

Industrial Technique

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Capital Markets Day 2022

Agenda



- 1 Facts in brief
- 2 Market trends and business fundamentals
- 3 Strategy for growth
- 4 An enabler of the transition to a low carbon society
- 5 Summary

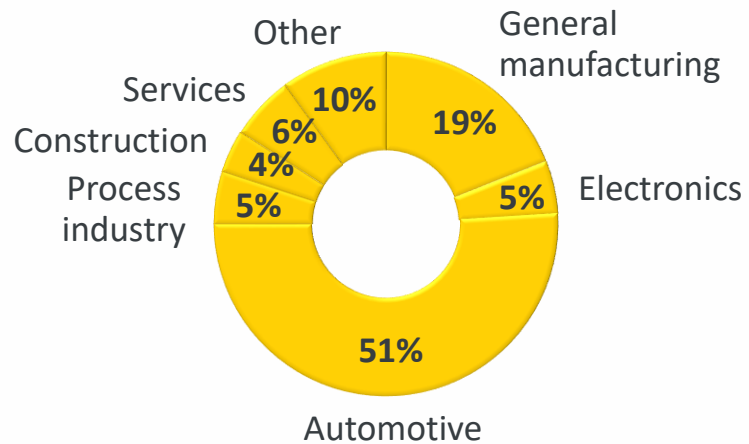
Facts in brief



The market we operate in

ORDERS RECEIVED

January – September 2022



AUTOMOTIVE

Automated and manual assembly solutions

Vision systems for robot guidance, quality control and metrology

GENERAL MANUFACTURING

Automated and manual assembly solutions

Vision systems for robot guidance, quality control and metrology

Material removal tools

ELECTRONICS

Automated and manual assembly solutions

PROCESS INDUSTRIES

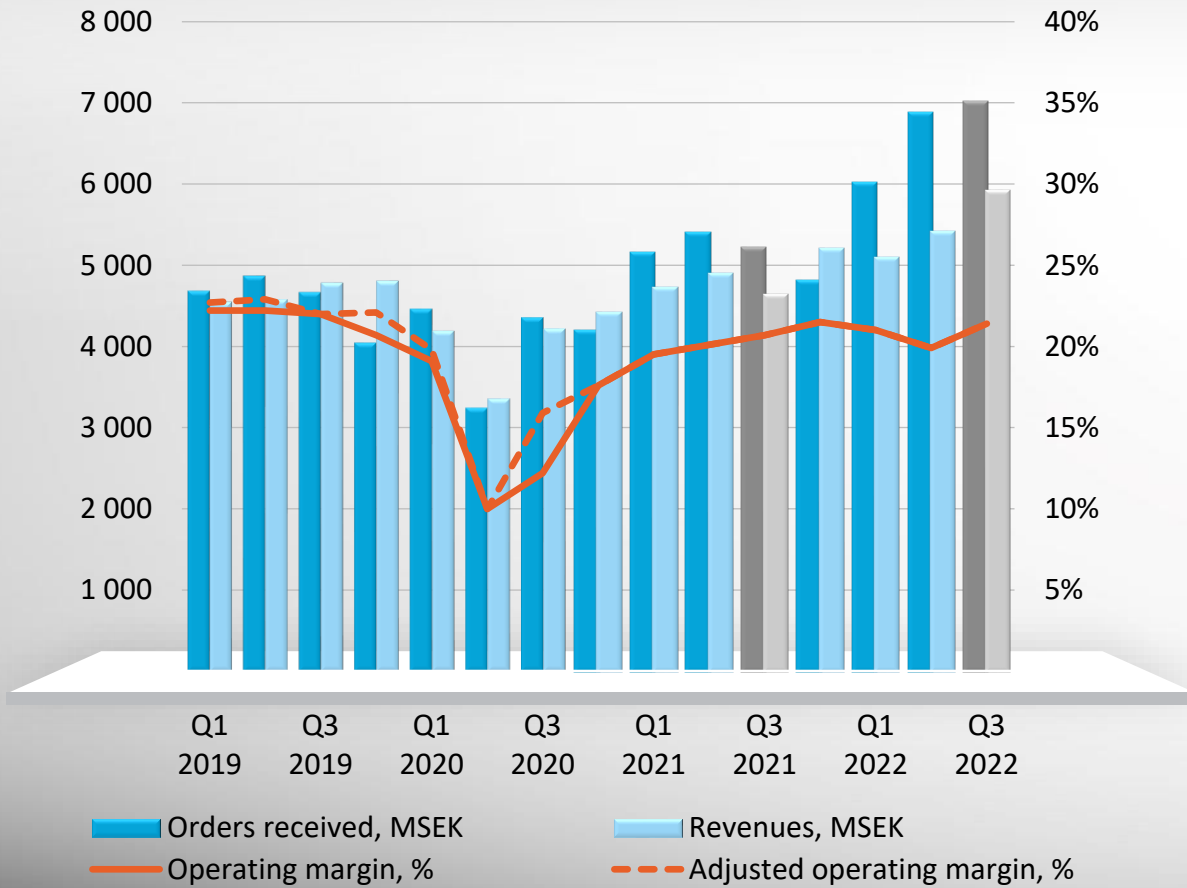
Vision systems for quality control

AEROSPACE

Automated and manual assembly solutions

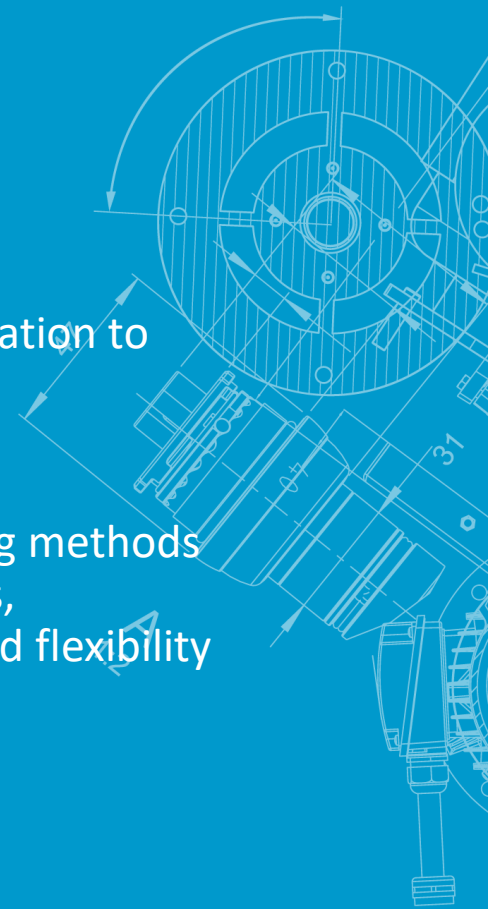
Industrial Technique

ROCE
18%

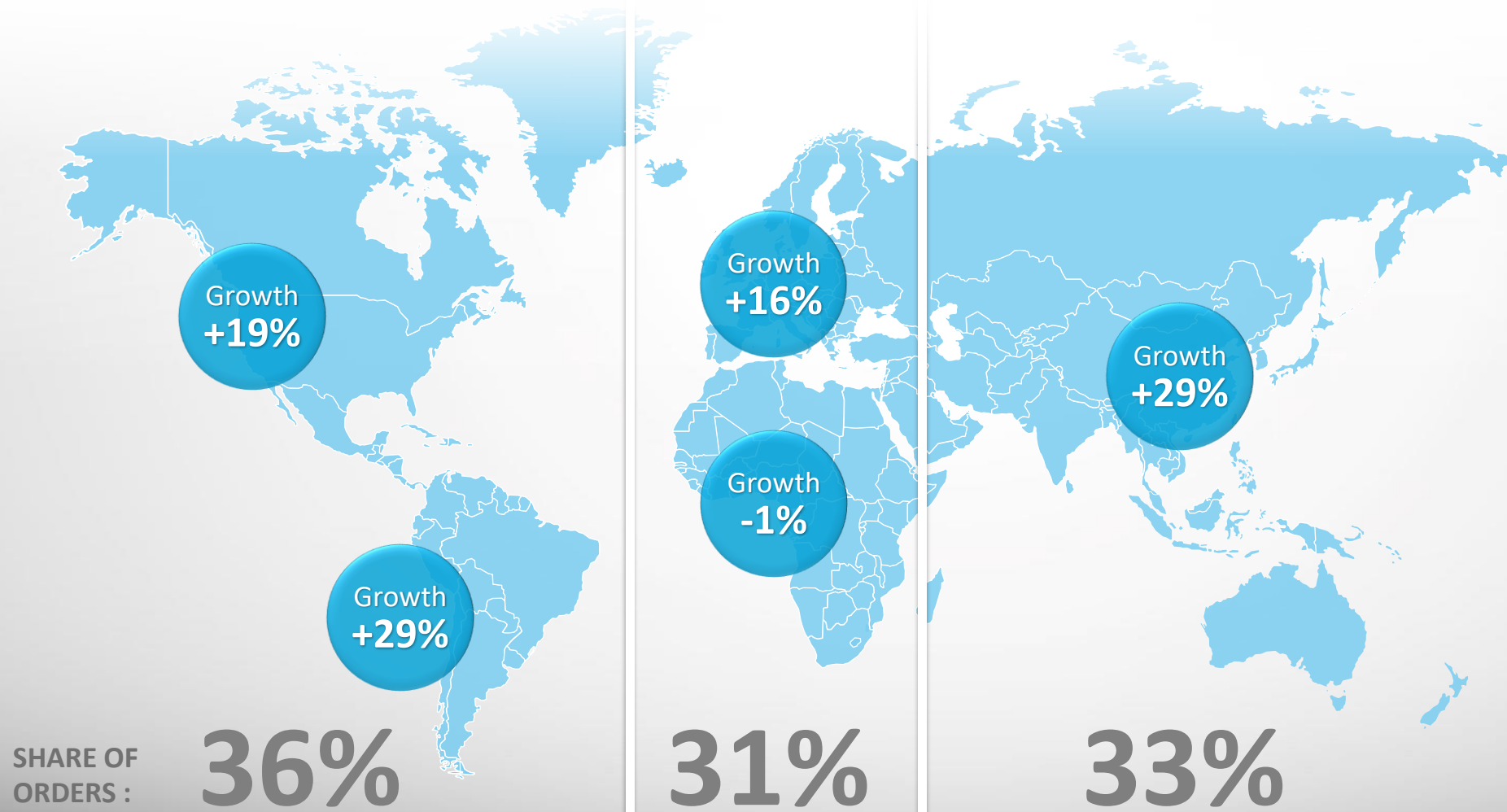


DEMAND DRIVERS

- Industrial production
- Investments in transformation to a low-carbon society
- Automotive capex
- Changes in manufacturing methods and higher requirements, e.g. quality assurance and flexibility
- Deglobalization



Orders received July – September 2022 vs 2021



* Growth in local currency.

