

Risk & Resilience Practice

# How Carlsberg thrives with resilience

In disruptive times, resilience is essential for both survival and success. Here's how the global beverage giant ensures that it is ready for anything.



**In a world** shaped by accelerating change, resilience is essential for both survival and success. Today's leaders are increasingly seeing that resilience is about not only enduring crises but also thriving in the face of them. Strikingly, research from the World Economic Forum (WEF) and McKinsey suggests that 84 percent of companies report being underprepared for current trends and uncertainties.<sup>1</sup>

To understand the role resilience plays in large, global organizations, McKinsey Senior Partner Kim Baroudy interviewed Jacob Aarup-Andersen, CEO of beverage giant Carlsberg. Carlsberg is far more than just its famous beer; Aarup-Andersen oversees some 140 brands sold in 150 countries, creating \$10.4 billion in revenue last year. What follows is an edited version of their exchange.

**Kim Baroudy:** The world is full of uncertainty right now—climate challenges, geopolitics, disrupted supply chains, and an unpredictable regulatory landscape, to mention but a few. How do you ensure that Carlsberg is resilient at a moment like this?

**Jacob Aarup-Andersen:** Carlsberg is 178 years old. Resilience has always been a cornerstone for us. We've learned that, typically, it is not the gradual crises that are the most dangerous, but the unforeseen ones. Those are the moments when resilience is tested—when you really see whether you have the kind of organization that can successfully analyze, adapt, recover, and emerge stronger.

Today's challenges do not exist in isolation; they are interconnected. In Europe, for example, we have faced a regulatory push over the past years while the region faces low productivity growth, energy challenges, and innovation gaps. The war in Ukraine has added to the challenges; it was an unforeseen crisis that demonstrated firsthand how war and geopolitical shifts can dramatically affect our people and operations overnight, forcing rapid changes.

This kind of environment truly puts Carlsberg's resilience to the test. So, I have worked to embed resilience across three key areas of the company:

the enterprise, the culture and leadership, and our strategy.

**Kim Baroudy:** Walk me through that.

**Jacob Aarup-Andersen:** Yes, I'd be happy to.

Structural enterprise resilience is something that can be built during peacetime. We have established organizational mechanisms that structure our business in a way that ensures we can adapt to shocks quickly and effectively. It is about ongoing capacity building and integration, and we constantly ask ourselves: How do we refine our capabilities to respond quickly and at scale to changes? Do we have the right security and crisis management to navigate disruption and uncertainty? A strong foundation is key, but execution matters just as much. That is why we prioritize empowering decision-making at all levels. By distributing risk and equipping our teams with the autonomy to act, we ensure that when unexpected challenges arise, our people are ready to respond effectively.

Many people immediately associate cultural resilience with grit and perseverance. But there is a deeper question: How do you foster an open, trusting culture where people feel confident raising their hand early when something seems off? Early detection and response are key to managing crises. Leadership is another critical aspect. We guide our leaders through a journey, ensuring that they gain exposure to different markets, functions, and situations. This broad experience makes them more resilient when faced with challenges.

Finally, strategic optionality—the need to be prepared for a broader range of outcomes—is a key term. We are always actively seeking to diversify our geographic and product portfolio. But for each proposed expansion, we prepare “what if” scenarios to anticipate risks for multiple outcomes and build strategic optionality. It's about creating an organization that can take calculated risks, adapt, and seize opportunities. Shifting the focus from mitigation to proactive adaptation is essential for long-term progress.

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<sup>1</sup> *Resilience pulse check: Harnessing collaboration to navigate a volatile world*, World Economic Forum and McKinsey, January 21, 2025.

**Kim Baroudy:** According to our research, shifting market dynamics and evolving customer preferences are among the leading threats that organizations expect will cause major or severe disruptions. Consumers seem to be increasingly prioritizing wellness, including “better for you” products and low-alcohol or nonalcoholic beverages. How does Carlsberg build a resilient market position and ensure growing demand for its products?

**Jacob Aarup-Andersen:** A diversified brand portfolio is a resilient brand portfolio. Having a range of products across categories not only gives us an array of choices for consumers and retailers in times of stability, but it also allows us to weather economic shocks like inflation, because we have products that fit shifting price sensitivity. With low-alcohol and nonalcoholic products, we are both responding to and driving consumer trends. Our recent acquisition of Britvic [a British beverage company] is another example of diversifying for resilience. Soft drinks is an attractive category, and it brings significant synergies when combined with beer.

