

## **ORIOR 2025 Strategy**

**Continuity. New Normal. Growth Momentum.**

**ORIOR presents its strategic road map for the next five years. The ORIOR 2025 Strategy marks a gradual evolution of the company's previous and successful multi-year strategy and is also distinguished by the "ORIOR New Normal" Group-wide initiative that was launched in April 2020 in response to the extraordinary situation and that has clearly enhanced the company's operating performance. Management confirms its guidance for the year as communicated in August 2020 in this connection. Today's new normal is driving new perspectives and a change of thinking yet is also bringing new possibilities. Agility, resolute forward movement, and effective, overarching initiatives take on even more importance in this context. At the same time, continuity and the resilience derived from ORIOR's broader footprint sturdy foundation will remain decisive factors leading to success. Steady value creation for all stakeholders continues to stand out as ORIOR's overarching goal and ambition.**

The Board of Directors and the Extended Executive Committee of ORIOR Group worked closely together to develop the ORIOR 2025 Strategy. Internal teams of specialists provided them with valuable support in the formulation of key strategy elements and inputs were also given by senior staff and specialists from throughout the Group through interactive workshops. This broadly based approach and the resulting common understanding regarding the road map we have created serve as a firm foundation for the successful execution of the ORIOR 2025 Strategy.

### **Primary goals and ambitions 2025**

In its overarching goals, ORIOR affirms its commitment to sustainable and profitable growth as well as to its unique business model with a decentralised corporate structure. ORIOR aims to thrill consumers with its power of innovation, celebrated across a diverse range of brands, concepts and product worlds. ORIOR embraces clearly defined, responsible management roles, entrepreneurship, and strong values. Sustainable organisational development will be advanced through various initiatives. Sustainability is being anchored more deeply throughout the company. It is an integral and overarching aspect of all strategic themes. Ultimately, a financially strong and resilient foundation provides the best possible means of ensuring operational agility. Quantitative ambitions for 2025 have been formulated based on the overarching goals. Average organic growth of 2 to 4% per year, an annual absolute increase in EBITDA and an EBITDA margin of >10% are targeted. Balance sheet quality will be strengthened by achieving an equity ratio of >25% and a net deb/EBITDA ratio of <2.5x. A steady improvement in capital efficiency (ROCE) is also targeted. Among the sustainability-related goals, ORIOR is aiming for a performance index of >80% annually. A steady increase in the absolute dividend is also a part of ORIOR's 2025 Strategy.

### **Strategic pillars**

The five strategic pillars – "House of Innovation", "Brand experience!", "Strong Foundation and Operational Agility", "The ORIOR Responsibility" and "We are ORIOR" – form the heart of the ORIOR 2025 Strategy. The previous strategic priorities were both sharpened and expanded, mainly in terms of thematic content. This reflects both the new normal and the enlarged and thus more know-how-rich Group structure and the new value-creating triggers this offers. In addition to the long-term five-year focus, the new strategic pillars now also include short-term goals associated with current trends and topics that are integrated into daily operations through rolling action plans.

### **Key strategic initiatives**

The decentralised business model lets ORIOR companies celebrate their own specific culture and identity, tailored to their work force and the customers they serve, and to create unique product, brand and concept worlds. Three Group-wide strategic initiatives are powerful and value-generating tools that will help it unlock additional potential synergies. They are the intradisciplinary “ORIOR Champion Model”, the synergistic “ORIOR Bridge-building” as well as the aforementioned ground-breaking “ORIOR New Normal” initiative, which has already been introduced.

### **M&A priorities**

ORIOR remains open to smaller bolt-on transactions, acquisitions and corporate alliances in its four-pronged M&A strategy. Taking into consideration the stated goal of sustained improvement in balance sheet quality, the focus here – at least during the initial phase of the five-year strategy period – will be on smaller transactions that strengthen and/or round out the core business of the existing competence centres.

### **ESG – Environmental, Social, Governance**

ORIOR is fully aware of the importance of ESG requests. An overview of its ESG efforts will be published in the 2020 Annual Report. ORIOR is already effectively addressing a wide range of environmental and social issues in its sustainability strategy. Good corporate governance is addressed in various ways. For example, in the “We are ORIOR” strategic pillar, in the sustainability strategy, and in ORIOR’s guiding principles and standard policies. During the preparation of the ORIOR 2025 Strategy, various elements of the company’s remuneration and shareholder policy plans were also evaluated, and further gradual refinements will be made. For example, a long-term incentive plan and a staggered employee stock ownership plan will be introduced under the ORIOR 2025 Strategy. Performance criteria for top management will be defined in greater detail and also include ESG goals. Minimum shareholding requirements will be introduced for the Executive Committee and the Board of Directors. Further details on these matters will be announced in 2021.

### **2020 guidance**

With the presentation of the ORIOR 2025 Strategy, management confirms its guidance for fiscal year 2020 as given in August (see [presentation for the first half of 2020](#), from page 22). From today’s perspective, the numbers are likely to be at the upper end of the guidance; the tax rate and capex are expected to be within the given range.

### **Download links**

[Presentation of ORIOR 2025 Strategy](#)

[Image gallery for media](#)

### **Contact**

Milena Mathiuet, Head of Corporate Communications & Investor Relations

Telephone +41 44 308 65 13; e-mail [investors@orior.ch](mailto:investors@orior.ch)

### **Investor Calendar**

March 10, 2021: Publication of 2020 results and annual report

April 26, 2021: Annual General Meeting 2021

### **ORIOR – Excellence in Food**

*ORIOR is an internationally active Swiss food and beverage group. ORIOR Group represents a family of companies with a strong regional footing and popular brands and products that claim leadership positions in flourishing niche markets at home and abroad.*

*ORIOR’s decentralised business model allows every company in the Group to maintain their specific culture and identity, tailored to their workers and customers, and to create unique product, brand and concept worlds. They are joined together by a passion for culinary delights and true craftsmanship, a spirit of innovation directed towards market trends and needs, workforce entrepreneurship, and strong common values.*

*Our management approach combines strategic thought and action at Group level with a high degree of autonomy at each centre of competence. The ORIOR Strategy 2025 with its strategic pillars and the Group-wide key strategic initiatives – the ground-breaking “ORIOR New Normal”, the intradisciplinary “ORIOR Champion Model” and the synergistic “ORIOR Bridge-building” initiative – are critical success factors that will ensure steady value creation for all stakeholders.*

*Motivated employees who enjoy what they do and who assume responsibility for themselves and their work are the catalyst for unlocking the extraordinary. We embrace uniqueness and premium quality in our quest to surprise and thrill our consumers time and again with delightful and delicious creations. Our vision is nothing less than **Excellence in Food.***

*In the 2019 financial year ORIOR Group achieved sales of CHF 596.4 million with approximately 2300 employees. ORIOR is listed on the SIX Swiss Exchange (ORON, ISIN CH011 1677 362, LEI 5067 0020 I84Z A17K 9522). Further information is available at [www.orior.ch](http://www.orior.ch).*