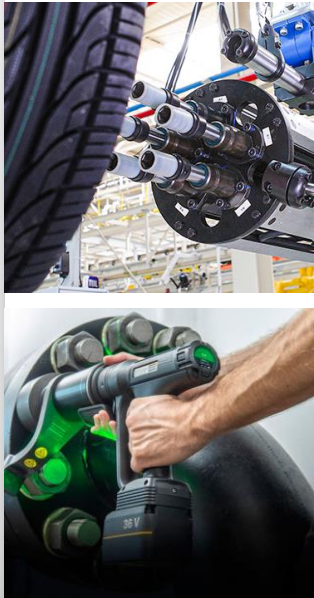
The market and business fundamentals




Smart manufacturing solutions

General industries Automotive


Tightening



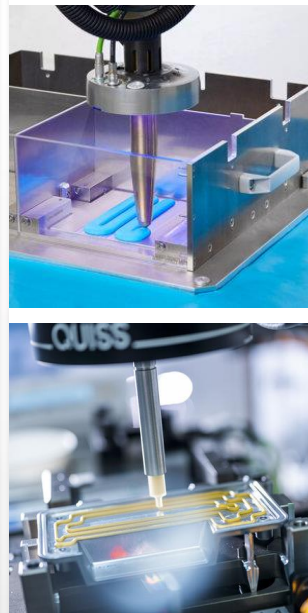
Material removal




Drilling




Dispensing



Self-pierce riveting



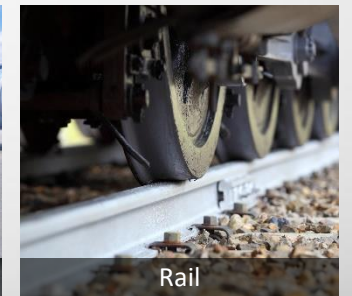
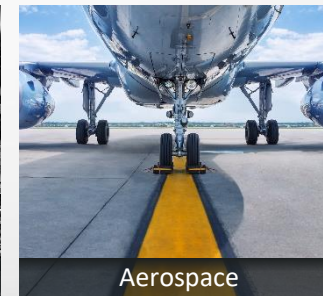
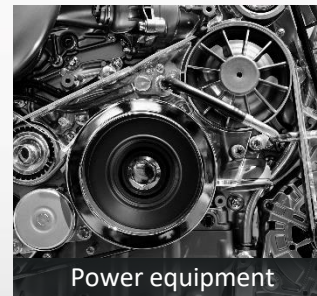
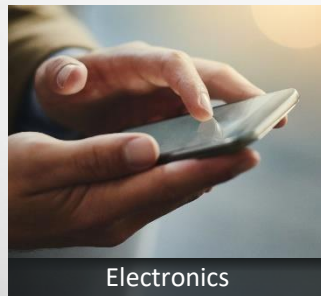
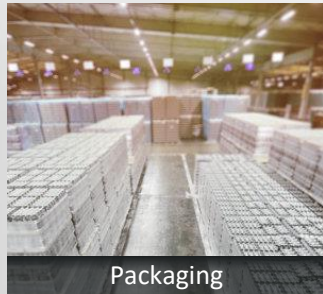
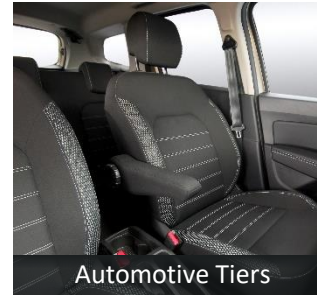
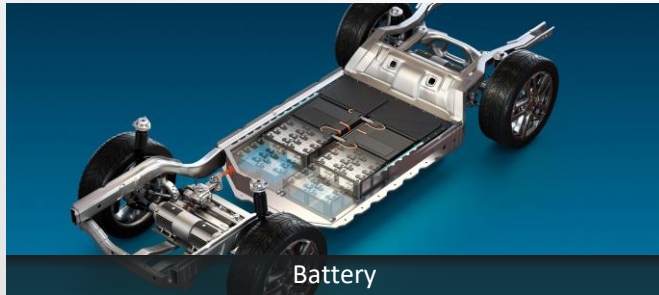
Flow drill fastening



