



Cloud Solutions from SAP Enable Digital Transformation at KWC

KWC Presentation
June 2024



1. KWC Intro
 2. Carve out approach
 3. Planning and progress
 4. The result
 5. Continuous improvement
 6. IT Journey 2021-2024
-

1. KWC Group AG

KWC, pure expertise in water management: fittings and system solutions for private households, public buildings and the medical sector – innovative and resource-efficient.

Numbers and Facts

- 1086** Employees worldwide
Trust, mindfulness, and passion connect our employees in all areas of the company.
- 207** CHF million in 2020
We enrich the lives of our customers with innovative, sustainable, smart solutions in private and public sectors.
- 150** Years and experience
Combined Know-How for forward-looking, smart system solutions in outstanding design with high-quality materials such as stainless steel as well as sophisticated electronics.
- 3** Business areas
We are at home in the private and (semi-) public sector.
- 1** Number one in the private and public sector
We are number 1 with more than 35% market share in the private sector (CH) and market leader in the public sector (DE) with 25% market share.



The brand KWC

Hygiene, safety, sustainability and enthusiasm. These are not just random values, but our attitude, which is based on nearly 150 years of tradition.



KWC Home

Tap and shower fittings for exclusive, private bathrooms and spa facilities, fittings for private kitchens and large professional kitchens



KWC Professional

Working alongside our customers, we develop complete sanitary room solutions that are aesthetically pleasing.



KWC Medical

Taps, spouts and water temperature monitoring systems as well as special cleaning products for the medical sector



