

# Shaping our future

December 4, 2019

FISKARS  
♦  
GROUP





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## Our announcement today



As the business environment continues to evolve, we are positioning the company for increased consumer focus in alignment with our strategic priorities



Simplifying the organization and completing the integration into one company with a common purpose, strategy and values



Restructuring Program to target annual net cost savings of appr. EUR 20 million, subject to the full implementation of the program



Changes in the Fiskars Group Leadership Team



## Why the proposed changes?

### **FUTURE**

As the business environment continues to change, we shape our own future

### **SIMPLICITY**

We are simplifying our structure to focus on the consumer and respond to their needs faster than before

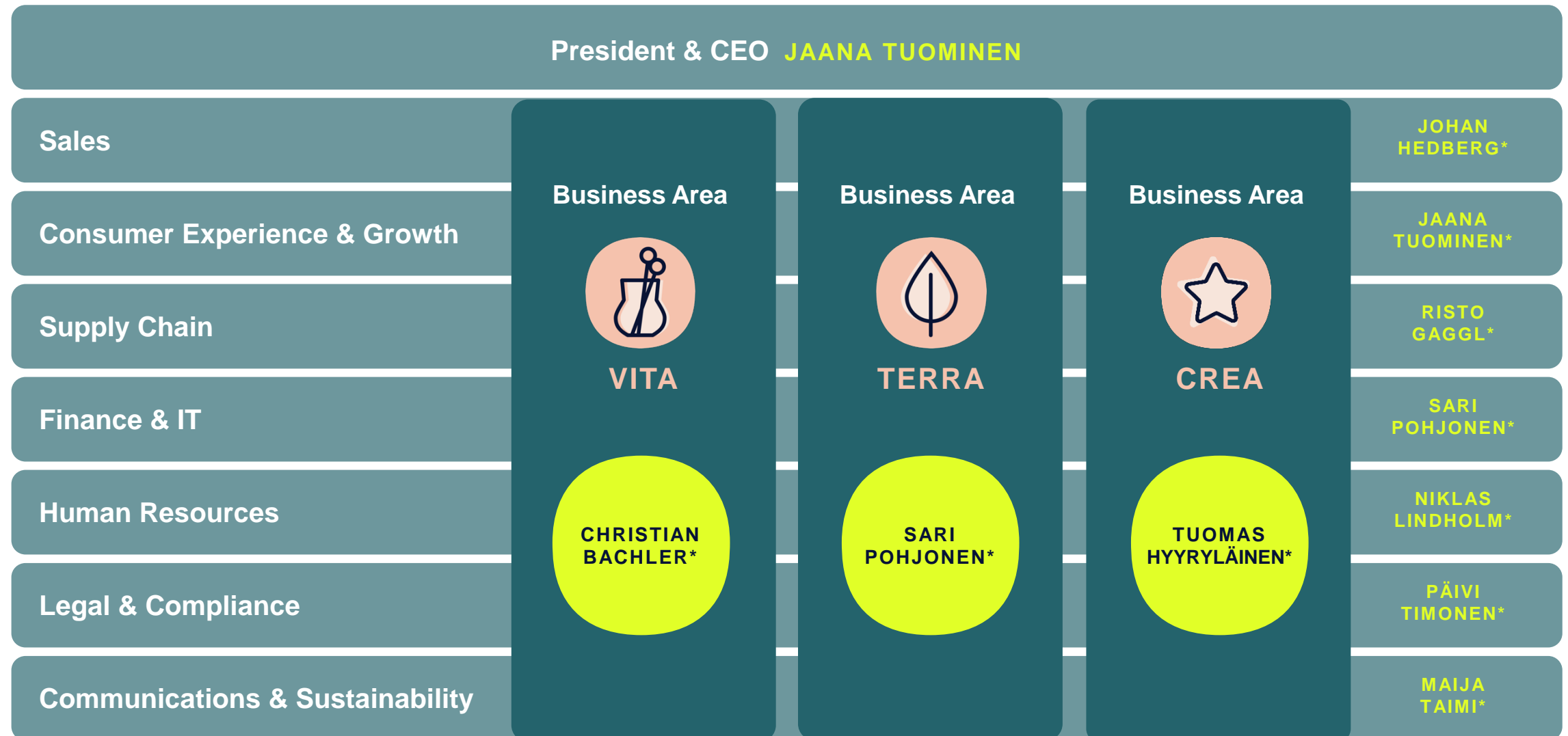
### **SUSTAINABLE GROWTH**

By increasing our efficiencies we are ensuring opportunities to invest in growth



## Proposed organization structure

\* Planning leads for the respective business or function





## Planned new Business Areas responsible for driving business results



### VITA

- BA Vita is a world leader in premium tableware and interior design and would consist of tableware, drinkware and interior design categories
- With Iittala, Royal Copenhagen, Wedgwood, Waterford, and a portfolio of other tableware and interior design brands, BA Vita would serve people with a passion for craftsmanship, timeless design and quality.
- Based on net sales in 2018, this Business Area would represent appr. 47% of group net sales.



