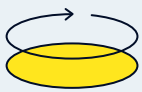


Awards

Best-in-Class 2024





51

Companies

17

Industries

Today, the most successful procurement teams are those that are fully aligned with multiple commercial-success measures beyond simply getting the best price, but also helping to deliver commercial success and competitive advantage.

Beroe's annual Best-in-Class (BIC) Awards honor procurement teams that not only exemplify operational efficiency, but also deliver substantial commercial value to their organizations. By doing so, we hope to show the significant impact strategic procurement can have on a company's overall performance and shareholder value.

The BIC Awards reveal how companies focused on improving their procurement processes are better positioned to outperform their competition and achieve sustainable growth. This year, we recognized 51 companies across 17 industries with the Procurement Best-in-Class Awards for their procurement excellence.

Before we share the winners, let's explore the landscape these companies operated in and their strategies for managing the challenges and opportunities the procurement teams faced over the past two years.



Key Factors Impacting the Commercial Value of Procurement Teams in 2023/4

Significant internal pressures, macroeconomic challenges, and unforeseen global events have underscored the critical importance of procurement, demanding professionals embrace more agile, strategic, and resilient approaches to address their organization's changing needs.

- 1 Supply chain disruptions post-pandemic
- 2 Geopolitical tensions and sanctions
- 3 Inflation and interest rate hike
- 4 Environmental, social, and governance (ESG) regulations
- 5 De-globalization and reshoring trends
- 6 Raw material price fluctuations
- 7 Labor market volatility and talent shortages
- 8 Energy market volatility

There are ways to help mitigate the impact of these factors through a procurement intelligence solution. It can help you transform the way you make informed decisions, drive growth, and outperform your competitors.

If you haven't invested in a procurement intelligence solution and are not sure on the benefits we've created a guide to help you build the business case. It will help you understand the case for accessing precise and timely market insights to achieve success and stay competitive in today's business world. As well as how a market intelligence solution can transform how companies gather, analyze, and utilize market data. Read The Business Case for Procurement Intelligence [here](#) to find out more.



CEO Spotlight: An interview with Vel Dhinagaravel, CEO, Beroe

We spoke with Vel to discover his thoughts and reflections over the last year and the effect it has had for procurement professionals and their priorities.

Q. What were the main highs and lows of the last 12 months for procurement teams?

A. A combination of factors has put procurement teams under pressure. Not only have we seen inflationary pressures, increased scrutiny on spend, and the need for cost optimization, but supply chain volatility and disruption has also been a big issue. Global events like the ongoing geopolitical tensions and the Baltimore Bridge collapse remind us we need resilient supply chains and proactive risk management.

They've all led us to the situation where procurement teams are now expected to optimize for more variables than ever before—cost, resiliency, nearshoring, and sustainability. This requires a new level of strategic thinking and data-driven decision-making.

Q. How can procurement teams do this and add value to their businesses?

A. Procurement is increasingly essential for commercial success and competitive advantage, so those teams can deliver value by:

- **Optimizing Categories in Real-Time:** Using data and analytics to make quick decisions and adapt to market changes, and maximize cost savings.
- **Identifying Supply Chain Vulnerabilities:** Using n-tier value chain mapping and risk analysis to identify potential disruptions and mitigate risks, have a resilient supply chain.
- **Proactive Communication:** Communicate inflation and deflation trends to finance and commercial colleagues so they can plan and make better decisions across the business.

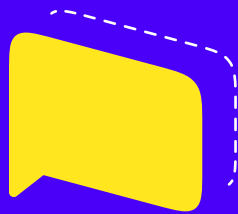
Procurement is increasingly essential for commercial success and competitive advantage.

Q. The procurement function has changed a lot in the last three to four years. How do you see the focus for Procurement departments changing in the future?

A. We've seen a big shift in procurement priorities driven by the need for agility, resilience and sustainability:

- **Sustainability as a Core Objective:** Sustainability has moved from a nice to have to a core objective in procurement. Organizations are recognizing the importance of integrating ESG into their sourcing decisions, not just to meet regulatory requirements, but also to drive positive social and environmental impact.
- **The Rise of AI:** AI investments are transforming different parts of the procurement process from automating mundane tasks and analyzing data to providing insights for strategic decision-making.
- **Data-Driven Decision Making:** Procurement is becoming more data-driven. Teams are using data analytics, market intelligence, and predictive models to make more informed and strategic decisions, to be more efficient, cost-effective, and risk averse.

