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## PRESS RELEASE

Mühldorf, 24-02-09

### **Supply Chain Challenges in the Defence Industry – ODU's strategy for connectivity solutions**

Ensuring supply capability in the defence sector currently requires challenging measures. Especially in times of geopolitical uncertainties, diplomatic tensions and increased demand for defence equipment, it is crucial that supply chains function efficiently and reliably. One significant aspect that influences a manufacturer's supply capability is dependence on their own sub-suppliers. Global supply chains can be affected by geopolitical tensions, trade restrictions or natural disasters. This requires a strategic diversification of the supplier base in order to strengthen resilience to external influences. The rapid development of new technologies requires continuous adaptation of equipment and systems. The associated shorter development cycles make it necessary to proactively manage supply chains with consistently high quality standards. Defence companies are faced with the need to reassess the risk of once established global supply chains compared to regional or even purely national approaches.

#### **ODU's risk mitigation strategy**

ODU's connectivity solutions are an integral part of the global military and security industry and as such require an adequate risk minimisation strategy. "We are meeting these challenges with a strategic focus on minimising risk and ensuring delivery capability," says Alexander Burger, Business Development Manager Aerospace & Defence at ODU. The focus is on the following measures:

- **Vertical integration**

ODU favors maximum vertical integration in order to efficiently design projects with specific requirements. Around 80% of the manufacturing steps along the production and



development process take place in-house. This vertical integration is particularly important for make-or-buy processes in the context of risk mitigation.

- **Ensuring redundant production and delivery capability**

ODU implements redundant supply chains and production processes in its own production facilities in Germany, Romania and Mexico. In addition, cooperation models are developed with external partner companies and duplicated series production of certain systems is ensured. This fulfils customer requirements for multi-sourcing capability.

- **Proactive supply chain planning**

ODU supports customers in the planning and integration of connection solutions into their systems at an early stage in order to procure critical components and provide initial product demands within agreed lead-times. Risk-minimized supply chains, especially for critical components, ensure success.

"This strategy not only ensures the security of supply chains, but also enables a flexible and timely response to changing geopolitical conditions. ODU remains committed to providing high-quality and reliable products for global defence customers," says Alexander Burger.

### **ODU Group: global representation with perfect connections**

The ODU Group is one of the world's leading suppliers of connector systems, employing 2,600 people around the world. In addition to its company headquarters in Muehldorf a. Inn (Germany), ODU also has an international distribution network and production sites in Sibiu/Romania, Shanghai/China, and Tijuana/Mexico. ODU combines all relevant areas of expertise and key technologies including design and development, machine tooling and special machine construction, injection, stamping, turning, surface technology, assembly and cable assembly. The ODU Group sells its products globally through its sales offices in China, Denmark, France, Germany, Hong Kong, Italy, Japan, Korea, Austria, Sweden, UK and the US, as well as through numerous international sales partners. ODU connectors ensure a reliable transmission of power, signals, data and media for a variety of demanding applications including medical technology, military and security, automotive, industrial electronics, and test and measurement.