Customer Service

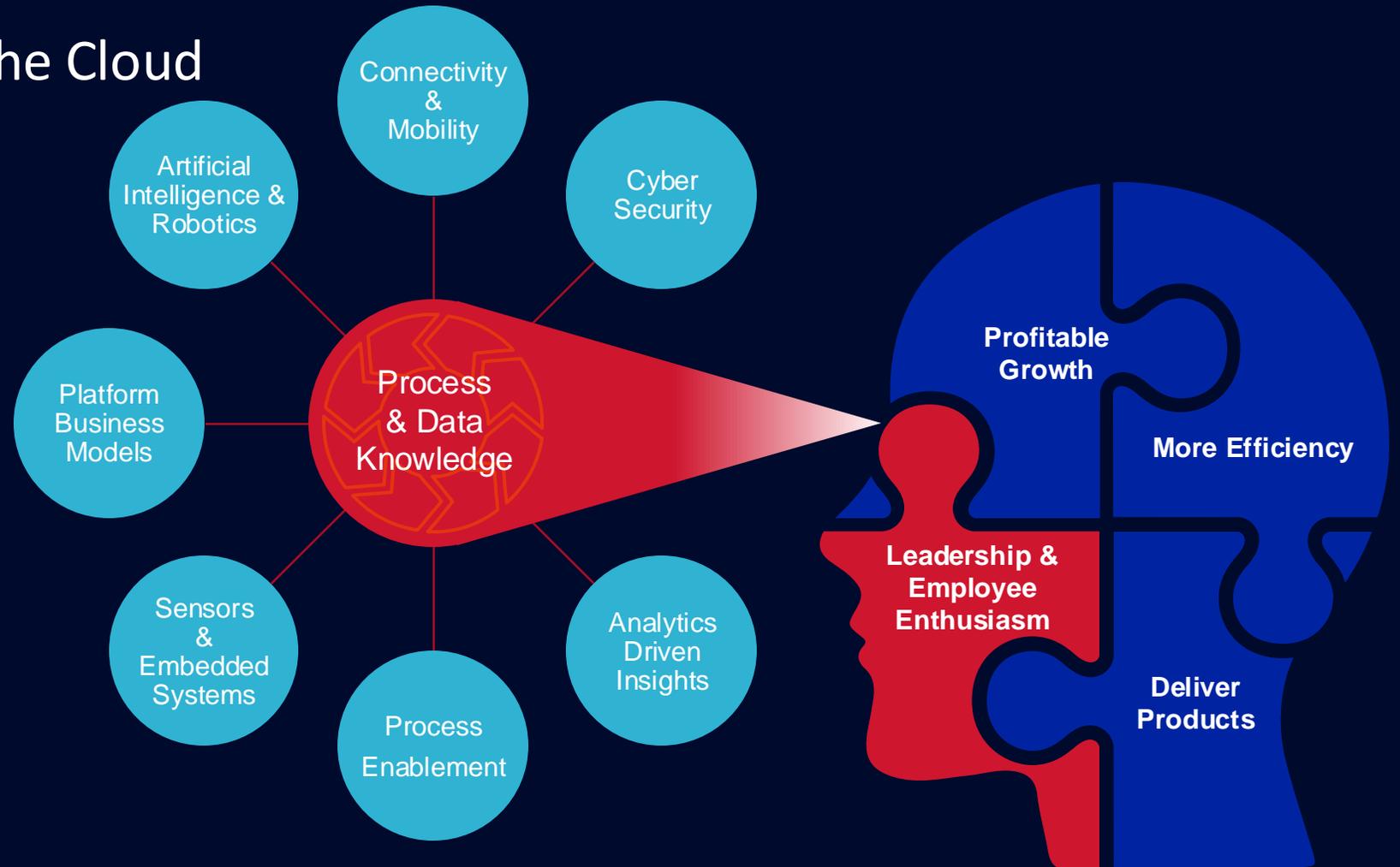
We are happy to help

2. The approach

KWC Business Carve Out didn't lead to a System Carve Out...