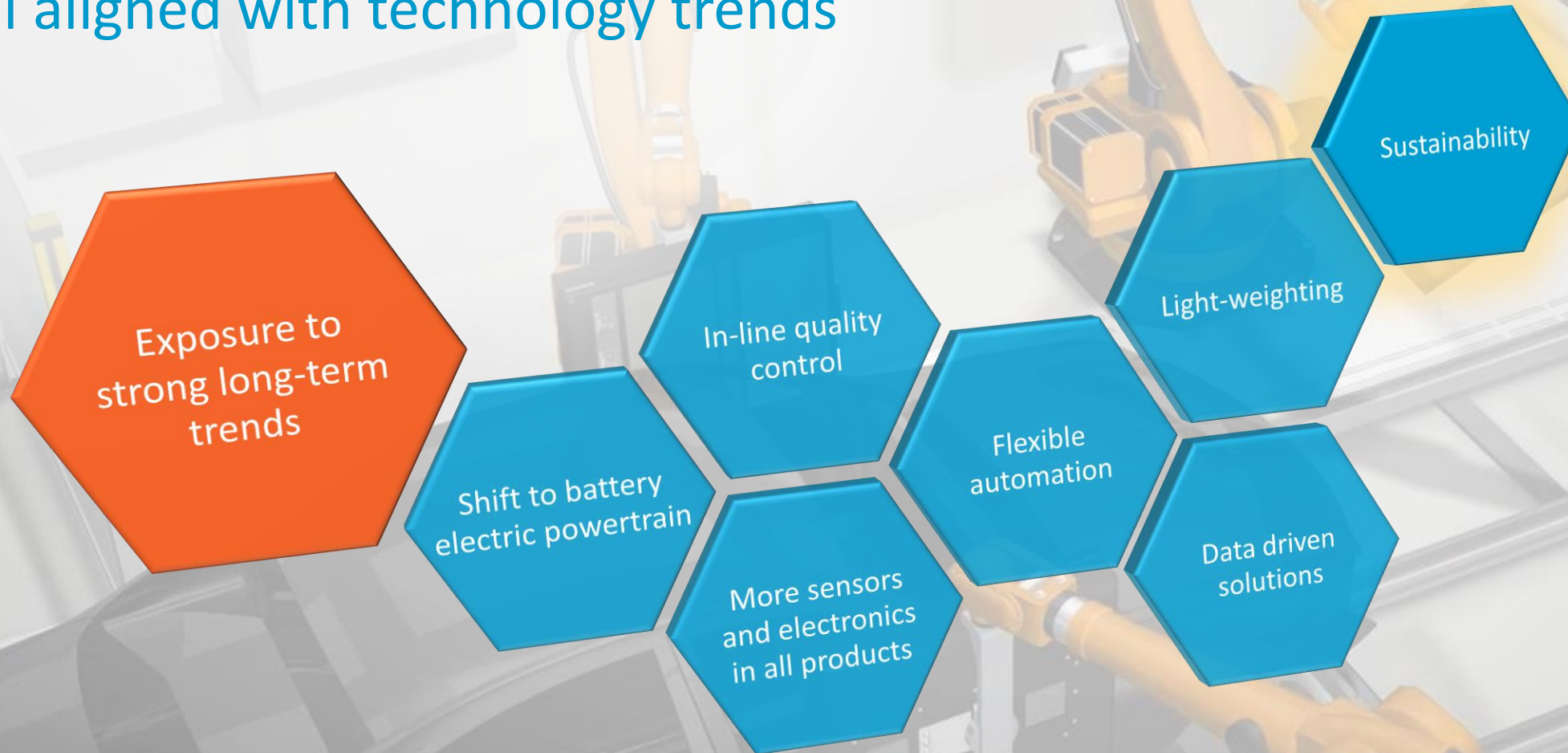
Machine vision



Customer industries



Well aligned with technology trends



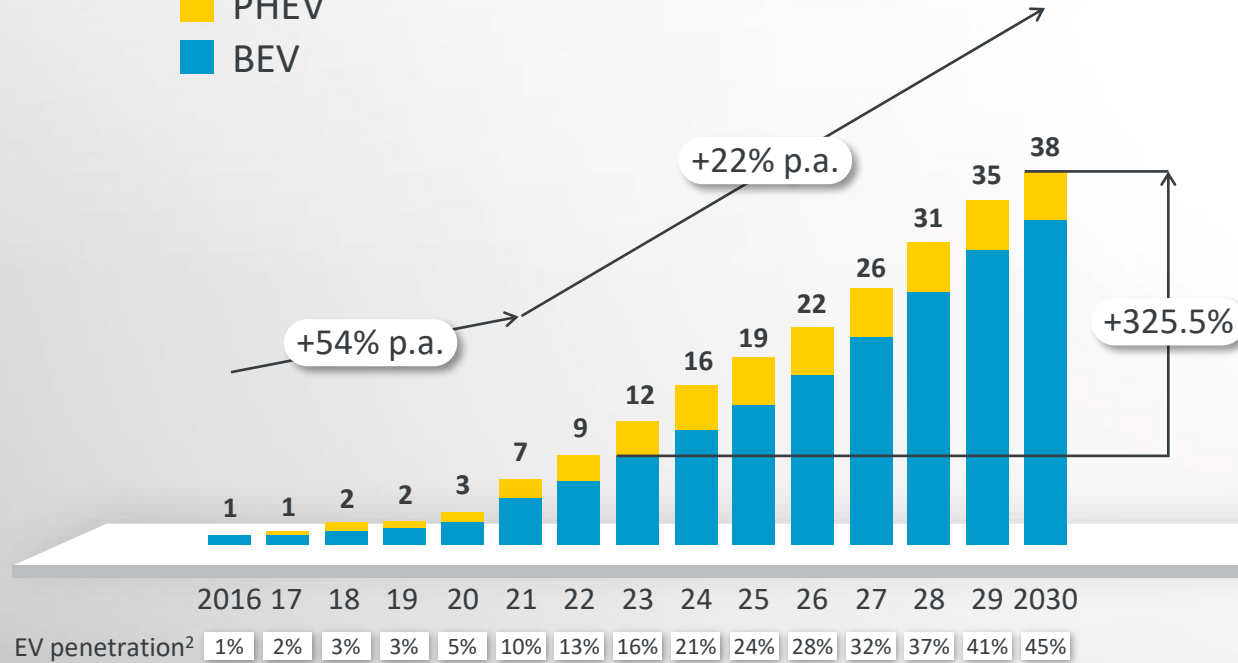
Battery electric vehicles



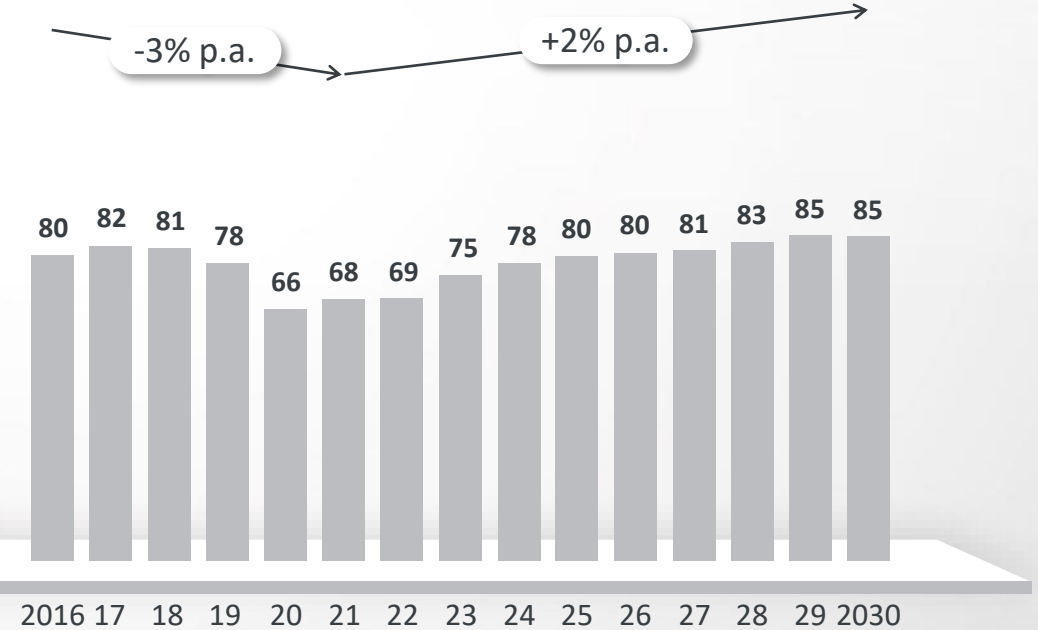
Electric Vehicle share expected to grow to 45% in 2030

GLOBAL ELECTRIC¹ PASSENGER CAR SALES, mn units

■ PHEV
■ BEV



GLOBAL PASSENGER CAR SALES, mn units



1. BEV and PHEV.

2. Share of BEV and PHEV in percentage of total passenger car sales.

Source: EV-volumes, HIS Markit (Light Vehicle Sales Forecast Jan 2022), McKinsey.