Procurement professionals can't just be penny-pinching order-takers anymore. They need to be strategic, they need to understand data, and they need to be great collaborators. There are challenges, but there are also some incredible opportunities out there. Procurement can be a real leader in making things more sustainable, cutting costs, and building a bulletproof supply chain. It's an exciting time to be in this field.



Success Factors Behind the Top Procurement Teams

The top procurement teams in 2023 and 2024 succeeded by using key strategies that allowed them to thrive in a dynamic environment. Despite varied approaches, some common methods stand out for setting them above the rest.

- 1 Adjusting payment policies
- 2 Leveraging automation and AI
- 3 Considering circular economy
- 4 Engaging in collaborative partnerships
- 5 Adhering to compliance and governance
- 6 Investing in data analytics
- 7 Effective change management
- 8 Managing inflation
- 9 Investing in skills development
- 10 Ensuring supply chain resilience
- 11 Sustainability as a necessity

The strategies we've discussed represent a holistic approach to procurement, tackling current challenges while preparing for future needs. Embracing digital change, focusing on sustainability and ethical sourcing, cultivating strong supplier relationships, and effectively managing risks are key to securing long-term organizational success.

Do you want to find out more about the key priorities for procurement teams to drive business improvement? Read our report responding to the [WBR report findings](#). It discusses the actions procurement professionals should consider, with wider priorities including the strategic application of technology to resolve procurement bottlenecks. As well as how to streamline interaction with suppliers, and the pursuit of sustainability goals that match the company's overall objectives.

Beroe Best-in-Class (BIC) Index: Methodology

The Beroe Best-in-Class (BIC) Index measures the performance of publicly traded companies across 17 key industries based on their procurement performance.

Beroe's Best-in-Class (BIC) Index examines the role of Procurement in enhancing company profitability and shareholder value. Corporate finance theory emphasizes that maximizing shareholder value is a company's primary goal, influenced by investment choices, capital structure, and dividend policies. Procurement plays a crucial role by optimizing the Cost of Goods Sold (COGS), directly impacting a company's operating margin and overall profitability.

Beroe's BIC Index measures the performance of Procurement in 17 industries using four key financial metrics: Inventory as a Percentage of Sales, Payables as a Percentage of Sales, Gross Margin Return on Investment (GMROI), and COGS as a Percentage of Sales. Companies that excel in these areas tend to create more shareholder value.

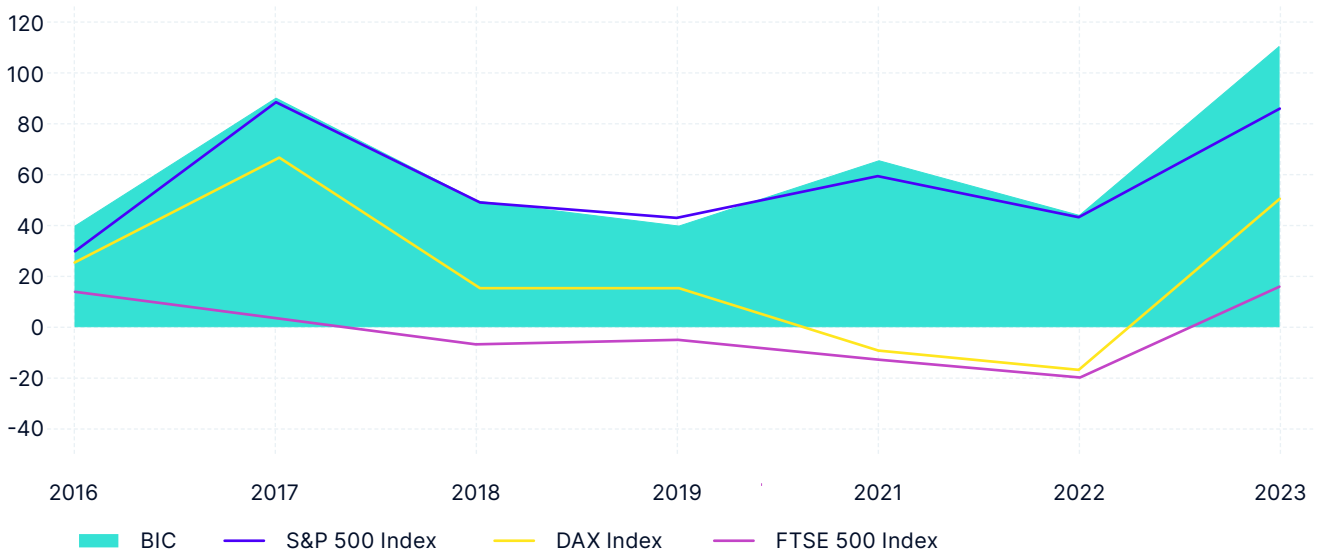
The methodology involves selecting companies with over \$1 billion in revenue, where mature Procurement functions typically exist. Financial data from 2020 is normalized, and performance over subsequent years up to FY (Financial Year) 2023 is ranked within their respective industries based on their performance relative to their peers. The top three companies in each industry are inducted into the Best-in-Class Index.