### TERRA

- BA Terra to consist of garden, watering, and outdoor categories, with the global reach, scale and innovation capability to inspire people and design high-quality products and services.
- Fiskars, Gerber and Gilmour are the biggest brands in BA Terra.
- Based on net sales in 2018, this Business Area would represent appr. 40% of group net sales.



### CREA

- BA Crea would bring together activities that fuel people's creativity, such as cooking and crafting
- This Business Area would also host our iconic Fiskars scissors and leverage multiple brands such as Fiskars, Iittala and Royal Doulton. Crea would be responsible for unlocking the potential that exists in these categories and providing a robust innovation pipeline for new products and services
- Based on net sales in 2018, this Business Area would represent appr. 13% of group net sales.

## Building one Sales and one Consumer Experience & Growth function



- The global **Sales** function would integrate our sales into one global function, streamlining the organization, developing common ways of working and continuing to build long-term strategic relationships with our customers.

The sales function would consist of our people working in sales and in retail across the world, building on the shared understanding of the consumer and the customer, providing the opportunity to build world-class sales capabilities and leverage our global footprint.



- The global **Consumer Experience & Growth** function would be responsible for developing and providing expertise in consumer insights, brand portfolio management, marketing and growth initiatives



- **Supply Chain** is responsible for ensuring both an efficient inbound and outbound of products, looking after the entire process from procurement, sourcing, quality management and manufacturing, to warehousing, packaging, and finally, transportation to customers and increasingly, directly to consumers.



- **Human Resources, Finance & IT, Legal & Compliance** as well as **Communications & Sustainability** will drive global processes, developing capabilities and bringing our strategic priorities alive across the company.



### **The Restructuring Program is aimed at reducing costs so that we can invest in growth**



The savings are expected to come from a wide range of areas, including the removal of overlaps in the organization, simplified processes and ways of working, and reduction of workforce

As part of the program, we will look for synergies and efficiencies in our selling and administrative spending

In addition, we will evaluate our entire supply and distribution network for efficiency improvements

The program will target annual net cost savings of approximately EUR 20 million, subject to the full implementation of the program. The targeted cost savings are expected to be achieved gradually, and the majority of the savings are expected to materialize in the Group's results during the program, which is estimated to be completed by the end of 2021.

The total costs of the program are expected to be approximately EUR 30 million by the end of 2021. They will be recorded as items affecting comparability (IAC) and have a cash flow impact. At the same time, Fiskars Group continues the investments in growth initiatives that are expected to add sustainable value in the long-term, e.g. in e-commerce and new business opportunities.

These planned changes are expected to result in a net reduction of employees globally. As the planning progresses, we will engage and work closely with our employees and employee representatives to ensure that people are fully informed and consulted about our proposals. Processes and timelines will vary from one country to another



## Fiskars Group Leadership Team, effective immediately



**JAANA TUOMINEN**

President & CEO



**SARI POHJONEN**

Chief Financial Officer  
Deputy to the CEO



**TINA ANDERSSON**

Chief Consumer Officer (starting in  
May 2020 at the latest)



**CHRISTIAN BACHLER**

EVP



**RISTO GAGGL**

Chief Supply Chain  
Officer



**JOHAN HEDBERG**

Chief Sales Officer



**TUOMAS HYYRYLÄINEN**

EVP



**NIKLAS LINDHOLM**

Chief People Officer



**MAIJA TAIMI**

Chief Communications Officer



**PÄIVI TIMONEN**

Chief Legal Officer



## Planned Reporting Structure (as of Q1/2020)

### PRIMARY REPORTING SEGMENTS

VITA



TERRA



CREA



OTHER

### SECONDARY REPORTING SEGMENTS

Americas

Europe

Asia-Pacific



# Making the everyday extraordinary