Challenges for Battery Electric Vehicles manufacturers



Time to Market



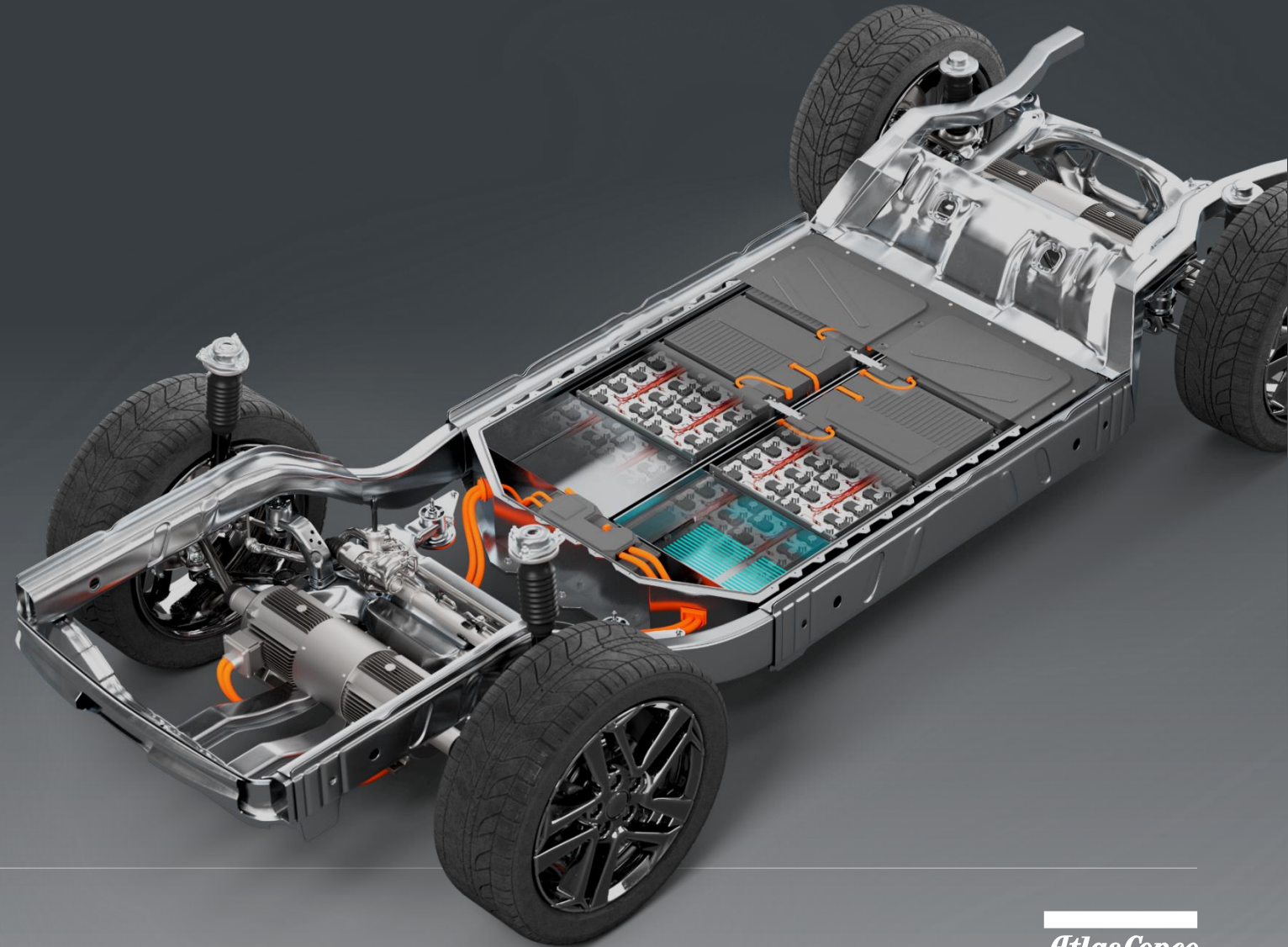
Capacity & performance



Defects & Recalls



Sustainability
incl. weight

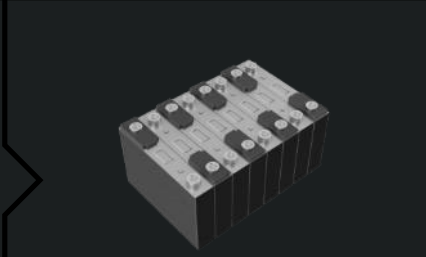




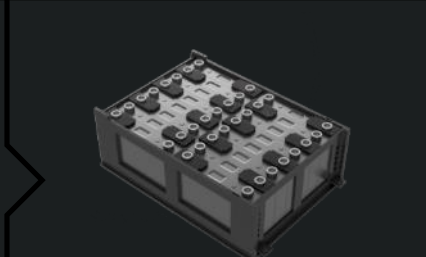
0 | Cell component inspection



1 | Cell inspection



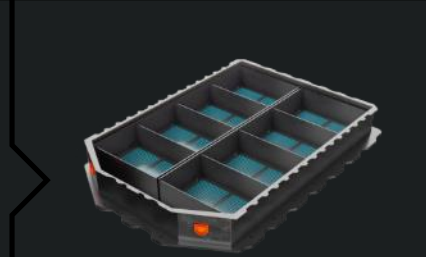
2 | Cell stack assembly



3 | Module assembly



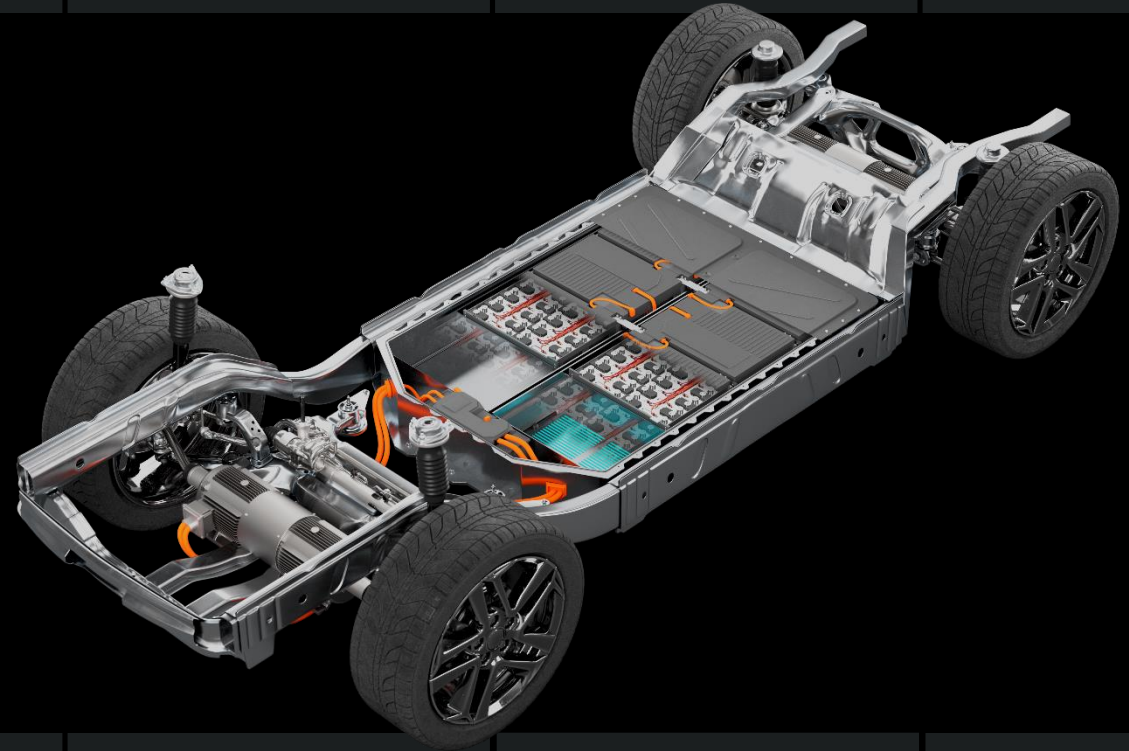
4 | Battery tray assembly



5 | Thermal management



Data-driven process optimization



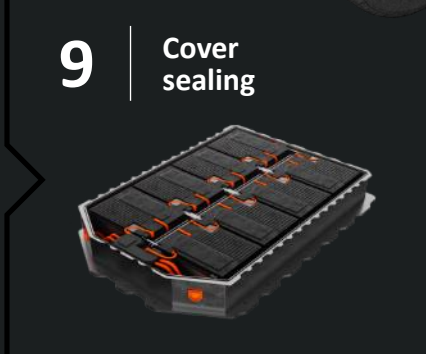
6 | Assembly of modules



7 | Assembly of electrical components



8 | Fire protection



9 | Cover sealing



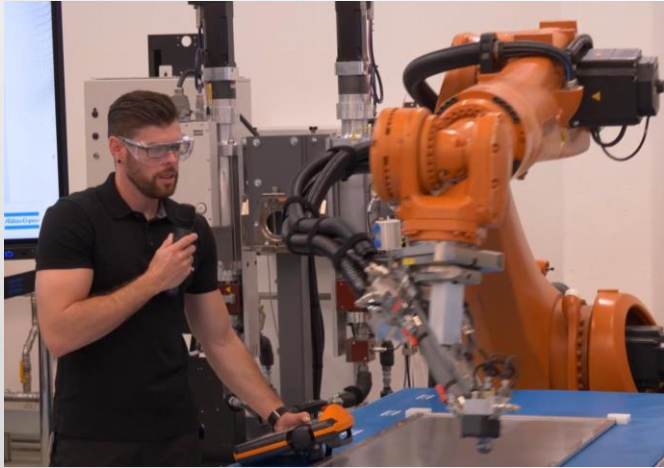
10 | Cover-to-tray assembly



11 | Corrosion protection

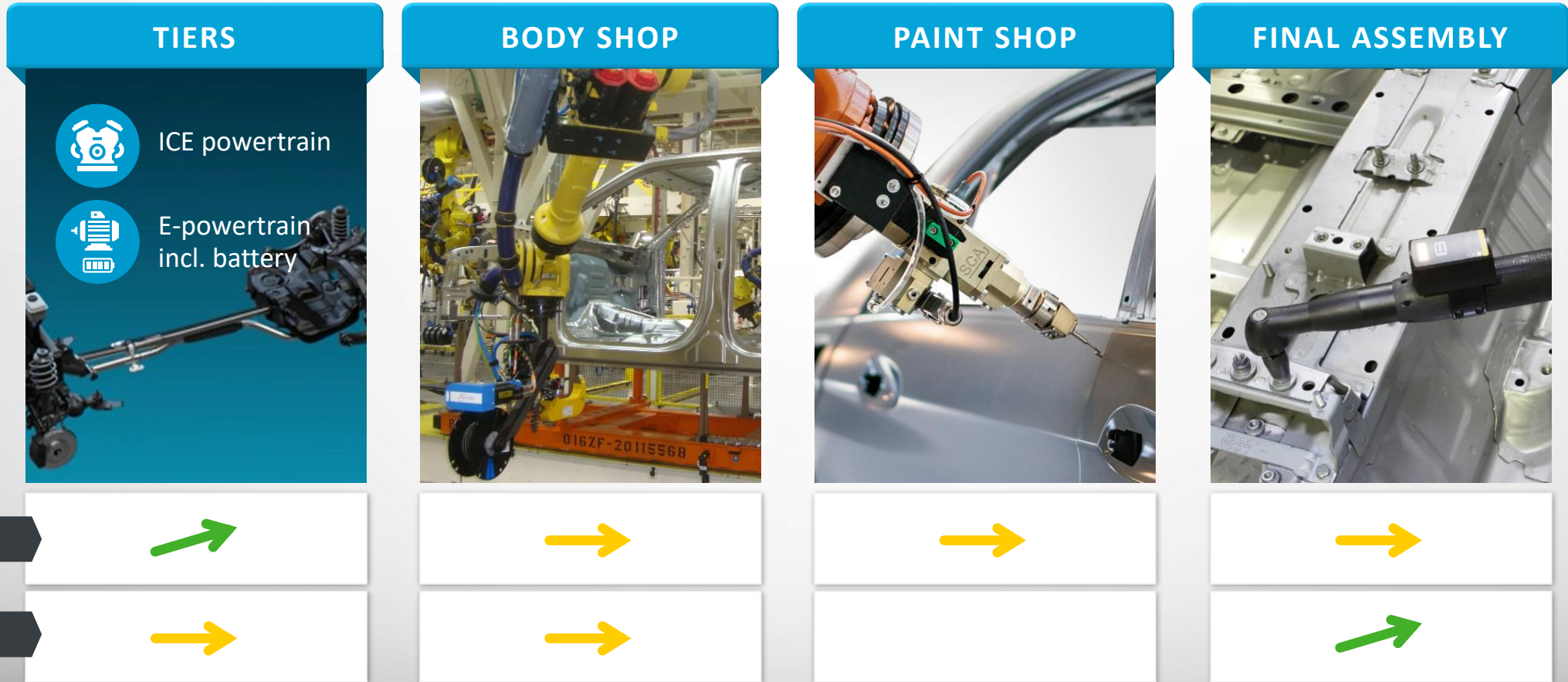
Our Innovation Center

The place where we connect experts to drive innovations and improve our customer's production processes

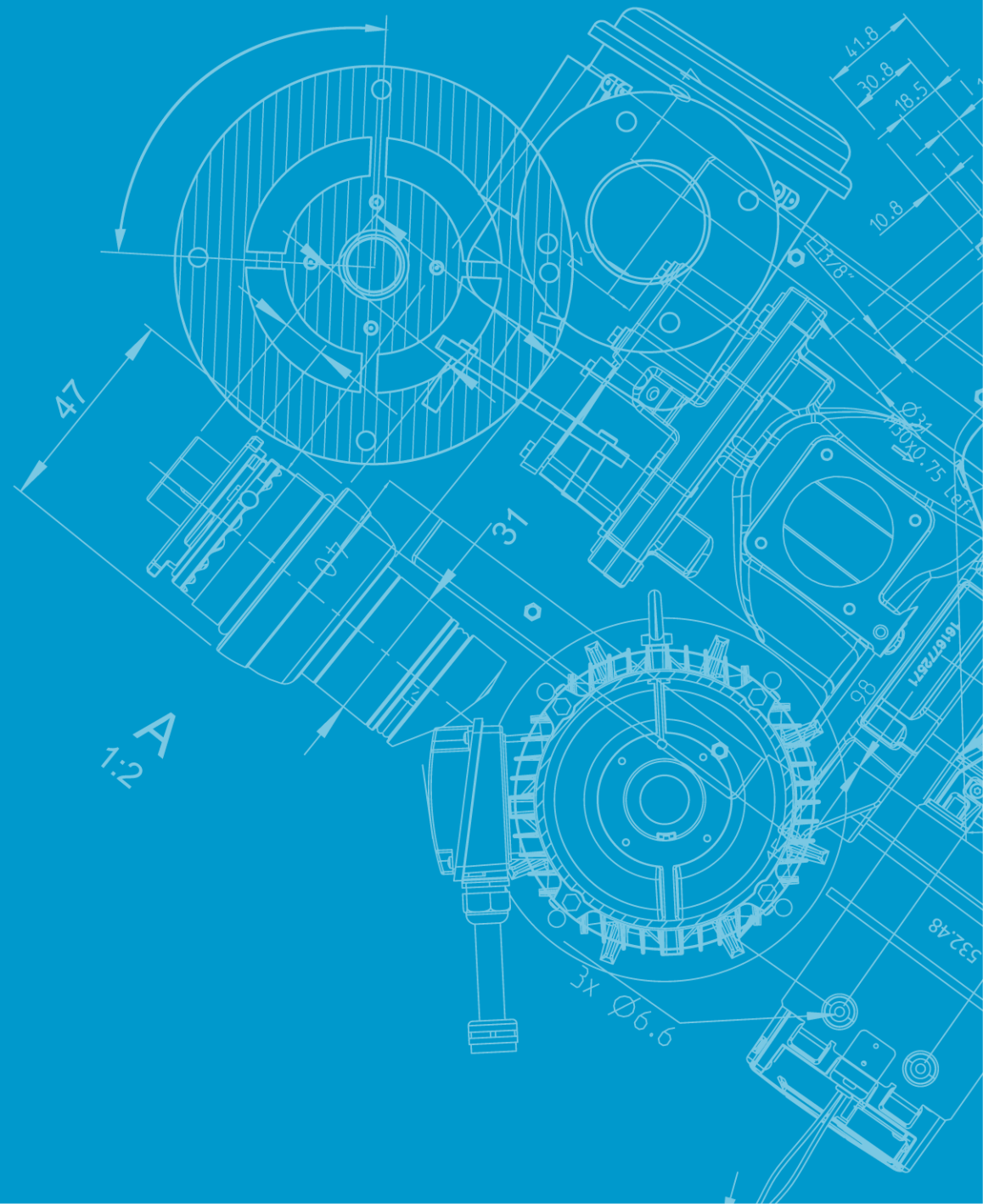


How does the EV development impact Industrial Technique?