These companies' stock performance is then compared to global benchmarks like the S&P 500, FTSE 100, and DAX, showing that top-performing Procurement operations significantly contribute to overall corporate success.

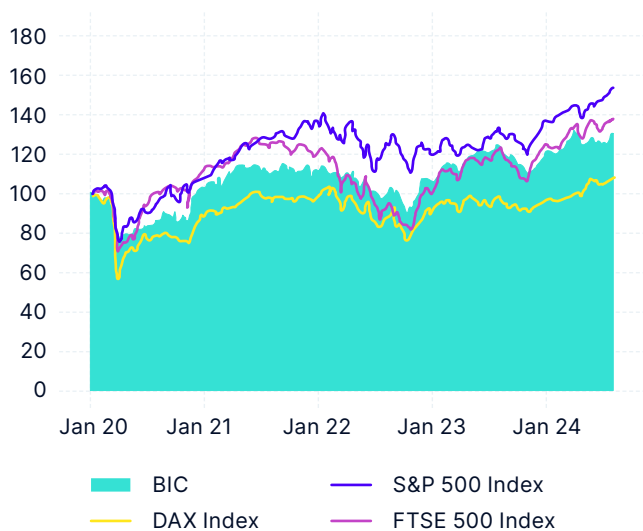
This year, the BIC Index deviated from its six-year trend of outperforming all market benchmarks, finishing behind the S&P 500 and FTSE 100. The primary reason is the base effect caused by the impact of COVID-19 in 2020 and the subsequent market volatility in the industries analyzed. However, the BIC Index still outperformed on a 2-year basis, excluding the volatility of 2020 and 2021 caused by Covid-19.

BIC Index performance

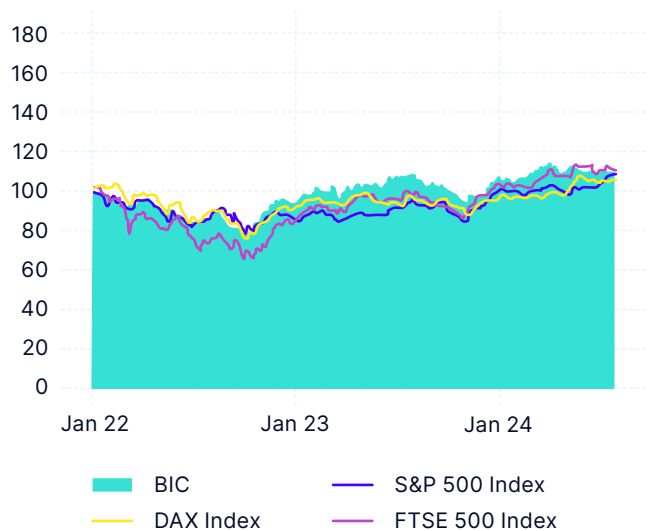
BIC performance since inception (2016)



BIC performance 2024 (4 years)



BIC performance 2024 (2 years)



Note: S&P 500 constituents adjusted for companies in hi-tech industry, which is not part of BIC

Ultimately this shows that Procurement departments do help to increase shareholder value. Companies not included in this year's Best-in-Class index can improve by adopting the success factors used by top Procurement teams, demonstrating that evolution is possible.

If Procurement professionals can effectively showcase their role in enhancing company profitability and bolstering shareholder value, it will inevitably lead to greater recognition of the sourcing team's contributions by top-level executives.



Best-in-Class 2024 Winners

Let's unveil the Gold, Silver, and Bronze winners, where we celebrate the strategies, initiatives, and leadership that have propelled these companies to the forefront of procurement excellence. Each of these winners exemplifies what it means to be truly Best-in-Class.

Aerospace & Defense

2024



Transdigm Group



Bombardier



Airbus

TRANSDIGM
GROUP INC.