**Kim Baroudy:** How do you reflect on the balance between short-term actions and building long-term-oriented capabilities?

**Jacob Aarup-Andersen:** Resilience requires balancing immediate crisis response with long-term capability building. The truth is that the two aspects go hand in hand and complement each other. The current disruptive landscape demands both agility in the short term and a commitment to strategic foresight and preventive actions for the future. We must be able to navigate in great uncertainty and sometimes make quite drastic shifts to reposition ourselves strategically. This requires an openness to divergent views, analyses, and scenarios—and then the courage to act decisively. Risk is opportunity, too, and intelligence is key here. You need to know how to look for the right data and to analyze and use it right. And you need to integrate this process into your decision-making.

**Kim Baroudy:** Let’s talk about geopolitical resilience. About a month after Russia invaded Ukraine, Carlsberg decided to quit Russia and

sell the Russian business. You became CEO a year later. You’ve had to manage the “takeover” of Carlsberg’s assets in Russia, an extensive and complex separation and sales process, along with legal battles. How have these events [the Russian–Ukraine crisis] shaped how you think about risk exposure, resilience, and developing concrete capabilities to react to uncertainties?

**Jacob Aarup-Andersen:** Sometimes, you need to go beyond traditional business strategy and have the courage to invest when others might retreat. In Carlsberg’s case, the war in Ukraine presented one of the most significant crises in our history. Despite the war, we decided to expand our production capacity at the Kyiv brewery by 80 percent, making it one of the largest investments in Ukraine during this period of conflict. This decision was not just about maintaining business continuity; it was about demonstrating that even in the face of extreme adversity, we can move forward and create lasting value.

Ensuring resilience is an active and ongoing process for us. We are focused on asking ourselves a set of tough questions: How do we ensure resilience translates into action? How do we make sure that we have effective security and crisis management in place? And, importantly, how can we continue to improve our analyses and our ability to respond fast and in a scalable way? We are focusing a lot on this right now. Structurally, strategically, and culturally, we focus on how we can learn and develop across global markets while ensuring proper support.

**Kim Baroudy:** You have a new initiative to establish a culture that is even more growth oriented and that rewards calculated risk-taking. How are resilience capabilities a part of this initiative?

**Jacob Aarup-Andersen:** A resilient organization must have an open, trusting, and safe culture, where people feel empowered to act and move. That’s what our Accelerate SAIL strategy is all about, and we have been working hard to define it and roll it out over the past year. As the name suggests, we want to not only create strong business results but also foster a new mindset and behavior. Our ambition is to push the boundaries of what we can achieve together by improving an already-strong foundation.

We have developed a set of guiding principles to ensure that this culture is embedded in a way that creates real impact, tailored to local realities but aligned with a shared vision. We want to create an environment where we strive for the extraordinary, foster positive energy and compassion, are passionate about the consumer, make quick decisions, and empower, support, and develop our people to reach their full potential. All these efforts push us toward becoming more resilient.

**Kim Baroudy:** What have been your biggest learnings about organizational resilience?

**Jacob Aarup-Andersen:** That the range of outcomes is bigger than we often think. Once you accept this, you begin to look at much broader optionality in your resilience building, extending beyond the usual yearly enterprise risk review exercise. It starts with building structures that ensure early detection, early escalation, and the distribution of decision-making to the right levels to ensure a fast response. This approach ties directly into how we embed resilience throughout the organization and how we develop more adaptive leaders.

**Kim Baroudy:** You're part of the World Economic Forum's Resilience Leadership Consortium Group. Looking ahead, what are the biggest shifts for companies when it comes to organizational resilience?

**Jacob Aarup-Andersen:** The biggest shifts require moving beyond short-term, defensive actions and embedding resilience into long-term strategic planning. WEF and McKinsey coauthored a 2025 resilience white paper, and two key aspects stand out for me.<sup>2</sup> The first is about embedding resilience into leadership and decision-making. Boards and executives must embrace diverse perspectives, enable agile decision-making, and foster a culture of trust and adaptability. The second has to do with operational adaptability and organizations focusing on strengthening human-capital resilience by empowering employees to drive execution and growth, decide with autonomy, and respond swiftly to disruptions. This is exactly what we are actively working on embedding at Carlsberg.