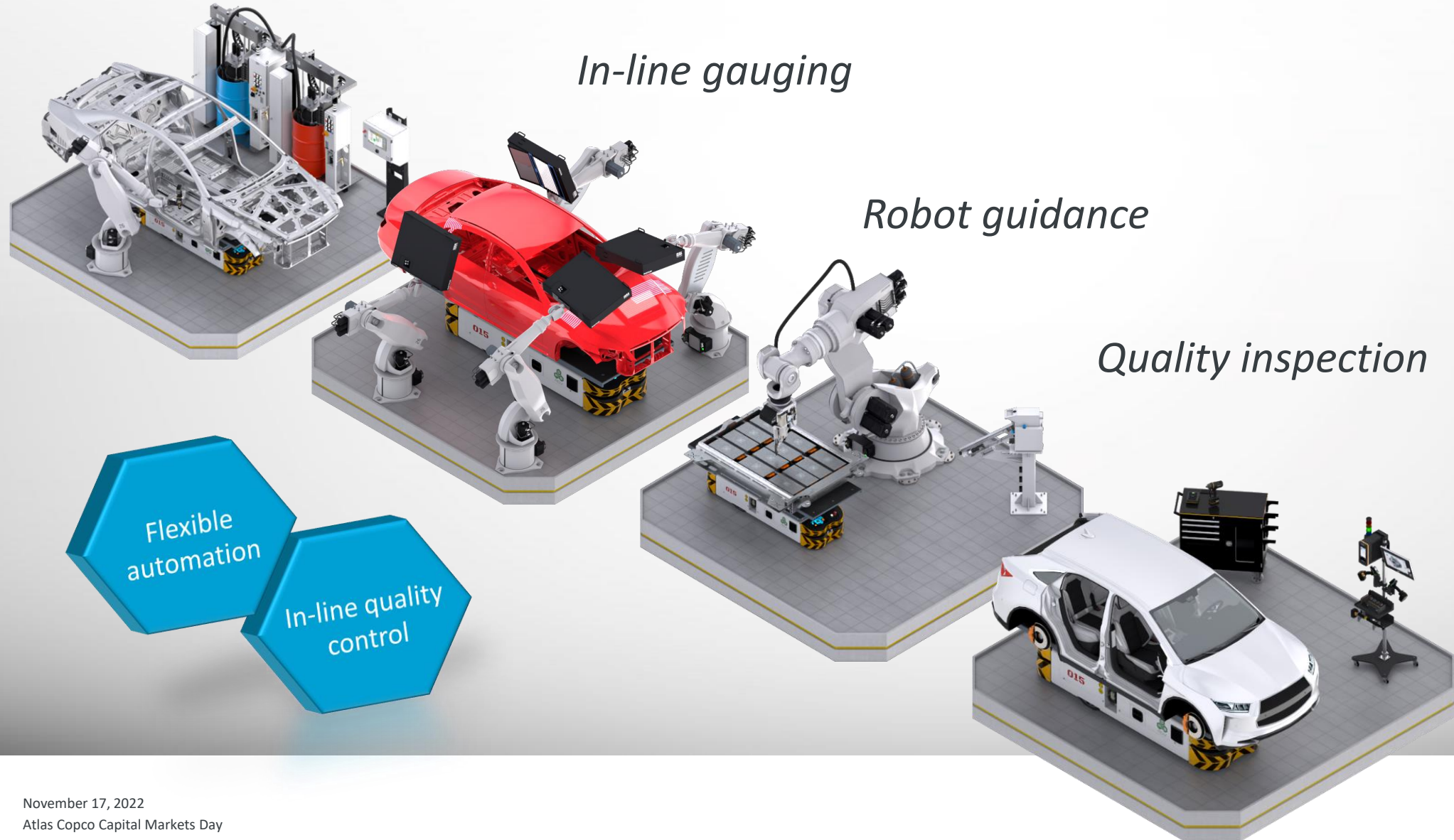
Leading EV model in 2022 vs typical ICE model in 2018