Previous winners

2023

- 1 Rolls-Royce
- 2 Airbus
- 3 Bombardier

2022

- 1 Leonardo
- 2 Airbus
- 3 Rolls-Royce

2021

- 1 United Aircraft
- 2 ST Engineering
- 3 Lockheed Martin

Automobile

2024



BMW



Porsche



Ford



Previous winners

2023

- 1 Tesla
- 2 Ford
- 3 Mercedes-Benz

2022

- 1 Tata Motors
- 2 Tesla
- 3 Ford

2021

- 1 Tata Motors
- 2 Kia
- 3 Tesla

Beverages

2024



Coca-Cola
Europacific Partners



Arca Continental



Kirin Holdings

Coca-Cola **EUROPACIFIC
PARTNERS**

To ensure we maintain high quality products and services for our customers we must promote reliability, consistency and sustainability throughout our supply chain. We recognize the importance of having ethical and sustainable procurement practices that support our business and sustainability goals. That's why we continue to invest in our capabilities and the long-standing and supportive relationships we have with our supply chain.

Coca-Cola Europacific Partners

Previous winners

2023

- 1 Kirin Holdings
- 2 Diageo
- 3 Asahi Group

2022

- 1 Molson Coors
- 2 Asahi Group
- 3 Kirin Holdings

2021

- 1 Constellation Brands
- 2 FEMSA Keurig
- 3 Dr Pepper

Biotechnology

2024



Alkermes



Green Cross



Sarepta Therapeutics



Alkermes is moving beyond traditional purchasing practices. We're embracing a data-driven approach to procurement, leveraging technology to optimize processes, identify cost savings, and enhance our capabilities as a global organization.

Alkermes

Previous winners

2023

- 1 Horizon Therapeutics
- 2 Vertex Pharmaceuticals
- 3 CSL

2022

- 1 United Therapeutics
- 2 Horizon Therapeutics
- 3 Swedish Orphan BioVitrum

2021

- 1 Horizon Therapeutics
- 2 Swedish Orphan BioVitrum
- 3 Seagen

Chemicals

2024



Linde



Corteva



LyondellBasell Industries

Linde

Previous winners

2023

- 1 Shin-Etsu Chemical
- 2 LG Chem
- 3 Dow

2022

- 1 LG Chem
- 2 Nutrien
- 3 Braskem

2021

- 1 Air Liquide
- 2 Sherwin-Williams
- 3 Linde

Construction Materials

2024



Martin Marietta



CRH



Holcim



Previous winners

2023

- 1 Wienerberger
- 2 Grasim Industries
- 3 CRH

2022

- 1 Martin Marietta
- 2 UltraTech Cement
- 3 Holcim

2021

- 1 Holcim
- 2 Grasim Industries
- 3 UltraTech Cement

Containers & Packaging

2024



Vitro



Graphic Packaging



O-I Glass



Previous winners

2023

- 1 Graphic Packaging
- 2 Crown Holdings
- 3 O-I Glass

2022

- 1 Crown Holdings
- 2 Silgan Holdings
- 3 Ball Corporation

2021

- 1 Smurfit Kappa Group
- 2 Rengo
- 3 Ball

Food Products

2024



Bunge



Archer-Daniels-Midland



Fonterra
Shareholders Fund



Previous winners

2023

- 1 Archer-Daniels-Midland
- 2 Bunge
- 3 Tyson Foods

2022

- 1 JBS
- 2 CJ CheilJedang
- 3 Marfrig Global Foods

2021

- 1 Wilmar International
- 2 JBS
- 3 Bunge

Health Care Equipment & Supplies

2024



Alcon



Enovis



Boston Scientific

Alcon

Previous winners

2023

- 1 Edwards Lifesciences
- 2 Olympus
- 3 Hoya

2022

- 1 Alcon
- 2 Hologic
- 3 Edwards Lifesciences

2021

- 1 Top Glove
- 2 Hologic
- 3 Abbott Laboratories

Household Durables

2024



SEB



Panasonic



Sony



SEB is convinced that having suppliers with high performance as regards environmental, social and ethical aspects, creates value for us as well as for our suppliers. We have established procedures to evaluate and select suppliers and contractors, based on financial, environmental, social and governance aspects.

