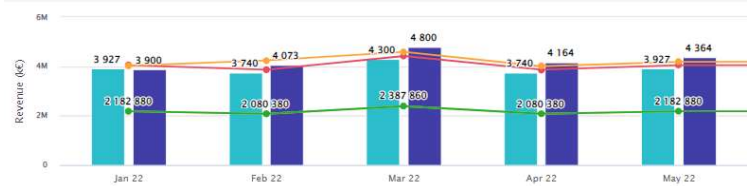


Key functionalities per Model

DEMAND PLANNING

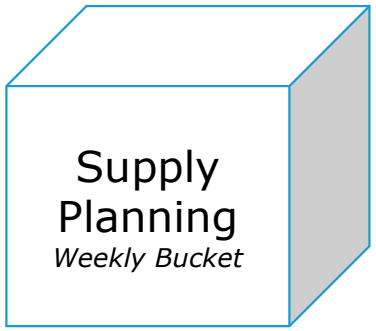


- **Integration of Product / Geog / Market / Commercial hierarchies**
- **Cleaning of Actuals (Sales history)**
- **Statistical Forecasting, including Baselines, Trends, Seasonality calculations**
- **Collaborative Forecasts & commercial override @ any level of hierarchies (Quantity, Turnover, Prices)**
- **Forecast Accuracy & Biais calculation**
- **Projection of forecasted « *Cost of Good Sold* »**
- **Calculation of Budget Adherence (Quantities, Top Line, Contribution margin)**



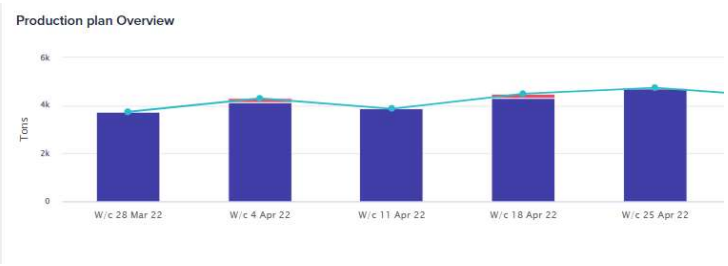
Key functionalities per Model

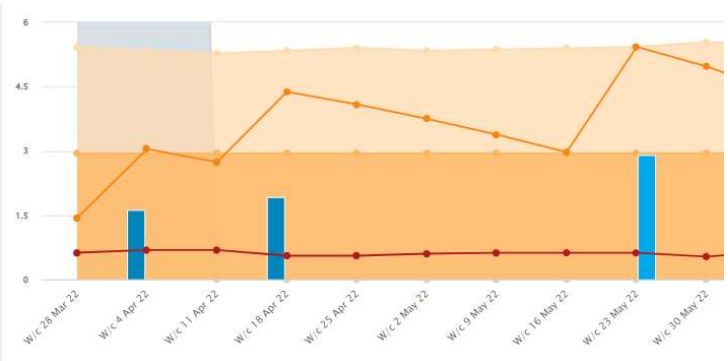
SUPPLY PLANNING



- **Network modeling including multi-level BoMs until Component levels**
- **Disagrigation of Demand Model from months to weeks**
- **Workload per production line calculation**
- **Replenishment calculations :**
  - DRP / MRP netted & time-phased calculations (Through BoMs & distribution network)
  - What to produce or buy & when
  - Adaptable replenishment policies (LeadTimes, Safety Stocks, Order points, etc.)
- **Identification & resolution of issues :**
  - Capacity per bottleneck
  - Component Shortage
  - Inventory Analysis & change in replenishment policies or parameters
- **Input of major components cost forecasts (External Market intelligence → Plan IQ in the future)**

	W/c 28 Mar 22	W/c 4 Apr 22	W/c 11 Apr 22	W/c 18 Apr 22	W/c 25 Apr 22	W/c 2 May 22	W/c 9 May 22
Dinard							
Comburant I Dinard	17,4	9,46	5,467	-7,738	-0,9833	-1,028	-1,91
Alcool I Dinard	2,004	1,763	3,72	-1,563	1,992	1,893	1,695
Alcalin I Dinard	87,96	37,69	42,69	-3,499	-0,5564	-3,63	-4,939
Acide I Dinard	78,16	64,37	51,04	-4,824	21,67	17,78	15,9