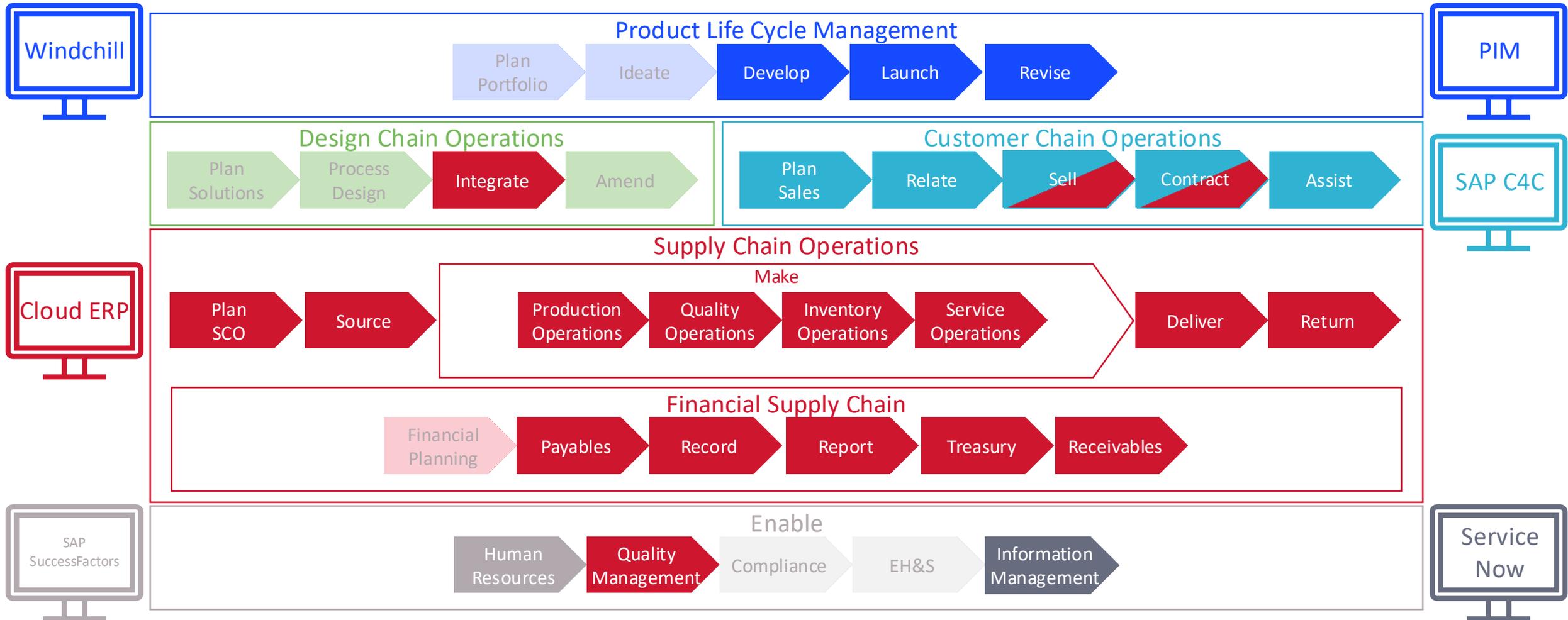
instead, a Greenfield in the Cloud

- Process Oriented
- Extendible
- Optimized
- Innovative

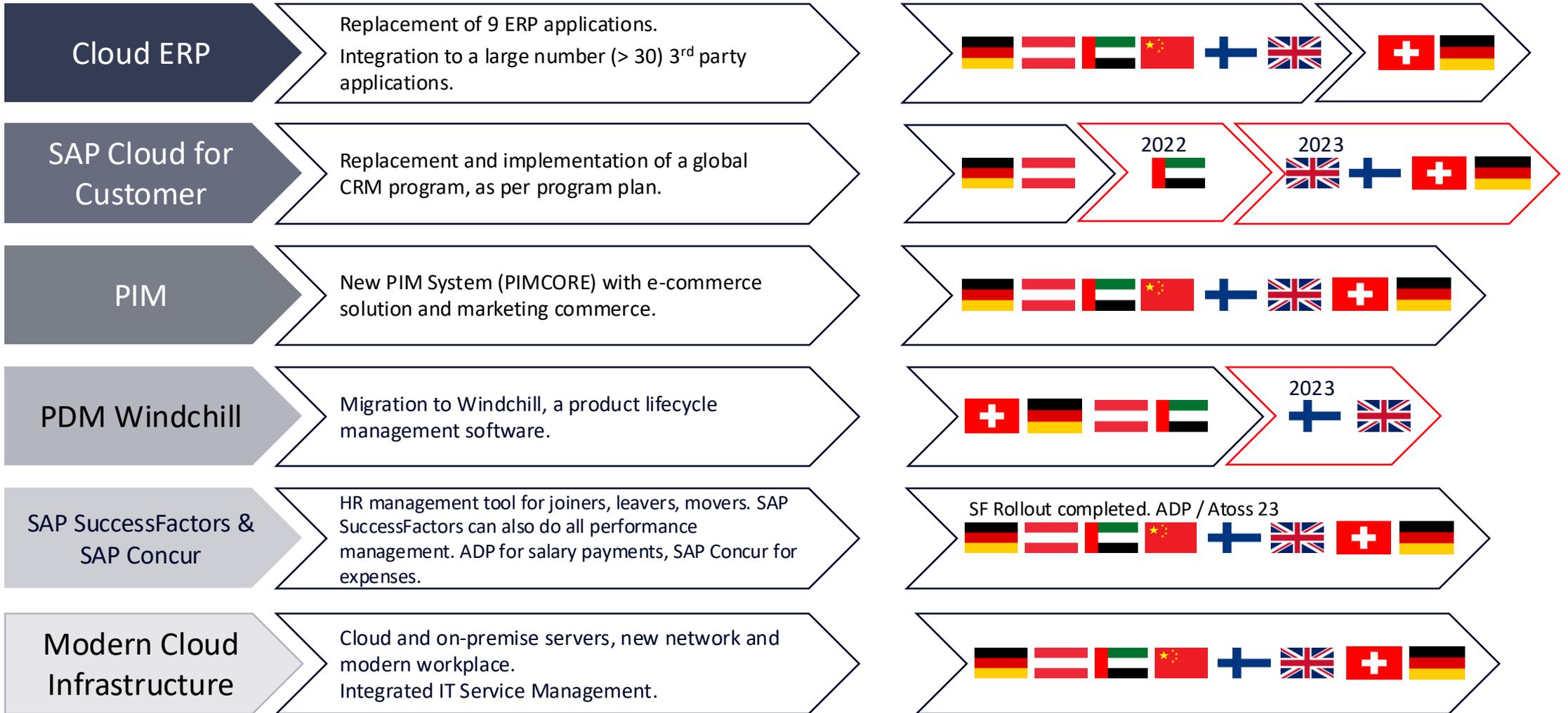


Business Process Centric Approach KWC Digital Transformation

