

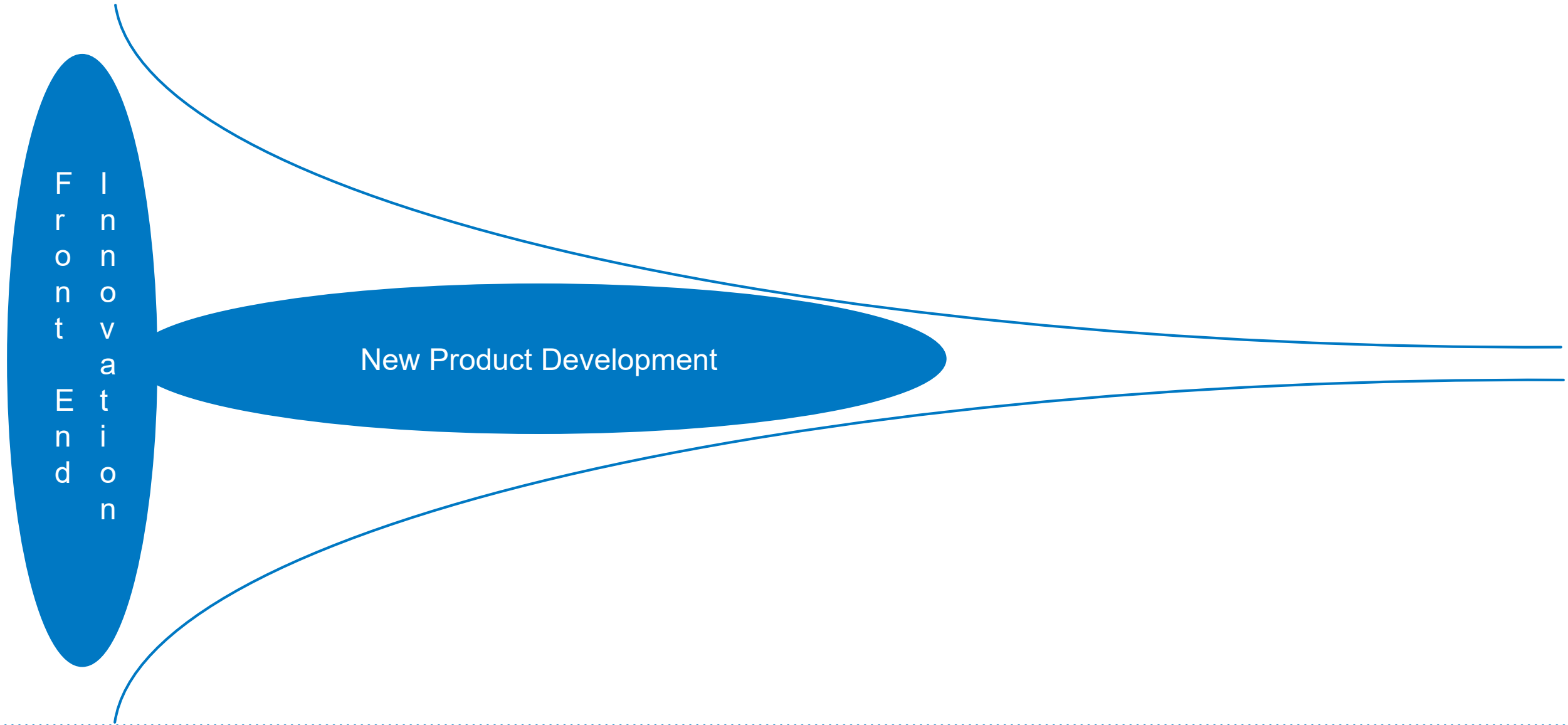


Karsten Nielsen,
Chief Technology Officer

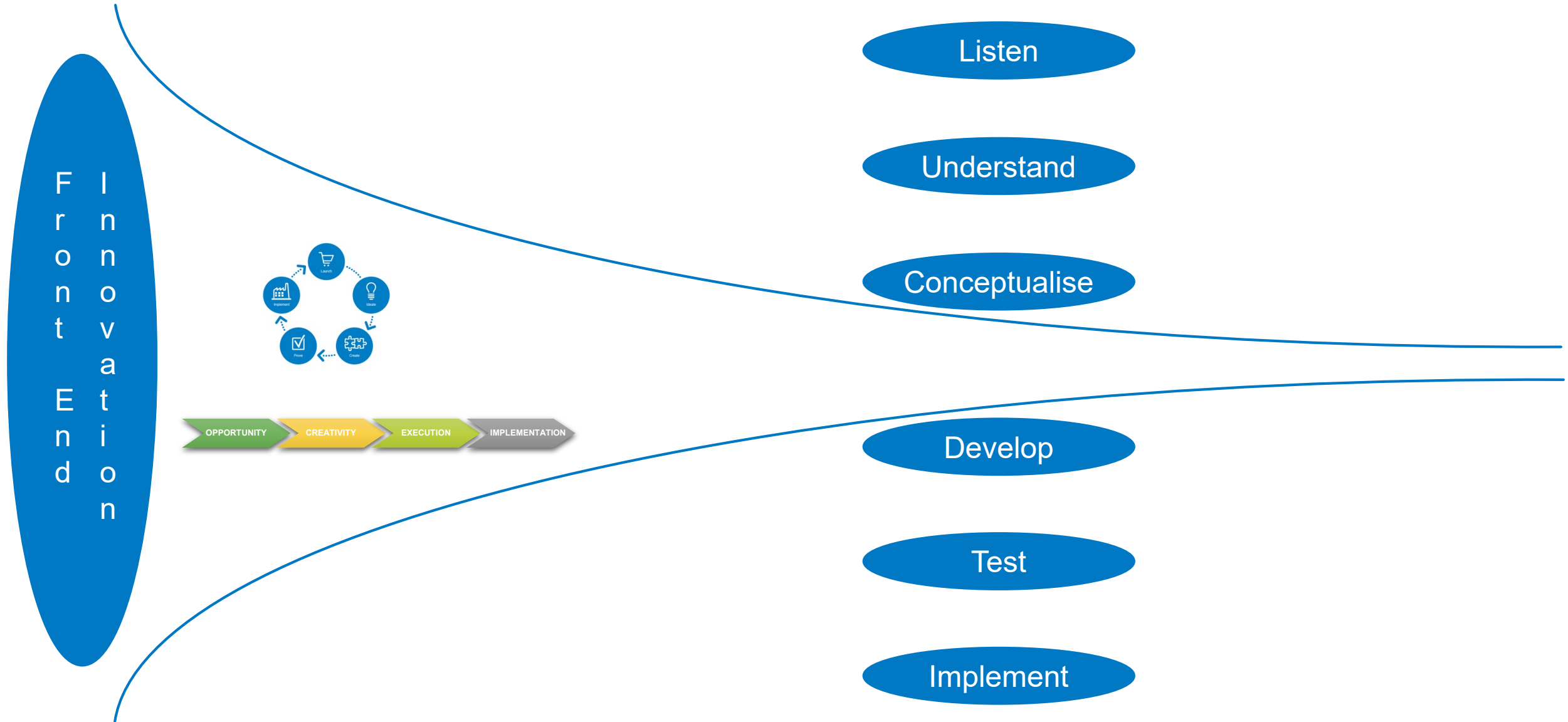
**Innovation
&
Customer Co-
Development**

AAK

Innovation processes in AAK



Innovation processes in AAK

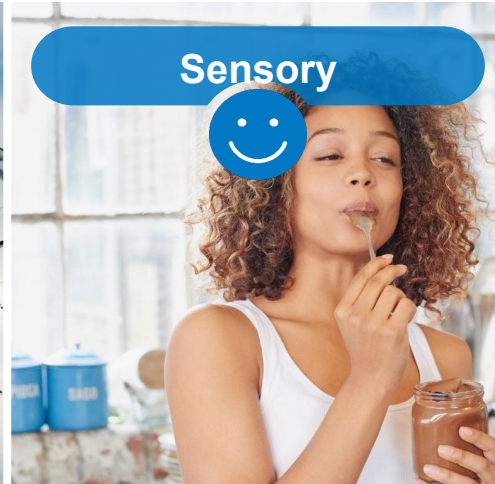


Innovation processes in AAK



Focus	The customer	The Market(s)
Process architecture	Aligned with Customer Buying Cycle	Traditional NPD process architecture
Decision competence	Go-To-Market teams	Central / Regional President
Implementation time frame	0 – 12 month +	6 – 36 month +

Developing together with our customers is the core of our business



The content of the service pack needs yet to be agreed, but is building on:

- Services outside of the value created by the 6 value drivers present within our solutions
- Services that may be split as to global, regional, industry or customers characteristics
- Building on synergies in supply chains & business strategies
- Linked to the customer segmentation

Developing together with our customers is the core of our business



Developing together with our customers is the core of our business



The AAK Innovation process



- **Sensory:** All proven aspects of the AAK solution that significantly contribute to a better sensorial experience in the end product



- **Functionality:** All proven aspects of the AAK solution that significantly contribute to improved functionality in the end product



- **Process efficiency:** All proven aspects of the AAK solution that significantly contribute to faster and more efficient product outcome



- **Health:** All proven aspects of the AAK solution that significantly contribute to a healthier end product



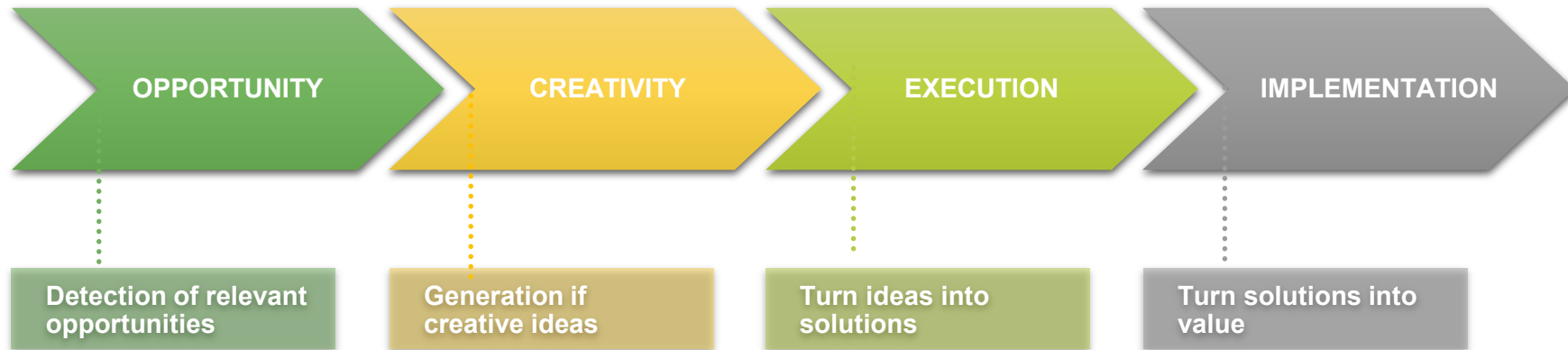
- **Sustainability:** All proven aspects of the AAK solution that significantly contribute to a sustainable supply chain



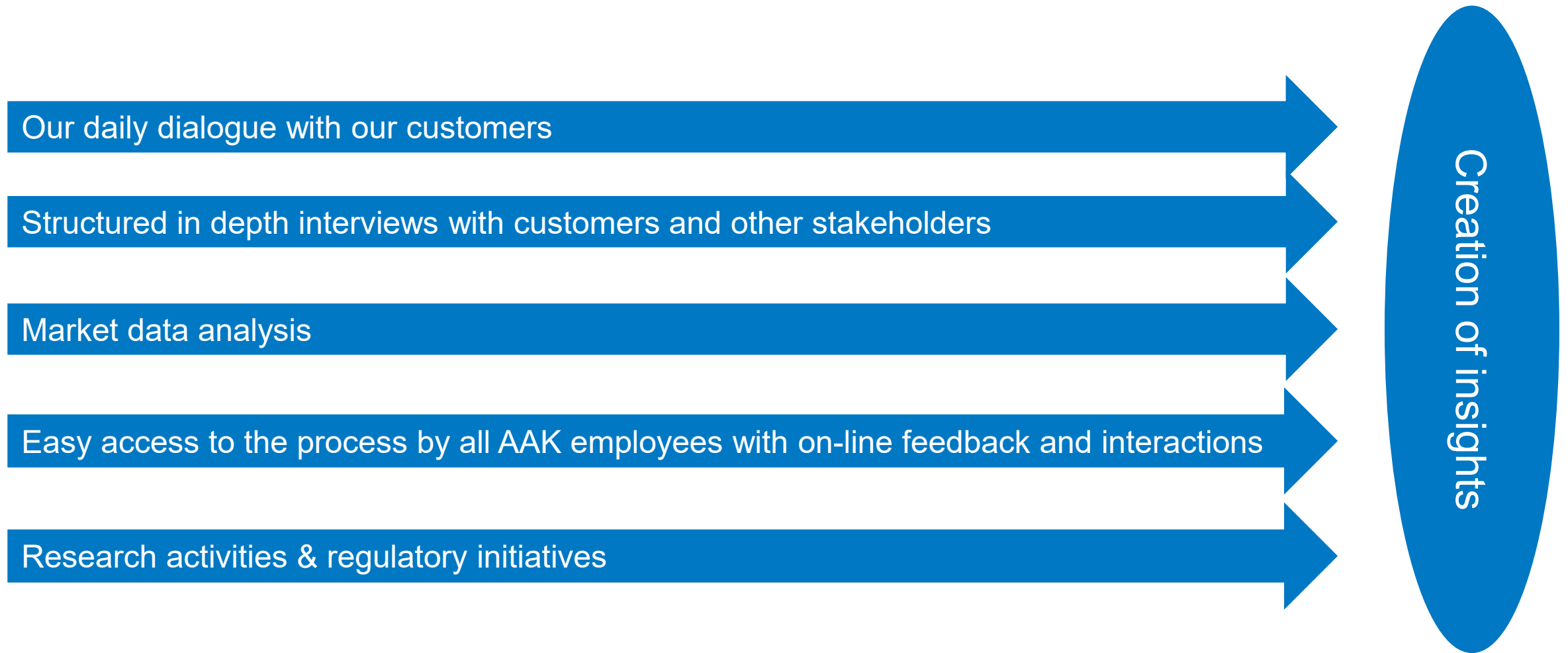
- **Food safety:** All proven aspects of the AAK solution that significantly contribute to a safe supply chain

