

# Leading the Global Transformation of Olympus Towards Efficiency



## Message from the CAO

**Stefan Kaufmann**

Director, Executive Officer and Chief Administrative Officer

### My Appointment as CAO in April Followed a Multifaceted Business Career Spanning Numerous Roles

Prior to joining Olympus in 2003 as European Head of HR, I worked in various HR functions at a leading retailer and at a major travel operator. It was Olympus that provided me with my first opportunity to be fully accountable for a firm's HR function, in this case for the European territory. But I was also given the opportunity to broaden my areas of responsibility. Very quickly my role expanded to include other corporate functions.

In 2008, I was appointed Managing Director Corporate Division. My responsibilities grew to include all corporate

functions and I became a member of the European Board, as well as Czech Republic's Managing Director from 2009-2011.

Following my appointment to the position of CEO for the EMEA region in 2011, I became Corporate Officer in 2017. Then, in April 2019, I was assigned the role of Chief Administrative Officer (CAO), which is the position I hold today in addition to my Board membership.

### Leverage Experience and Know-How

As CAO, with responsibility for HR, IT, Supply Chain Management, and *Transform Olympus*, I strategically support initiatives that contribute to the company's efficiency and thus to its sustainable growth. I am deeply convinced that process efficiency is the backbone of a high-performance enterprise.

My European experience is of immense value as Europe can be seen as being a microcosm of the world. There are different countries, languages, and cultures that need to be addressed.

Having been surrounded by this diversity I have accumulated a great deal of experience over the years, in this regard. I believe the experience and know-how I have gained can be put to use anywhere in the world and will be instrumental in our efforts to become a truly global medtech company.

### Critical Areas to Change

As an example of an initiative to increase the efficiency of Olympus in Europe, we opened a business center in Poland in the summer of 2018 to assume all transactional tasks in the areas of Finance, Supply Chain, Sales Administration, and HR for all European subsidiaries. Standardizing and automating business processes is an important part of setting up the business center, and is common practice in excellent global companies. In that regard, Olympus should leverage the latest technology in robotics, artificial intelligence (AI), and machine learning to standardize processes and improve efficiency.

But it is not only about process efficiency. The change that is so crucial for us will also be driven by strong leadership capabilities and will truly empower our people, thereby leveraging and unleashing the potential of these people and the company as a whole. I firmly believe that creating an environment that inspires people and enables teams to work efficiently should be a common goal for every company and is a key strategy driver.



Business center in Poland

### Reform Cost Structure to Drive Sustainable Growth



I am responsible for managing the selling, general and administrative (SG&A) expenses in the 2020 fiscal year. Our SG&A expenses to sales ratio was 55% in 2019. We cannot expect to achieve sustainable growth with such a high cost ratio. In the context of globalization and digitization, high costs make necessary investment difficult, but a healthy financial performance will allow Olympus to remain independent and invest in new technologies for growth. Efficient processes and an outstanding product portfolio are important for our success.

I am convinced of the potential that Olympus has. I believe that what we do over the next three to five years can make a significant contribution to transform Olympus into a truly global medtech company. It's the responsibility of management to pave the way for realizing this potential and to ensure sustainable development. I am confident that Olympus is a company that is poised to lead the way in the coming century by providing our customers with excellent products that are developed, produced, and marketed efficiently.