**Kim Baroudy:** Technology trends such as data protection, the need for more effective cybersecurity, and the rise of gen AI are seen as the biggest threats that could create major disruptions for organizations. From what I have seen, Carlsberg is a model for other companies. How do you prepare and prioritize building digital and technological resilience?

**Jacob Aarup-Andersen:** At Carlsberg, digital resilience goes beyond just firewalls and backups—it's about safeguarding the elements that drive our business forward. Our digital and technology team works across functions to protect critical assets such as customer data and AI tools, while ensuring our tech investments drive growth and enhance trust.

One key step has been strengthening our cloud security. A new security framework allows us to centrally manage security policies for remote teams, IoT [Internet of Things] devices, and cloud applications. This reduces complexity and closes gaps that attackers might exploit. It's akin to replacing multiple locks with a single, smart system that adapts to threats in real time.

As AI becomes a bigger part of our business, we are establishing an AI center of excellence [COE]. The COE provides centralized oversight for all AI projects, ensuring clear guidelines such as mandatory data anonymization and third-party model audits, with policies that align with regulations. For example, generative AI tools used in marketing must go through COE review to prevent chaos when accelerating vetted projects. This approach drives innovation while ensuring ethics and compliance.

For any company, digital resilience is about more than just security; it's about ensuring business continuity and adaptability. When disruptions hit—and they will—digitally resilient companies bend but don't break.

**Kim Baroudy:** We've covered geopolitics, organization, and digital resilience. Now let's turn to operational resilience, particularly in the face of climate change. Organizations fear disruptions to supply chains and resource availability. As a result, many are moving beyond reactive measures toward

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<sup>2</sup> *Resilience pulse check: Harnessing collaboration to navigate a volatile world*, World Economic Forum and McKinsey, January 21, 2025.



strategic actions such as sustainable sourcing, automation, and supply chain restructuring. How has Carlsberg enhanced its operational resilience to climate-related disruptions, and what have been the most important focus areas?

**Jacob Aarup-Andersen:** We want to be prepared for a wide range of challenges, particularly those that can disrupt our supply chains. Beer is a local business, meaning our supply chains are more localized than those in many other industries. We focus heavily on ensuring that we have alternative supply chains in place for key raw materials and other pivotal items.

However, some risks, such as those brought about by climate change, require a more integrated, long-term approach to resilience. Agriculture, water, and energy are deeply interconnected, and failing to strengthen our resilience could intensify climate-related disruptions. Our strategy includes proactively mitigating water supply disruptions by enhancing water efficiency, investing in renewable-energy solutions, and promoting similar changes throughout our value chain. One example is our push for regenerative agriculture, which can support decarbonization, enhance soil health, and promote biodiversity.

**Kim Baroudy:** How do you balance improving global operational resilience while ensuring local adaptability? What key lessons have you learned?

**Jacob Aarup-Andersen:** Each region and market has unique challenges shaped by environmental factors, resources, and cultural heritage. I want to highlight a few real-world examples that showcase how we are working to maximize local value chain resilience.

Take Laos, for example. Carlsberg's collaboration with local farmers and research institutes is helping build a more resilient agricultural system. The

results speak for themselves: healthier ecosystems, restored biodiversity, and more productive, climate-resilient farms. Farmers are already seeing immediate environmental benefits, like the return of birds and buzzing cicadas.

Private and public partnerships are crucial, especially when it comes to climate adaptation. It requires incredibly hard work in terms of stakeholder management and engaging the right institutions. There are tremendous opportunities, but building coalitions and bringing stakeholders together across sectors can be challenging. However, this work is essential to drive real progress—shifting the focus from merely mitigating climate change to actively adapting to it.

Another critical driver of resilience is scalable innovation with scalable impacts. In 2022, scientists at Carlsberg Research Laboratory developed FIND-IT, a groundbreaking crop-breeding technology. This tool enables us to breed more resilient crops—like barley and hops—that can deliver high-quality yields amid drought, floods, and changing temperatures.

The ancient grain fonio is another example of how innovation and local collaboration can drive resilience. Grown in West Africa's Sahel region, fonio thrives in drought-prone and nutrient-poor soils. Brooklyn Brewery is establishing partnerships with West African farmers to integrate fonio into brewing. This is about more than sustainability in beer—it's about building supply chains that support local agriculture while promoting climate-adaptive farming.

Many of the most pressing challenges—climate adaptation, food security, and sustainable agriculture—cannot be tackled alone. The most transformative solutions require businesses, governments, and research institutions to collaborate on driving meaningful change.

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