Key Systems

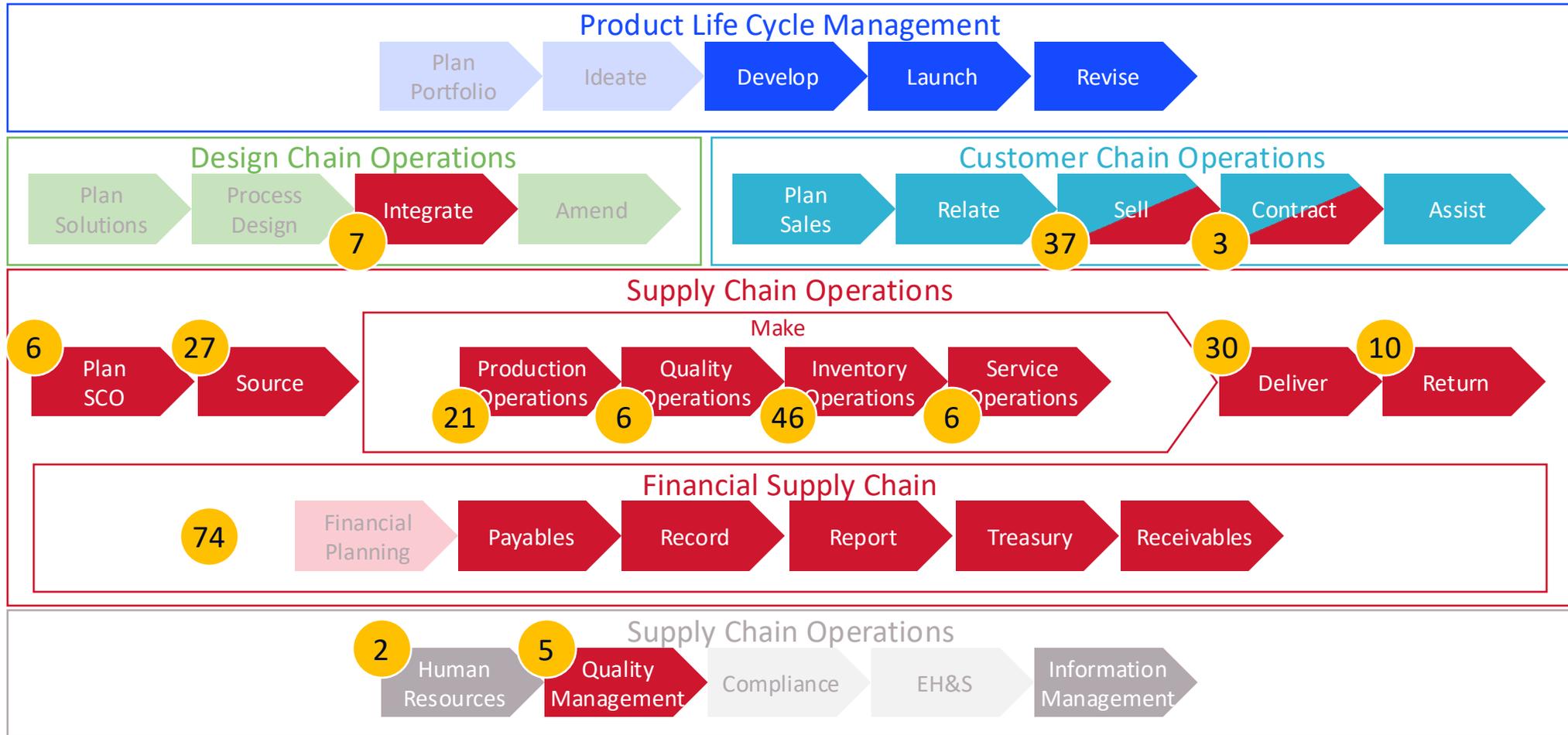


3. KWC Digital Transformation -Planning and Progress



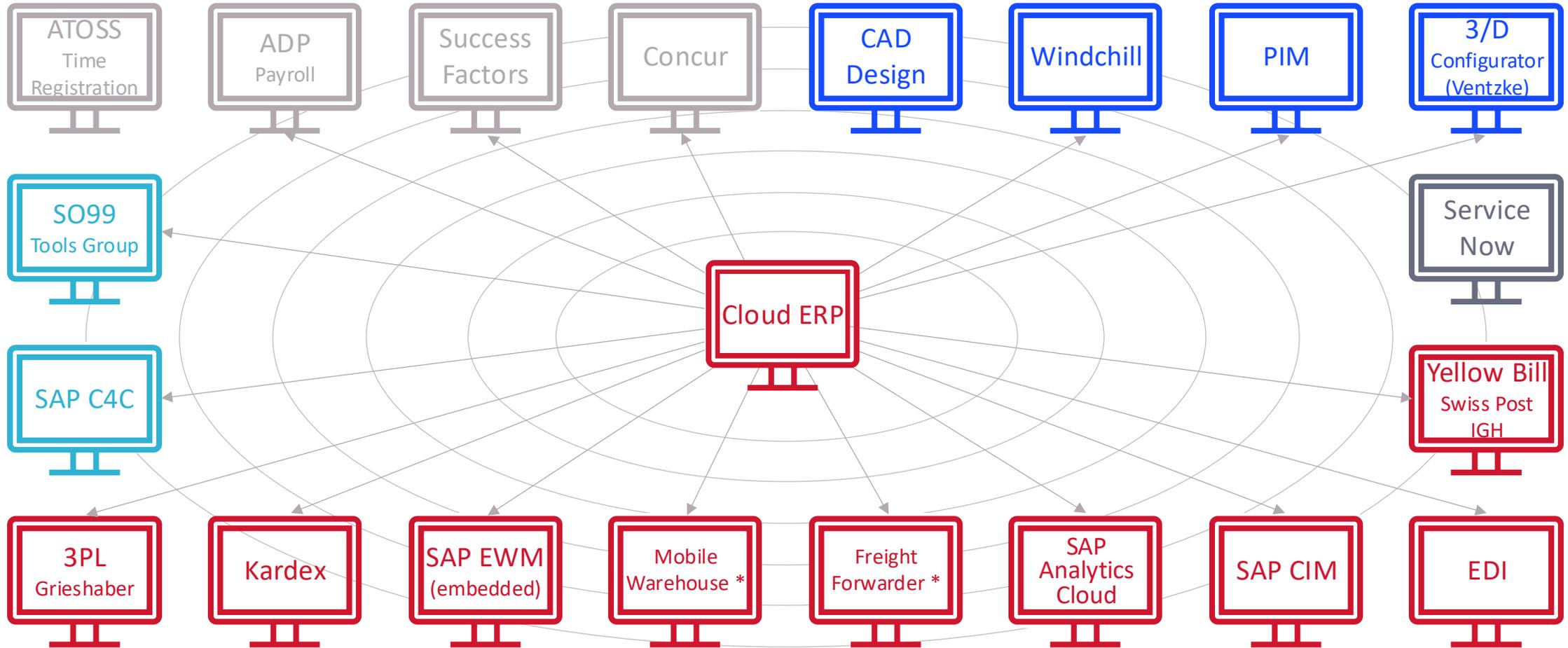
Process – SAP Best-Practices for Cloud ERP

at KWC we stick to SAP Best Business Practices driving Configuration



KWC Cloud System Landscape – 22 Interfaces

Product Lifecycle Management
Customer Chain Operations (CRM)
Supply Chain Operations
Human Resource Management
Information Management