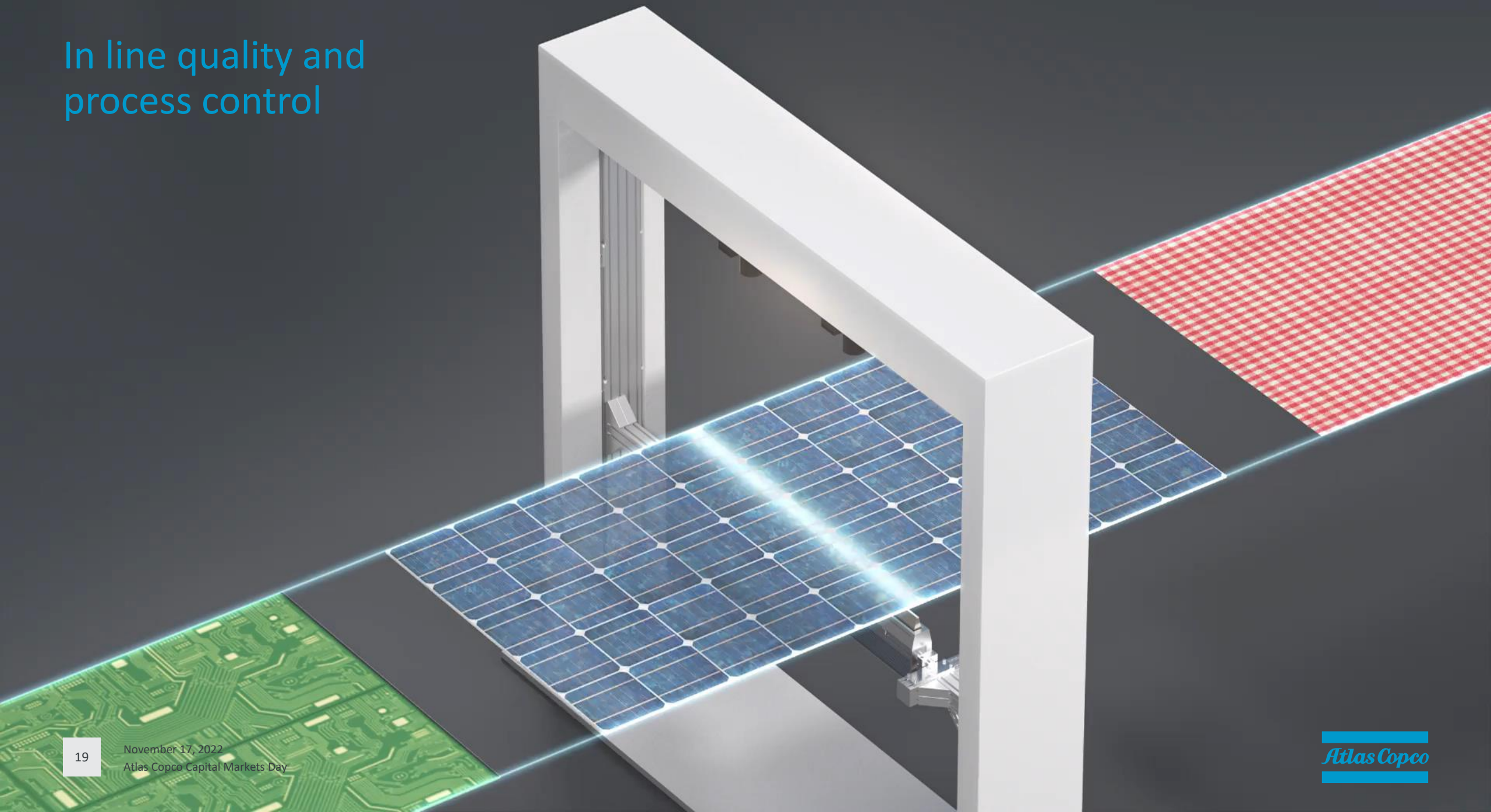
Machine Vision



Drivers for machine vision



In line quality and process control



Assembly technologies + Integrated vision

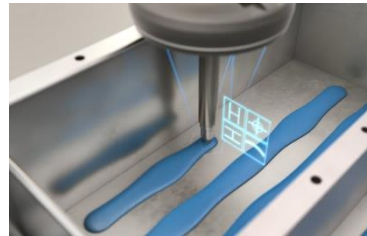


Go to market strategy – Application specific products

END CUSTOMERS & SYSTEM INTEGRATORS



INTEGRATED VISION SOLUTIONS




Industrial
Assembly Solutions

General Industry Tools
and Assembly Systems

Motor Vehicle Industry Tools
and Assembly Systems

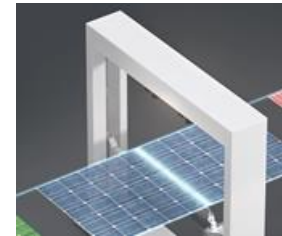
Chicago Pneumatic
Tools



SMART FACTORY AUTOMATION



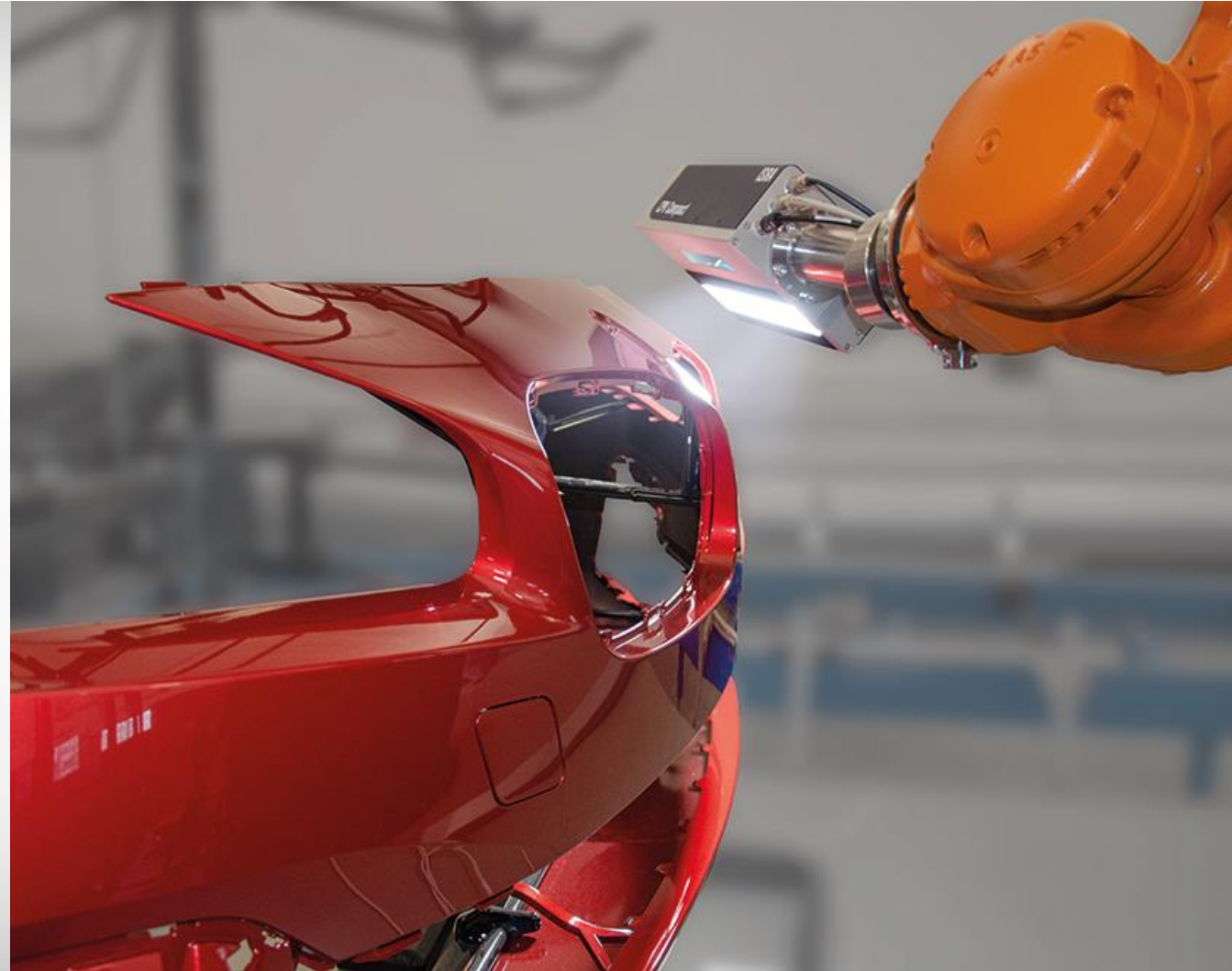
SURFACE VISION



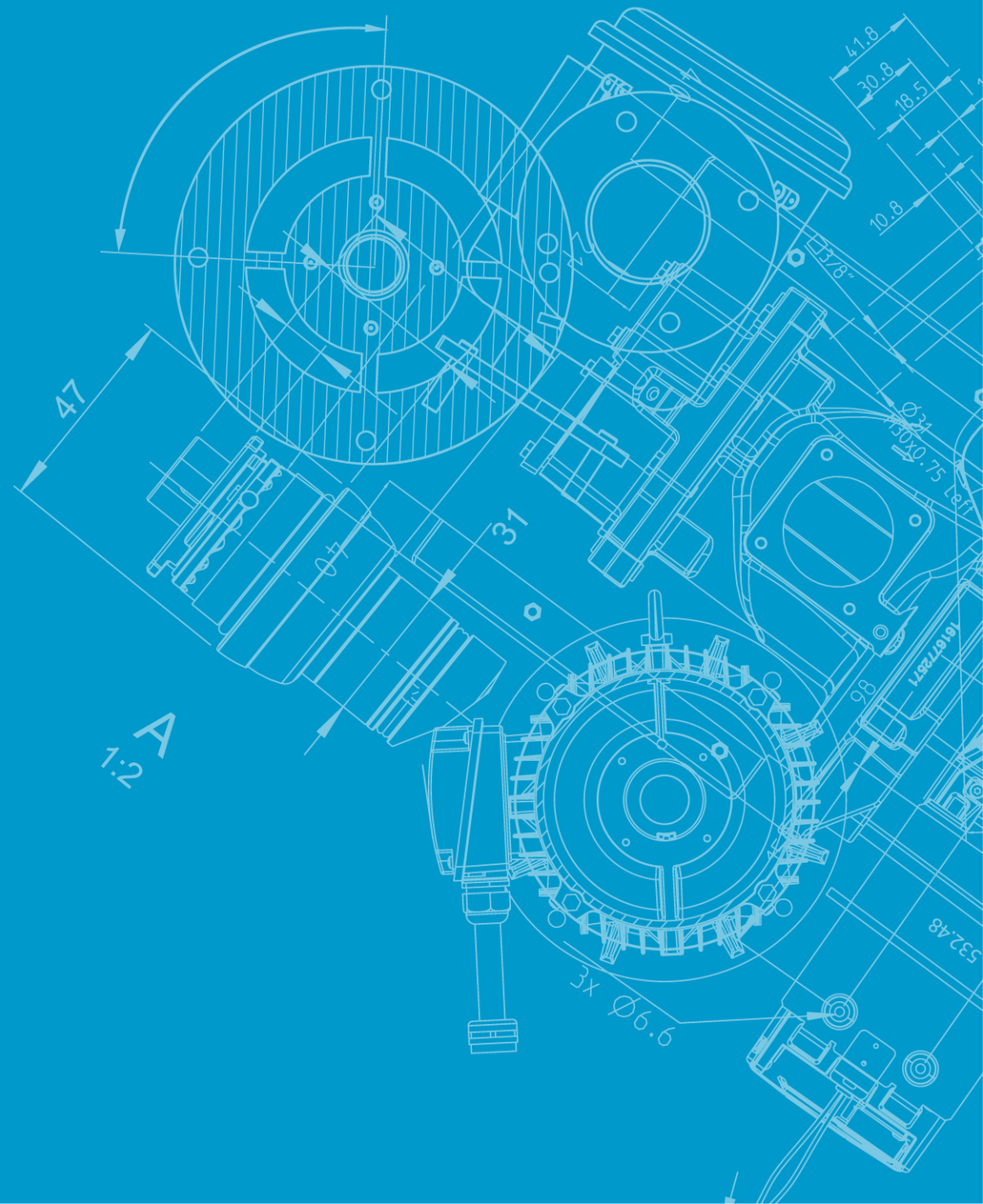
Machine Vision Solutions

Machine vision focus areas

- Application specific products
 - Surface vision
 - Smart factory automation
- Integrated vision solutions, combined with assembly technologies
- Increase presence in Americas and Asia
- Operational excellence
- Pro-active service business
- Mergers & acquisitions