The AAK Innovation process

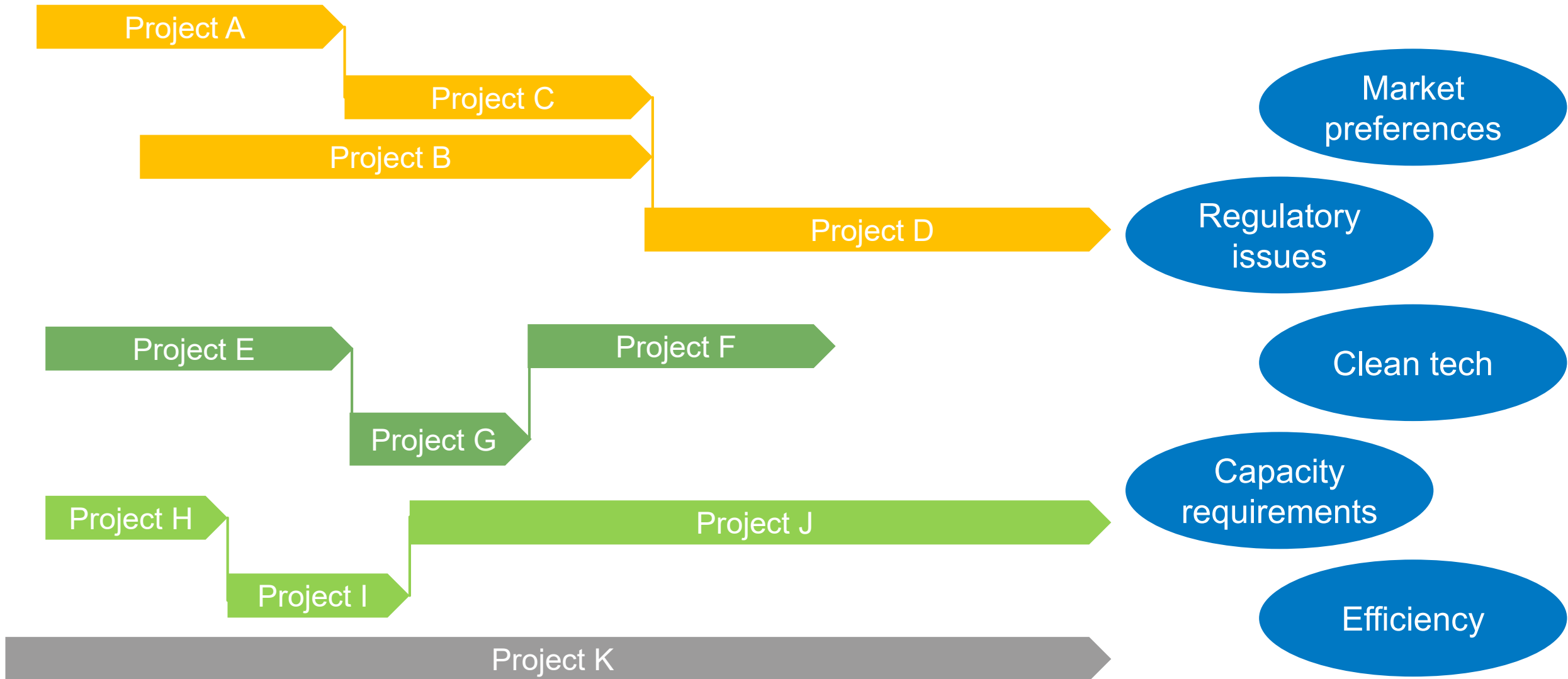
Creation of insights



The AAK Innovation process – Creation of insights

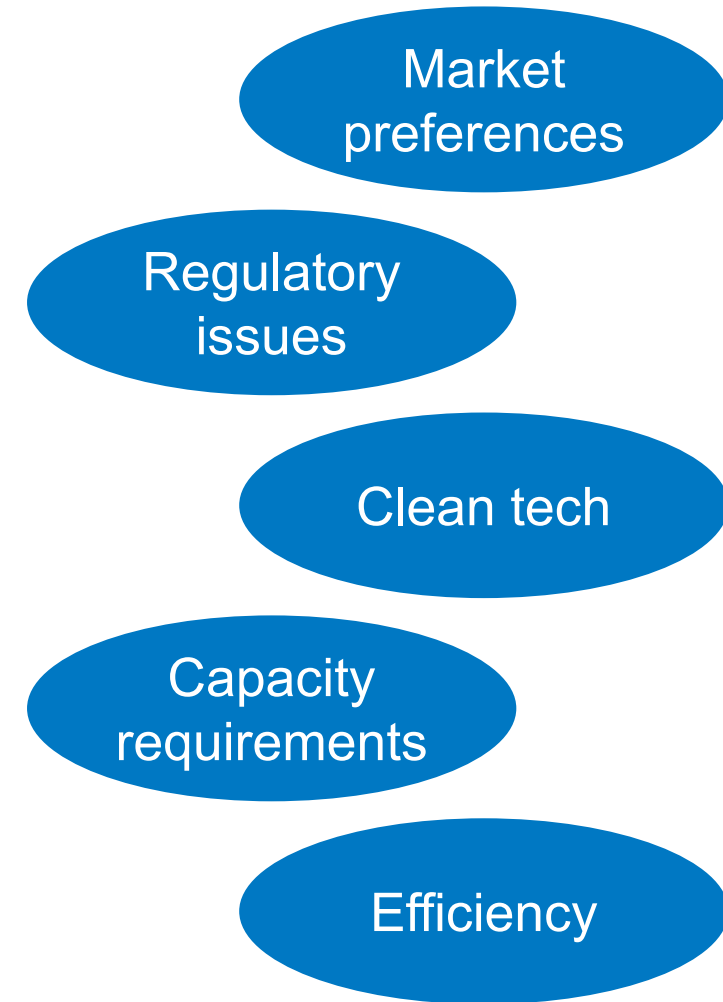


The AAK Innovation process – Technology drivers



The AAK Innovation process – Technology drivers

- ◆ Major parts of main projects run internal at AAK
- ◆ Outsourcing of projects to selected preferred institutes in Europe and North America
- ◆ Selection of partners based on
 - ◆ Previous deliveries
 - ◆ The learning ability
- ◆ Outsourcing only on the ability of full AAK ownership of IP
- ◆ Outsourcing partially include third party financing



AAK Innovation

- ◆ Innovation is an integrated part of the AAK Way strategy
- ◆ Innovation in The AAK Way is executed on different levels
 - ◆ Customer Co-Development covers the demands of our customers
 - ◆ AAK Innovation creates the insights to cover future needs of the market
 - ◆ Our technology pipeline creates the technology to meet future challenges

Innovation

Go To Market

- ◆ AAK Way of Selling
- ◆ Customer Co-Development

Operational Excellence

- ◆ Sourcing Excellence
- ◆ Cost Effective & Flexible
- ◆ World Class Delivery

Special Focus Areas

- ◆ Special Nutrition
- ◆ Dairy+
- ◆ INNOBO-Products

People



Thank you!

www.aak.com

AAK