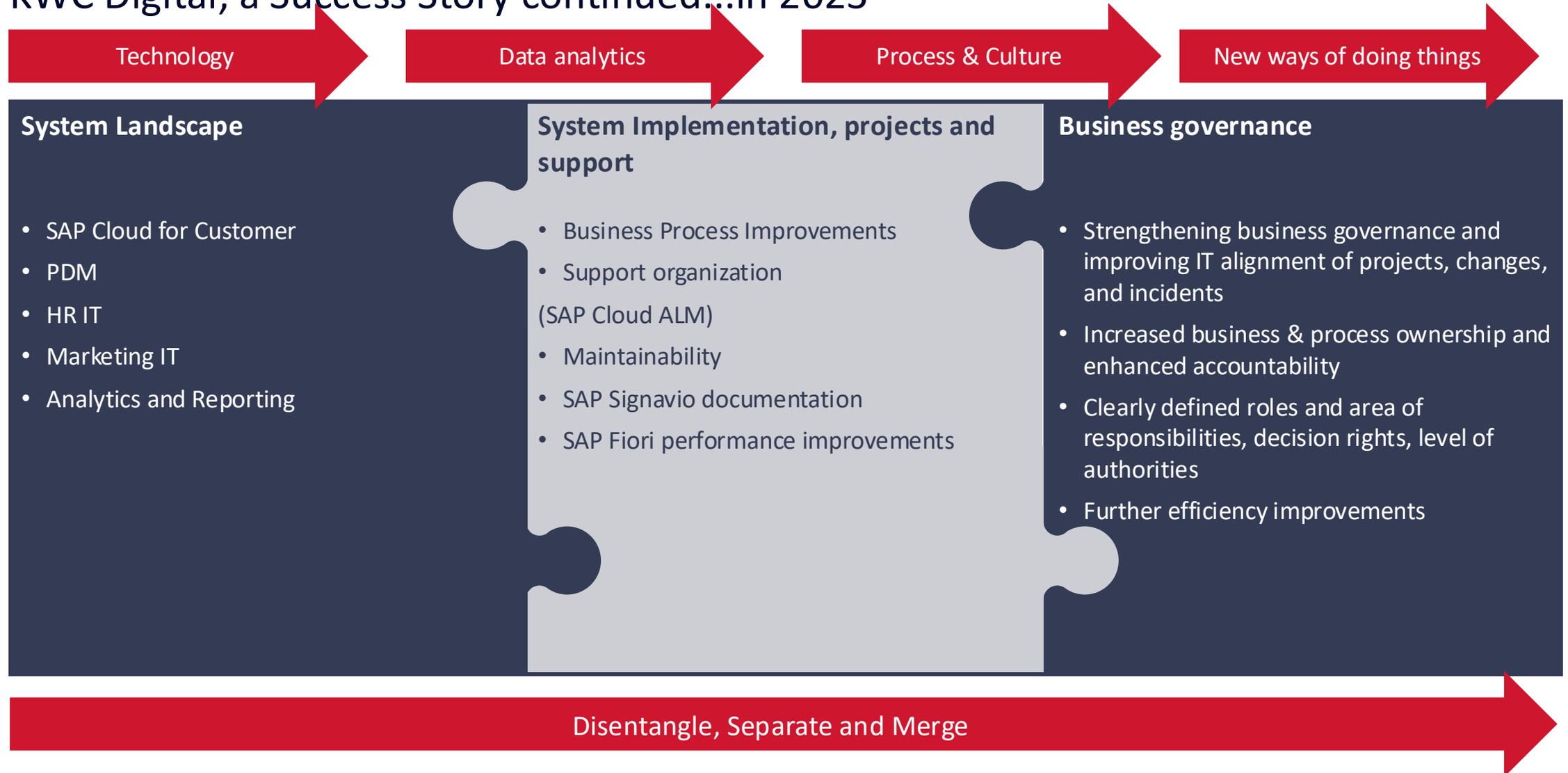
* Service Delivered by the System Integrator