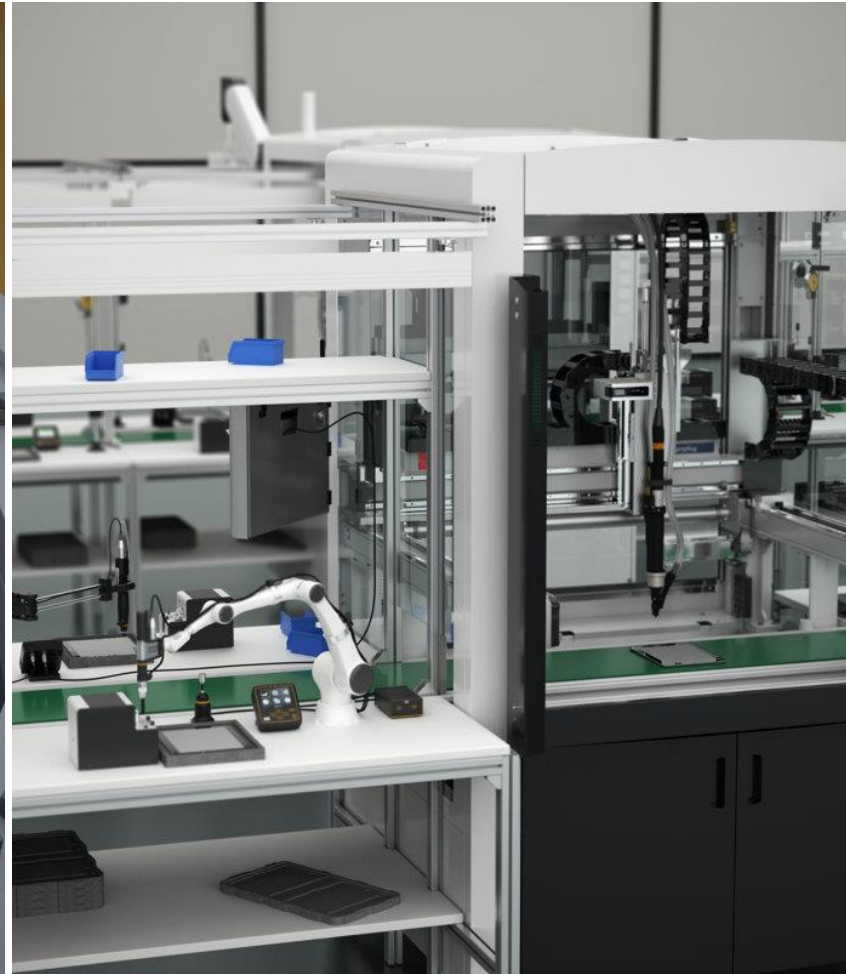


General Industry growth



General industry – Segment approach

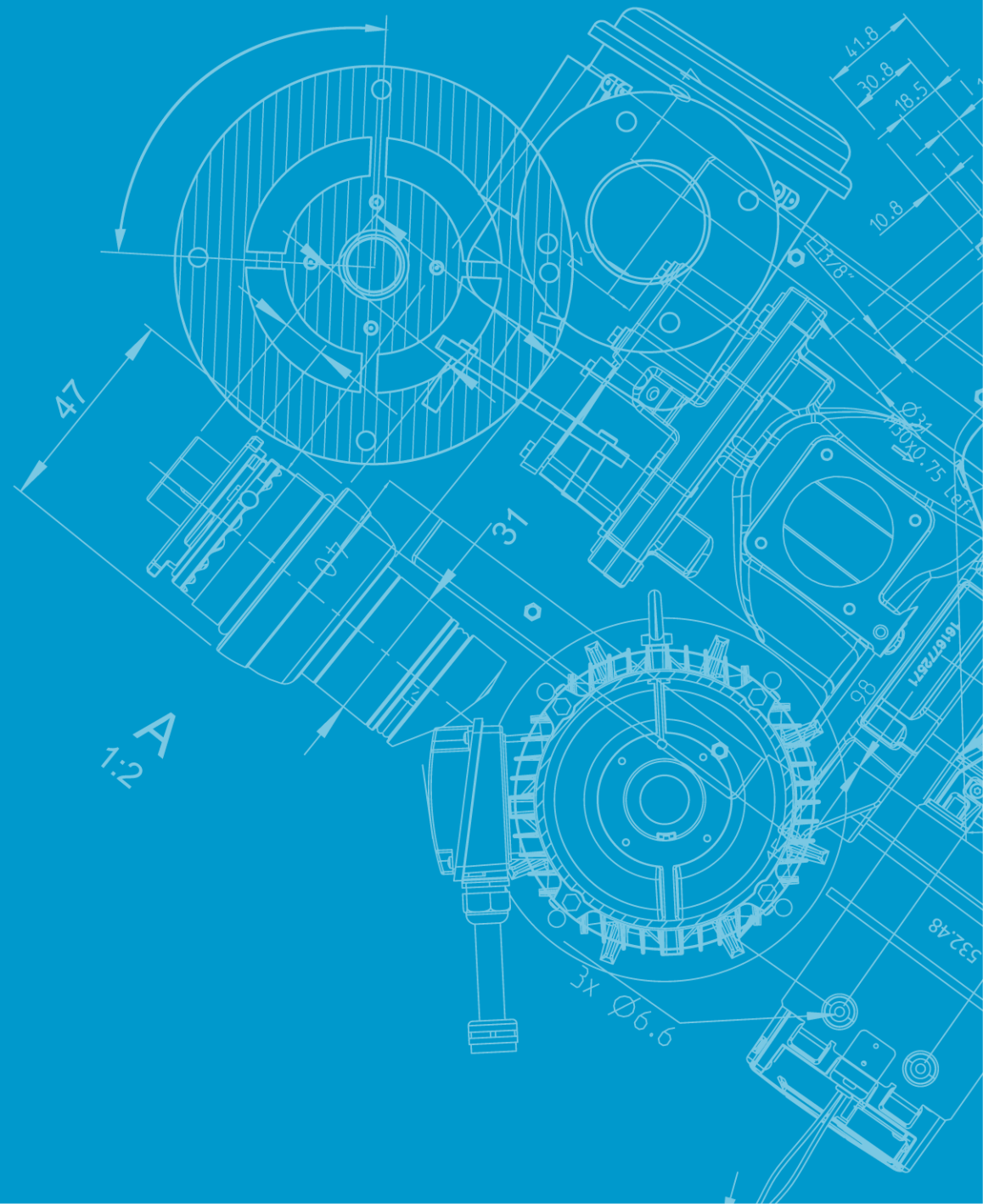
Adapted market offer for key segments based on standard technology