Key functionalities per Model

S&OP

- **Scenario Analysis & comparison**
  - Demand disruption (ex : Covid)
  - Break of Raw Material Supply
  - Loss or change of production capacities
  - Etc.
- **Aggregated level versus Demand & Supply Planning**
  - Product family Levels
  - Conditioning families
  - Raw Materials families
- **OPTIMIZER functionality of Anaplan**
  - Optimization of : Top Line, Contribution Margin, Working Cap
  - Demand Scenario construction & Advance / Delay strategy
  - Purchasing strategy (Multi-site on forecasted prices)
  - Production Allocations (Multi-Site)
  - Etc.

	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22
Sales Tons	42,1	41,1	44,2	41,1	42,1	42,1	39,0	39,8
COGSpTon	1 506	1 495	1 496	1 496	1 496	1 492	1 488	1 488
Revenue	111 018	107 999	117 056	107 999	111 018	111 018	104 583	106 884
...								
Prod Tons	42,1	41,1	44,2	41,1	42,1	42,1	39,0	39,8
COGS	63 440	61 473	66 084	61 475	63 013	62 864	58 013	59 216
CM	47 578	46 526	50 973	46 524	48 006	48 155	46 570	47 668

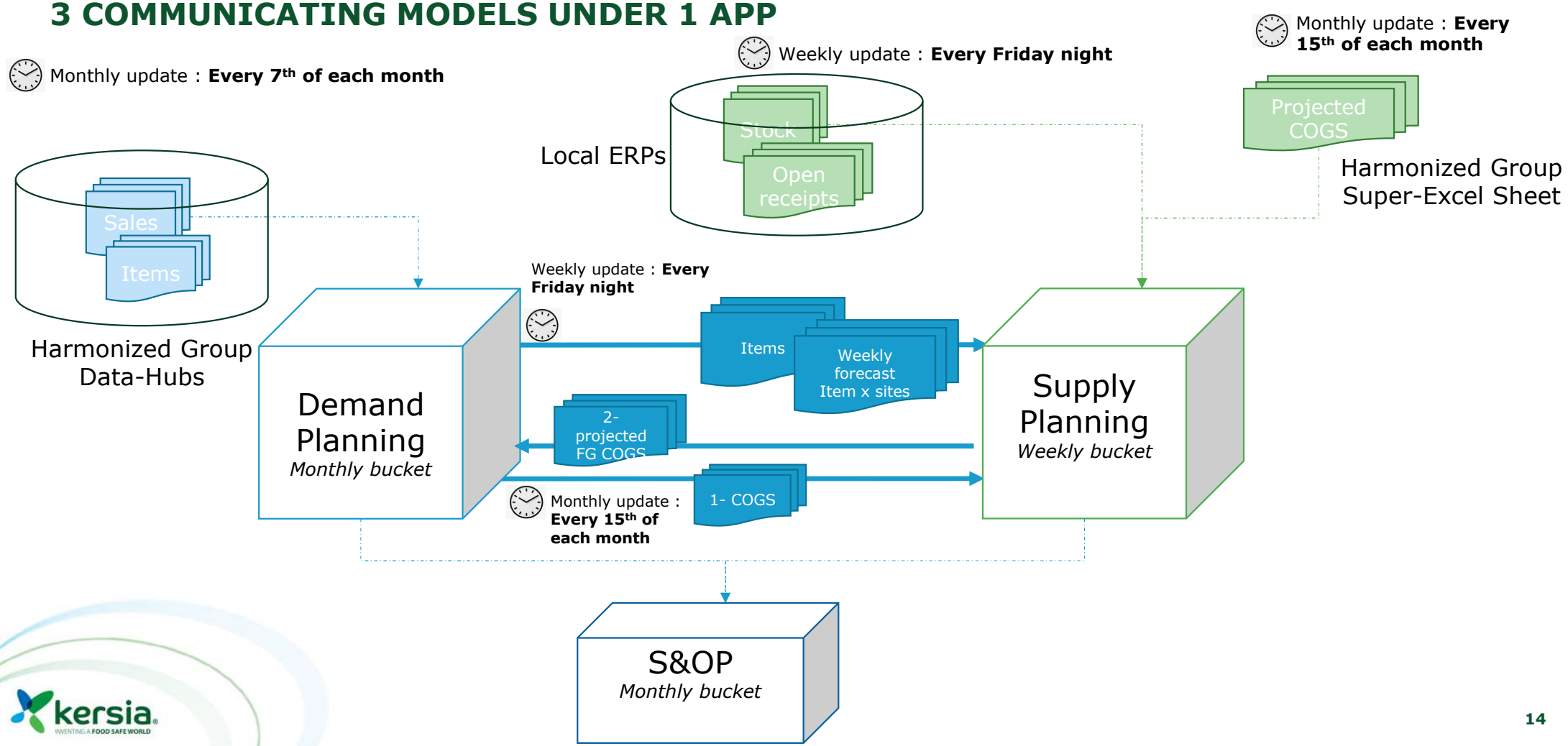
France (zone) | Flammable | Can 2-30L | FOOD | Dinard | CurrentDemand

