

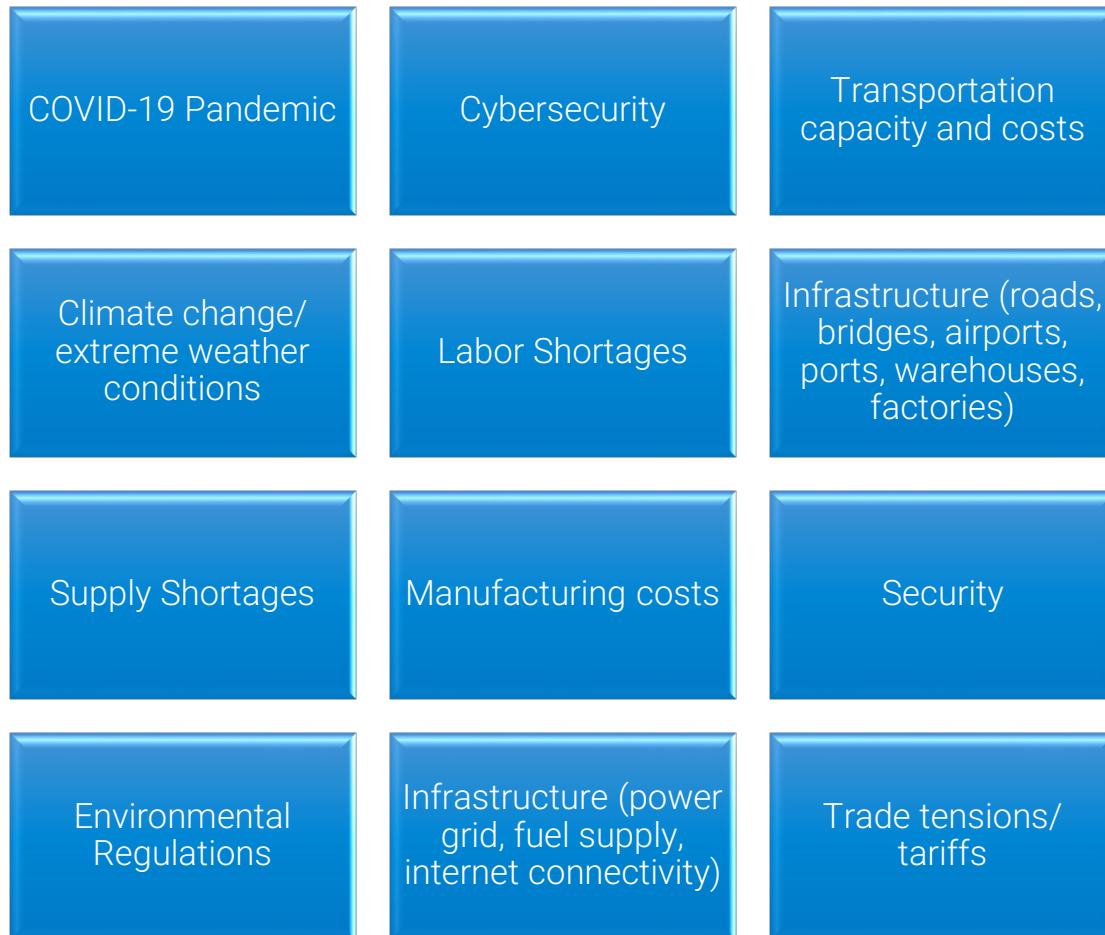
Swiss Medtech Day 2024

Deep Dive Session: Navigating through today's market access & supply chain complexities

Gerard Hazenberg – Senior Director Distribution Sonova Group

Supply chain vulnerability

Dependency on a single region and sources for potential disruptions in current Macroeconomic and Geopolitical environment



High dependency on the APAC-region as a manufacturing hub

► How can we make our supply chain more resilient to deal with existing and potential future disruptions?

Increasing supply chain resilience

From offshoring to strategic nearshoring: region for region

- **Regional manufacturing capabilities**
 - Alternative manufacturing locations: moving from global to regional production
 - Regional supplier-base
- **Optimized logistics network**
 - Shorter transportation lead-times
 - Mode optimization: reduced airfreight dependency
 - Reduced carbon footprint
- **Leveraging technology**
 - Digitalization
 - Automation



Regional independence: reduced vulnerability to disruptions and system risks

► Changing to a diversified supply chain to reduce dependency on a single region

Supply chain transformation

Key elements for strategic nearshoring



- Exploring alternative production locations
- Supply capability
- Infrastructure
- Labor force availability
- Costs
- Governmental policies and incentives
- Sustainability
- Real estate

- Raw materials
- Supplier capabilities
- Proximity
- Single sourcing versus multiple sourcing
- VMI
- Price
- Quality
- Reliability
- Responsiveness
- Flexibility

Logistics network optimization:

- Number of DC's
- Center of gravity
- Transportation lead-times
- Costs
- Sustainability
- Capacity
- Environmental sustainability
- Risk management
- Inventory levels

- AI
- WMS
- TMS
- End to end visibility
- IoT
- Data analytics
- Automation

► Transforming to a diversified supply chain to reduce dependency on a single region

Q&A