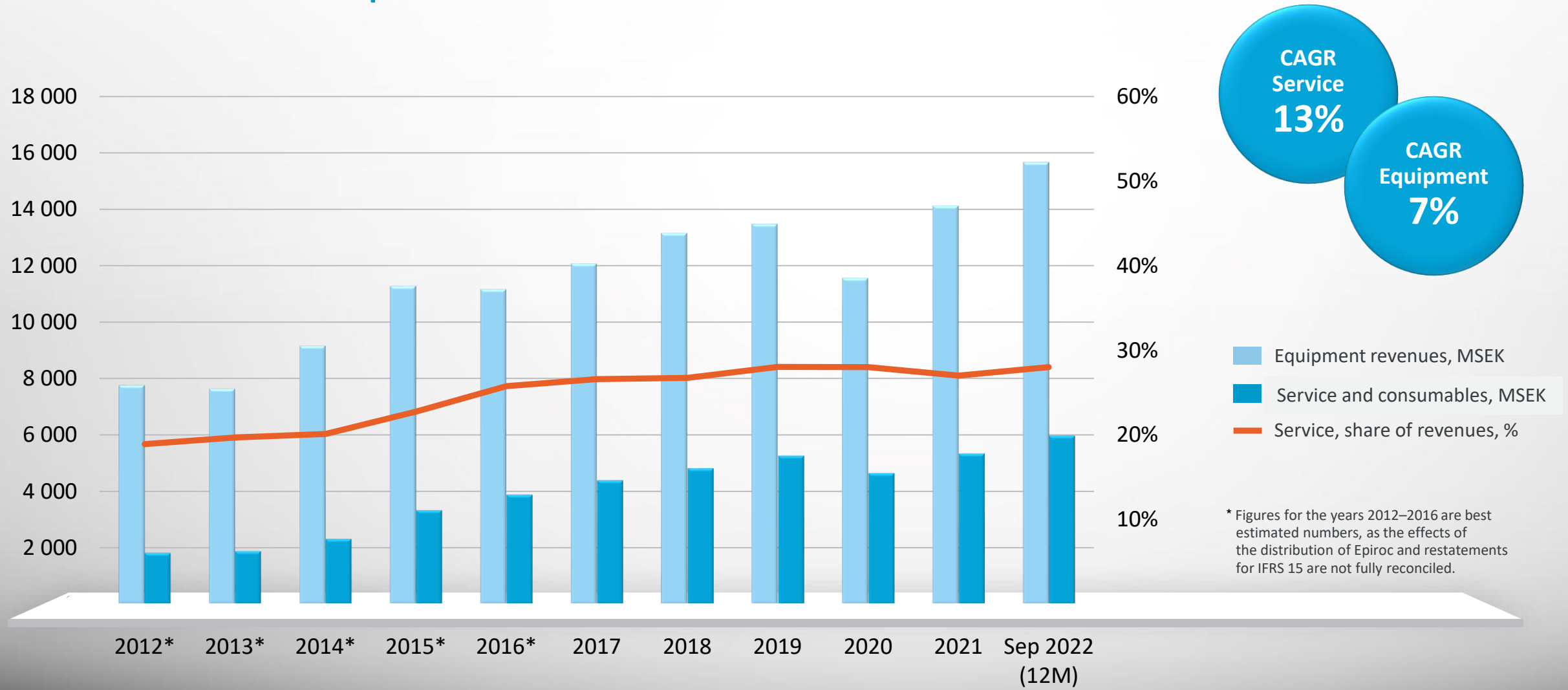
Transformation potential



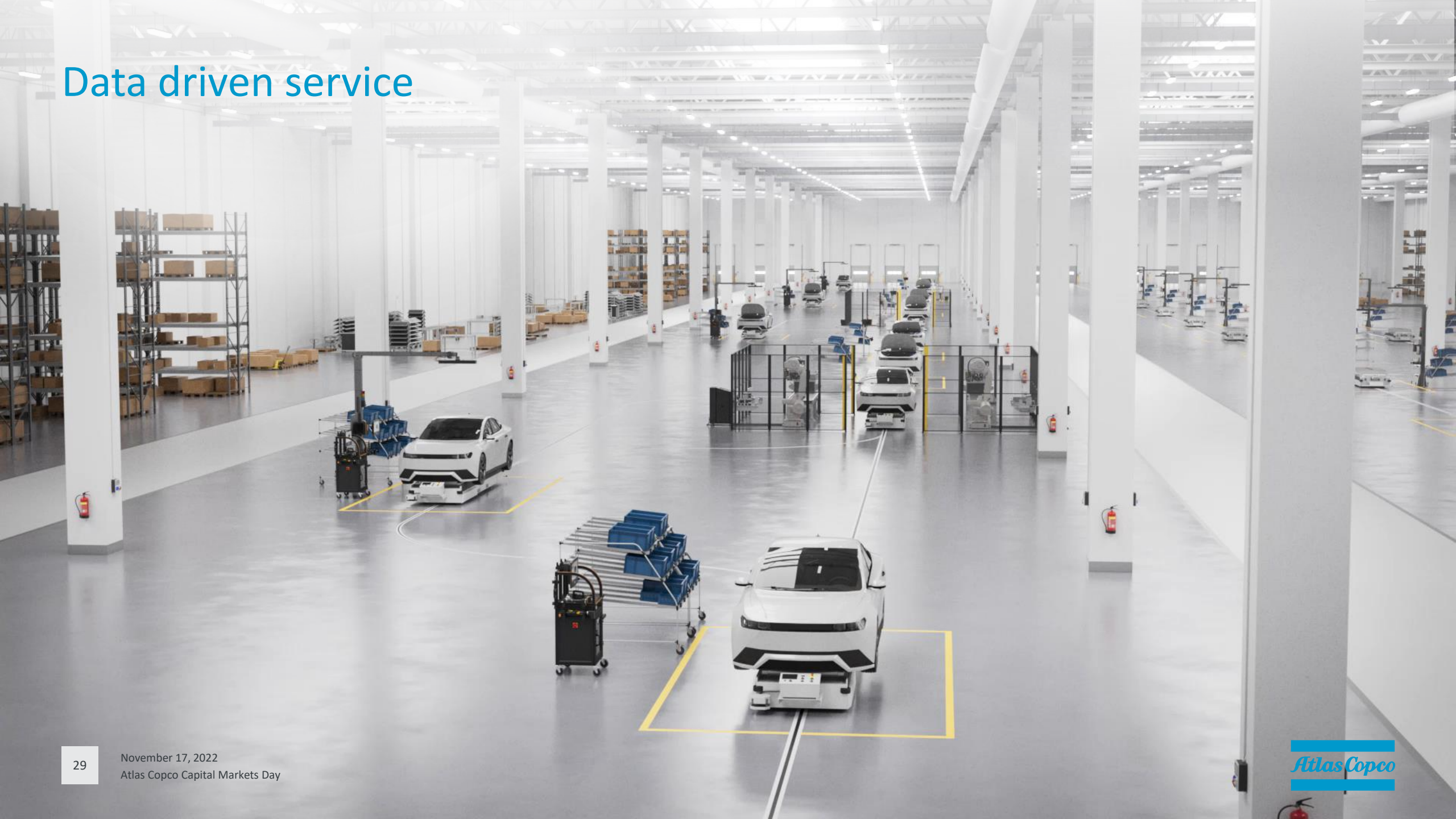
Service



Industrial Technique – Service and consumables



Data driven service



Data driven service

Approx. 270 Tool Management Centers globally



Data driven service

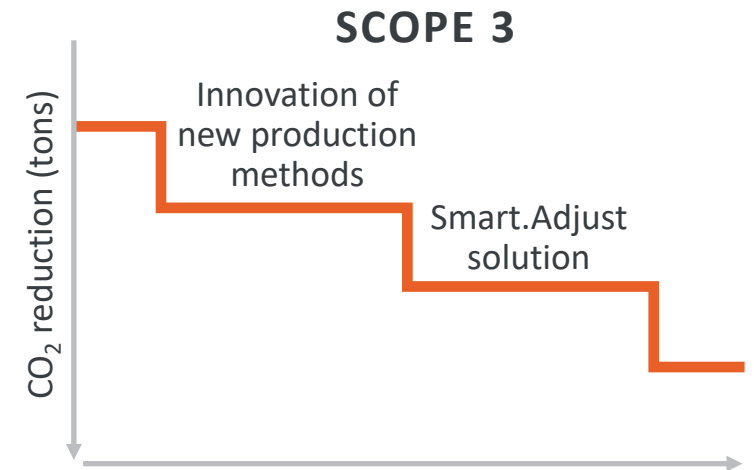
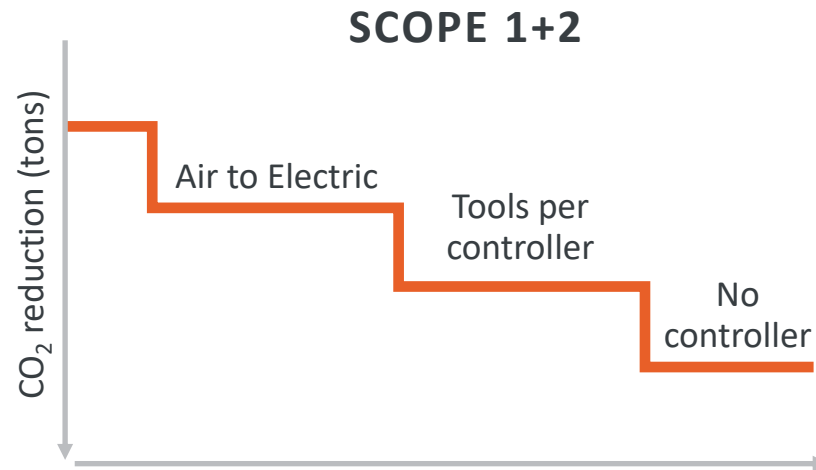
Approx. 270 Tool Management Centers globally

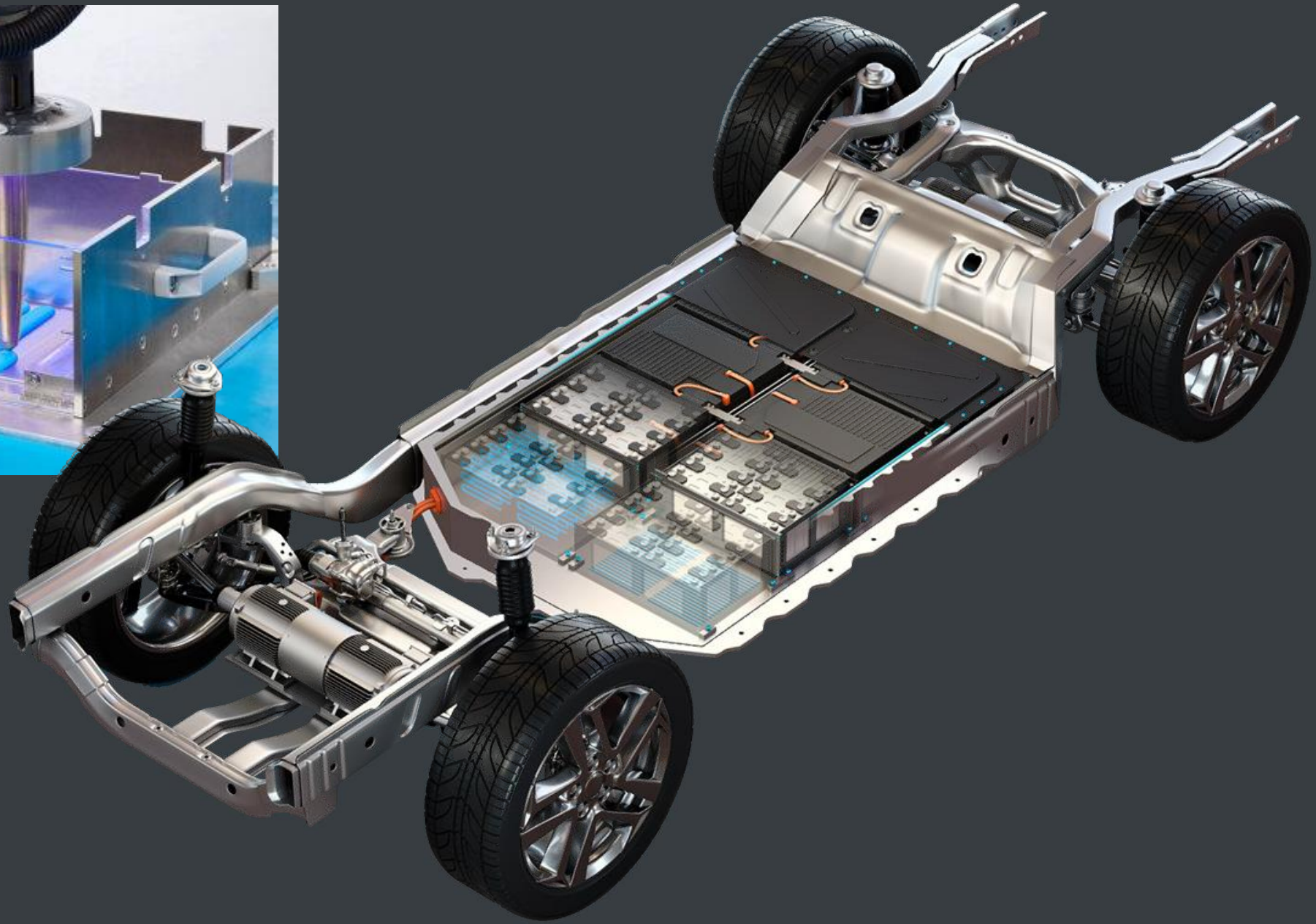
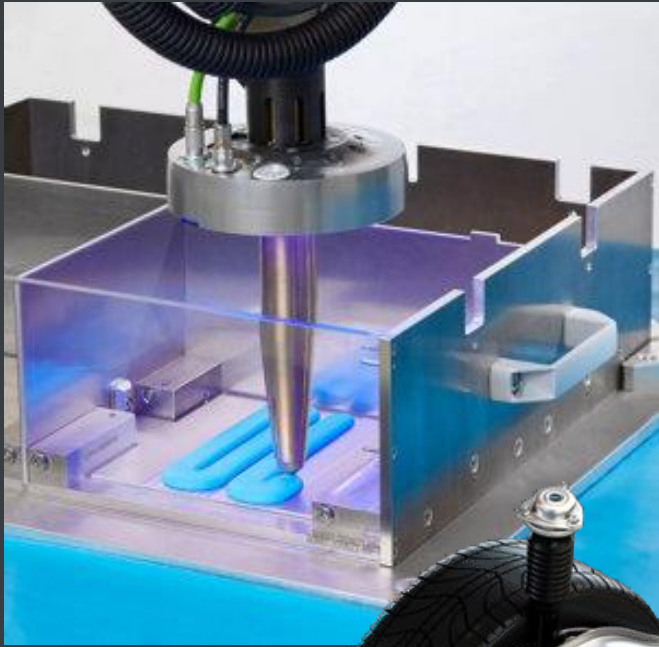


An enabler of the transition to a low carbon society



Four steps to reduce CO₂ in manufacturing





Industrial Technique People Strategy



- Leadership which enables our people and teams to have a sense of purpose, feel appreciated and empowered to reach full potential
- Example: Customer Center of the Future



- A culture of accelerated and self-driven learning to ensure the right competence and mindset to drive transformation and perform at full potential
- Example: Agile teams



- An attractive and inclusive environment, in which our people and future talent are confident in bringing their best selves and achieve their full potential
- Example: Global Industrial Internship Program

Summary – Industrial Technique

- Well positioned in global trends
 - Battery electric trends
 - Industry 4.0 including Automation
 - Deglobalization
- Machine vision focus on
 - Application specific products
 - Integrated vision
- Sustainability key driver of business and investments



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Forward-looking statements

“Some statements herein are forward-looking, and the actual outcome could be materially different. In addition to the factors explicitly commented upon other factors could have a material effect on the actual outcome. Such factors include, but are not limited to, general business conditions, fluctuations in exchange rates and interest rates, political developments, the impact of competing products and their pricing, product development, commercialization and technological difficulties, interruptions in supply, and major customer credit losses.”