4. The result: KWC IT made substantial transformation starting from Franke carve-out to the implementation of a modern Tech stack



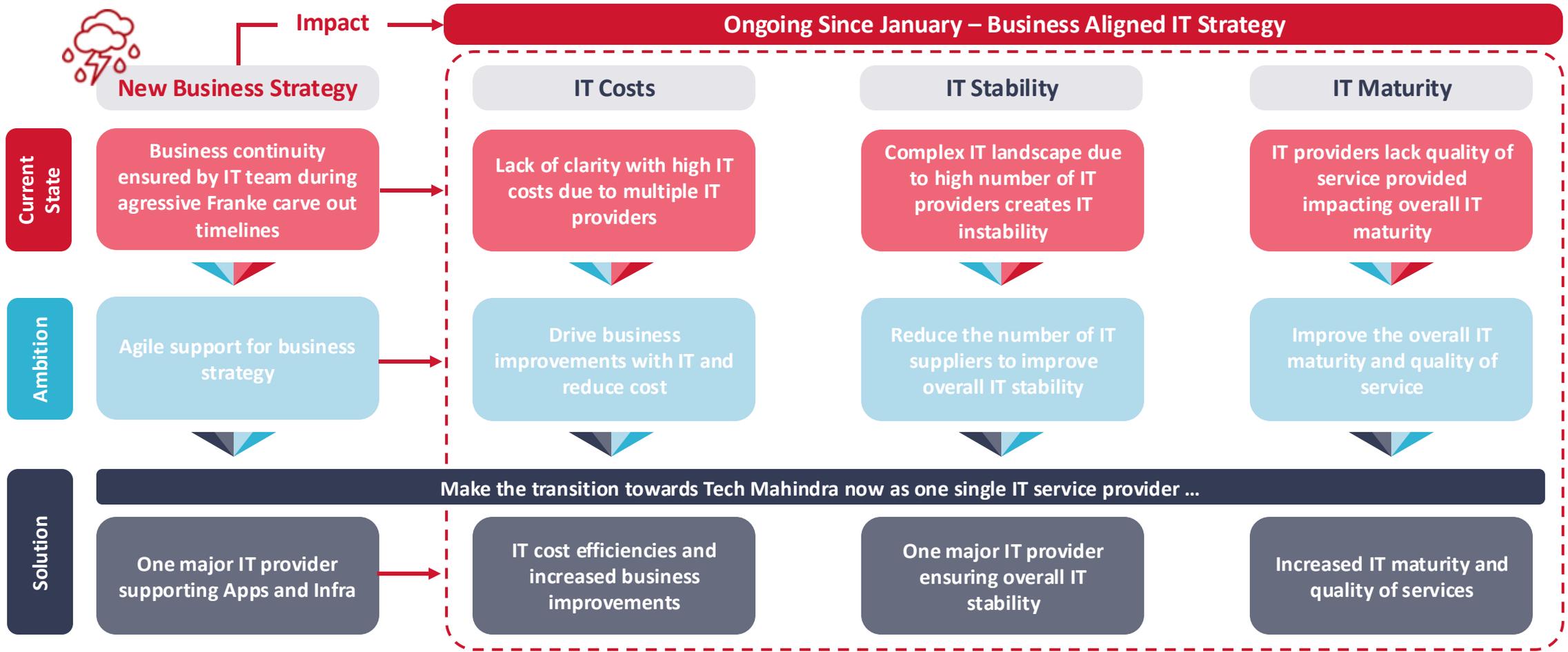
5. Continuous improvement

KWC Digital, a Success Story continued...in 2023



KWC Digital Status: Integration, Maturity and Cost Reduction

IT is required to support the KWC business strategy



The new business strategy require IT to move faster from entanglement to improving IT costs, stability and maturity