	Jan 22	Feb 22	Mar 22	Apr 22	May 22	Jun 22	Jul 22	Aug 22
Demand (ton)	2,491	2,385	2,74	2,401	2,504	2,515	2,401	2,636
Stock Init (ton)	0	0	0	0	0	0	0	0
RM Purchase Costs (€/ton)	2 480	2 500	2 570	2 660	2 700	2 530	2 310	2 200
...								
Orders (ton)	2,491	2,385	2,74	2,401	2,504	2,515	2,401	2,636
Stocks (ton)	0	0	0	0	0	0	0	0
RM Purchase Costs (€)	6 178	5 962	7 043	6 387	6 760	6 363	5 547	5 800
RM Storage Capital Costs (€)	0	0	0	0	0	0	0	0
Total Optimized RM Costs (€)	6 178	5 962	7 043	6 387	6 760	6 363	5 547	5 800

ACETIC ACID | Dinard | CurrentDemand

Architecture of Kersia Models

3 COMMUNICATING MODELS UNDER 1 APP



What did we achieve ultimately ?

DRIVERS OF SUCCESS – ABILITY TO DRIVE BUSINESS

- **Common IBP Process for all entities** ✓
- **Collaborative Solution** ✓
- **One single source of Data for Forecast : Alignment** ✓
- **Ability to drive Business & Operations @ any level of org / product hierarchy** ✓
  - Forecasts in Units (Tons) @ Any level (Sales, Production, purchase) ✓
  - Pricing policy, Forecast of Top Line, deviation from budget ✓
  - Cash Impact Simulation ✓
  - Forecast of Raw Materials & components cost evolution ✓
  - Forecast of Contribution Margin ✓
- **High Level scenario simulation Tool** ✓

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Achievements in In Key figures

	H1 2021	Q1 2022	~Q4 2023
Active End Users	**14**	**60**	**125**
○ Management	2	8	20
○ Sales, Market. & Sales Admin	2	25	60
○ Production & Supply	3	22	39
○ Admin	3	4	5
○ Consulting Team	4	1	1
Data Hub Connection	✓	✓	✓
ERPs Connections	**1**	**7**	**~20**
Deployment waves started	**1**	**5**	**12**

Key success factors & Lessons learnt

KEY SUCCESS FACTORS

- Strong Sponsorship of ExCo
- Process already implemented in Pilot zones before ANAPLAN
- Real Time platform Breaking silos in the organization & performing complexity with feeling of simplicity
- Experimented Consulting Team (Process & Technical) to co-build the solution & train internal Experts
- Dedicated Central Team to animate & keep Momentum

LESSONS LEARNT

- Do not under-estimate Change Management when the process is new & needs new skills
- Shit In Shit Out : Clean Data & strong common masterdata base in place before implementation
- Key Users inclusion

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Questions