SEB

Previous winners

2023

- 1 D.R. Horton
- 2 Lennar Corp
- 3 Toll Brothers

2022

- 1 Lennar
- 2 PulteGroup
- 3 D.R. Horton

2021

- 1 Whirlpool
- 2 D.R. Horton
- 3 PulteGroup

Household Products

2024



Reckitt



Kimberly-Clark



Henkel



We think about innovation at Reckitt not as a function, but as an outcome... We pursue this with our supply colleagues and partners to ensure innovation delivers on the Group's productivity goals. This involves optimizing our supply of raw materials by qualifying suppliers to drive the best procurement choices, and refining our processes to ensure we balance capacity across our manufacturing.

Reckitt

Previous winners

2023

- 1 Central Garden & Pet Co
- 2 Procter & Gamble
- 3 Kimberly-Clark

2022

- 1 Earth Corporation
- 2 Essity Aktiebolag
- 3 Unicharm

2021

- 1 Kimberly-Clark
- 2 Earth Corp
- 3 Essity

Leisure Products

2024



Spin Master



Tomy



Malibu Boats



Previous winners

2023

- 1 Vista Outdoor
- 2 Hasbro
- 3 Shimano

2022

- 1 Vista Outdoor
- 2 Hasbro
- 3 Yeti

Machinery

2024



Parker Hannifin



CNH



Mitsubishi Heavy Industries



We manage our supply chain through our “local for local” manufacturing strategy, ongoing supplier management process, and broadened supply base. We are monitoring inflation and manage its impact through a variety of cost and pricing measures, including continuous improvement and lean initiatives. Additionally, we strategically manage our workforce and discretionary spending. At the same time, we are appropriately addressing the ongoing needs of our business so that we continue to serve our customers.

Parker Hannifin

Previous winners

2023

- 1 CNH
- 2 Deere & Co
- 3 Parker Hannifin

2022

- 1 Deere & Co
- 2 Parker Hannifin
- 3 Volvo

2021

- 1 Kubota
- 2 Deere & Co
- 3 Cummins

Paper & Forest Products

2024



Svenska Cellulosa
Aktiebolaget (SCA)



Empresas CMPC



Mitsubishi
Paper Mills



Previous winners

2023

- 1 Canfor
- 2 Louisiana-Pacific
- 3 West Fraser Timber

2022

- 1 Canfor
- 2 Louisiana-Pacific
- 3 West Fraser Timber

Personal Care Products

2024



Coty



Inter Parfums



Haleon

COTY
SINCE 1904

We are continually benchmarking the performance of our supply chain, and we augment our supply base, adjust our distribution networks and manufacturing footprint, enhance our forecasting and planning capabilities and adjust our inventory strategy based upon the changing needs of the business.

Coty Inc-CIA

Previous winners

2023

- 1 Coty
- 2 L'Oréal
- 3 Beiersdorf

2022

- 1 Revlon
- 2 LG Household & Health Care
- 3 Beiersdorf

2021

- 1 LG Household & Health Care
- 2 L'Oréal
- 3 Ontex Group

Pharmaceuticals

2024



Bristol-Myers
Squibb



Daiichi Sankyo



Merck & Co. Inc.



Previous winners

2023

- 1 Bristol-Myers Squibb
- 2 Daiichi Sankyo
- 3 Takeda Pharmaceutical

2022

- 1 Bristol-Myers Squibb
- 2 Merck & Co. Inc.
- 3 Astellas Pharma

2021

- 1 Roche
- 2 Eli Lilly
- 3 Novartis

Tobacco

2024



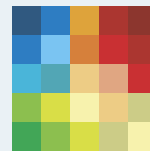
Altria



British American Tobacco



ITC



Altria

Previous winners

2023

- 1 Altria
- 2 British American Tobacco
- 3 Philip Morris International

2022

- 1 Philip Morris International
- 2 Altria
- 3 Swedish Match

2021

- 1 British American Tobacco
- 2 Philip Morris International
- 3 Swedish Match

About Beroe

Procurement professionals: you need reliable insights and guidance, instantly, when the supply market shifts. That's why Beroe exists.

We saw a gap in the market for real-time, actionable intelligence, and in 2006, we built Beroe to fill that need. Today, our AI-powered platform, Beroe Live.ai, empowers thousands of procurement professionals with data-driven insights to make smarter sourcing decisions, optimize their supply chains, and mitigate risk.

We deliver instant answers, drive exponential benefit, and give you the advantage in today's complex market.

With Beroe, you're always in the know.

[Learn more about Beroe's solutions and schedule a demo today](#)