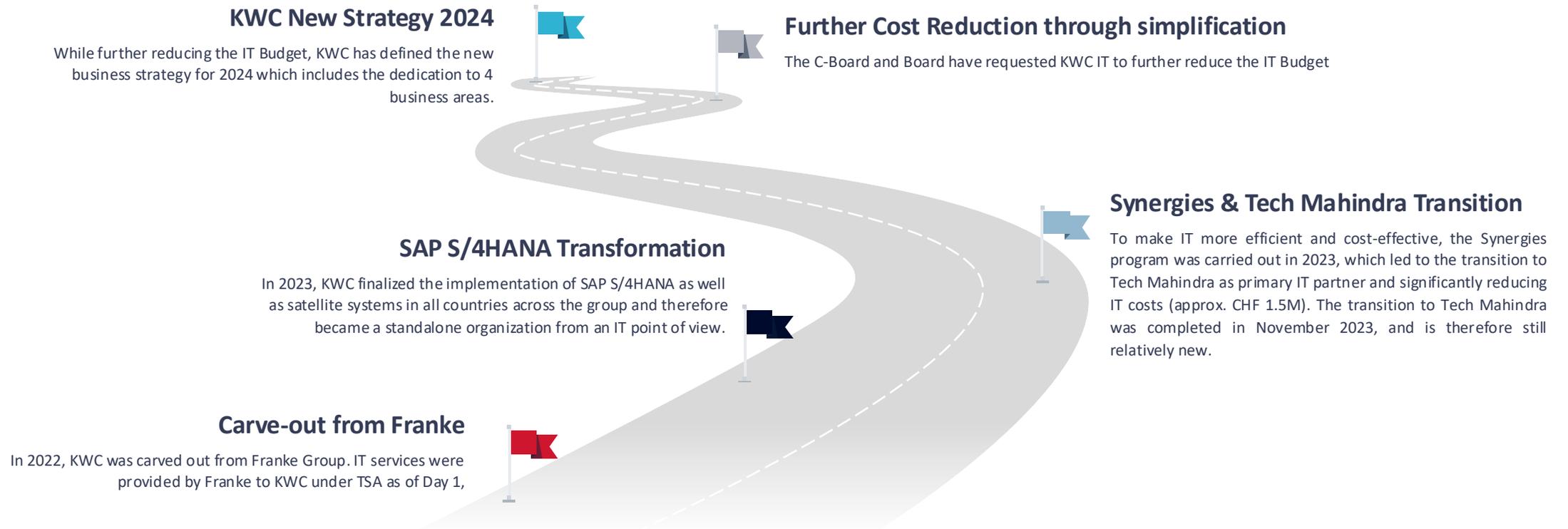
Benchmarking –IT Budget Only Post Reduction

IT Costs Based on Budget 2024 figures, further reductions planned

	KWC Group AG	Nordics	Home	Professional	China
Financial Benchmark	<i>All KWC Entities</i>	<i>KNO</i>	<i>KCH, KDE</i>	<i>HQ, KAR, KAT, KUK, KME</i>	<i>NOK</i>
IT Costs as a % of Revenue	3.26%	3.35%	2.83%	3.74%	1.71%
Benchmark – Industry	2.90%	3.30%	2.90%	2.90%	2.90%
Difference KWC & Benchmark	0.36%	0.05%	-0.07%	0.84%	-1.19%

6. In Summary KWC's IT Journey 2021 - 2024

Dedication to lines of business, further cost reductions



Thank you.

Menno Vlietstra