



# Concentric AB Capital Markets Day

23rd May 2023



# Themes for today's presentation

**1.**

**CEO introduction**

**2.**

**Deep-dive into each component in our strategy:**

Developing our base business

Electrification -  
On/off highway

Market expansion -  
applications

Market expansion -  
India

Acquisitions

**3.**

**ESG & Sustainability**

**4.**

**Financial Strategy & Targets**

**5.**

**CEO summary**

Q&A

# The Concentric team

Today's presenters



**Martin Kunz**  
President and Chief Executive Officer

**Marcus Whitehouse**  
Chief Financial Officer

**Jennifer Todd-Wilson**  
Vice President Human Resources & Sustainability

**Boris Gavric**  
Senior Vice President Engines Europe & Asia and Advanced Products

**Brandon Larche**  
Senior Vice President Engines North America

**Adam Staite**  
Director Corporate Development

In attendance



**Riccardo Cavallari**  
Vice President Operational Excellence

**Paul Shepherd**  
Product Engineering Director, Engines

**Fernando Palmero**  
Senior Vice President Hydraulics

# Building on our strong history

We have a strong platform on which to deliver significant growth

Where we have been



2011-2021

**Stable  
returns**

Stable size

Market leading margins

Bolt on acquisitions

Strong cash generation

Impressive shareholder  
returns

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Where we are



2021-2023

**Positioning for  
growth**

Transformational  
acquisition of EMP

Enhanced electrification  
capability

New leadership

Growth culture  
established

# Building on our strong history

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2021-2023

**Positioning for  
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Transformational  
acquisition of EMP  
Enhanced electrification  
capability  
New leadership  
Growth culture  
established

Where we are going



2023 +

**Profitable  
growth**

Continued cash  
generation from our  
base business  
Significant electrification  
growth  
New market penetration  
Profitable growth

# A Multifaceted electric transformation

Concentric has the relevant technology across end-markets and geographies



**Societal changes, climate change awareness and regulation is driving the electrification of commercial vehicles**



**The pace of electrification will differ between markets, with on-highway currently at an inflection point**



**Electrification is a gradual process** – ICE engines may be partly electrified in tandem with full electrification of new vehicles...



**... and a robust ICE demand remains** well into the 2030's and beyond, particularly off-highway

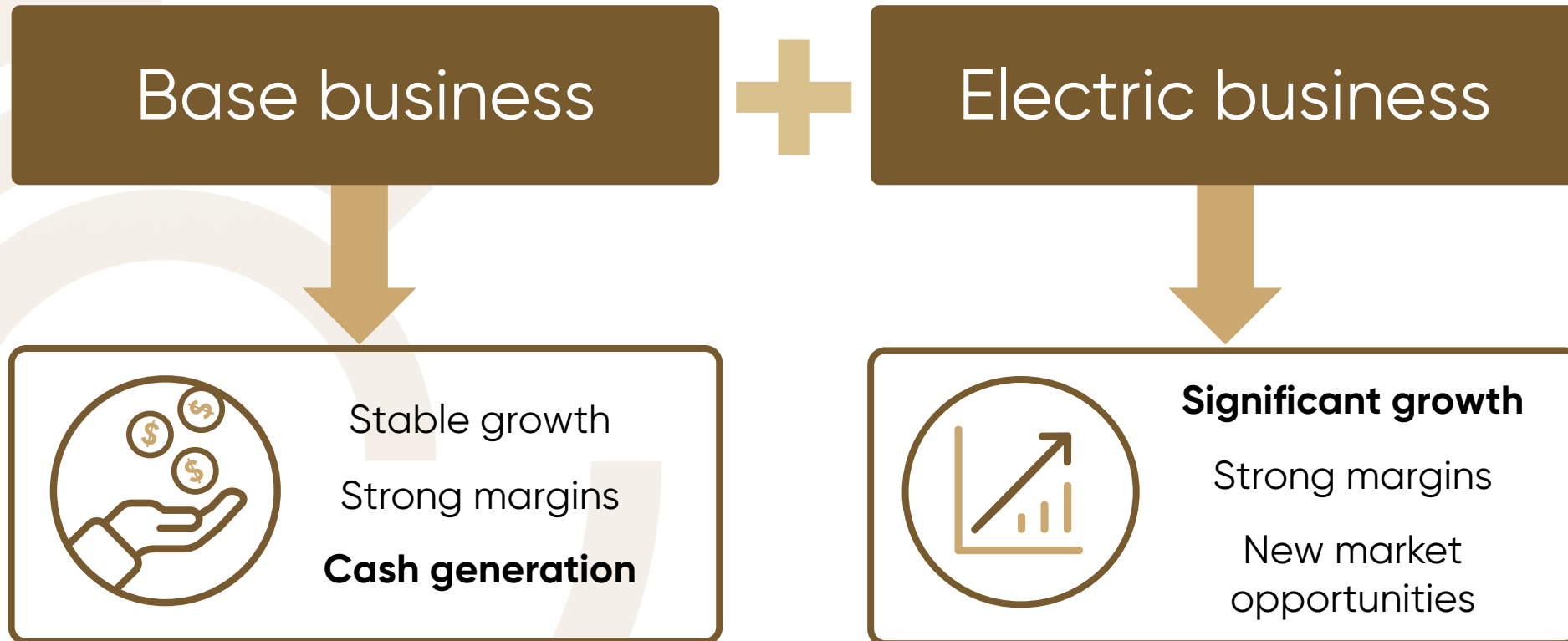


**Technology choices will vary across end-markets and geographies**



# Value proposition

Our businesses in different stages of their life cycle provide different, but complementary opportunities



# Accelerating profitable growth

A clear strategy to capture electrification opportunities and grow our base business

Trusted partner defined by high quality and technology leadership

Global geographic footprint and product range to deliver on customer demands

Continued commitment to operational excellence and financial discipline

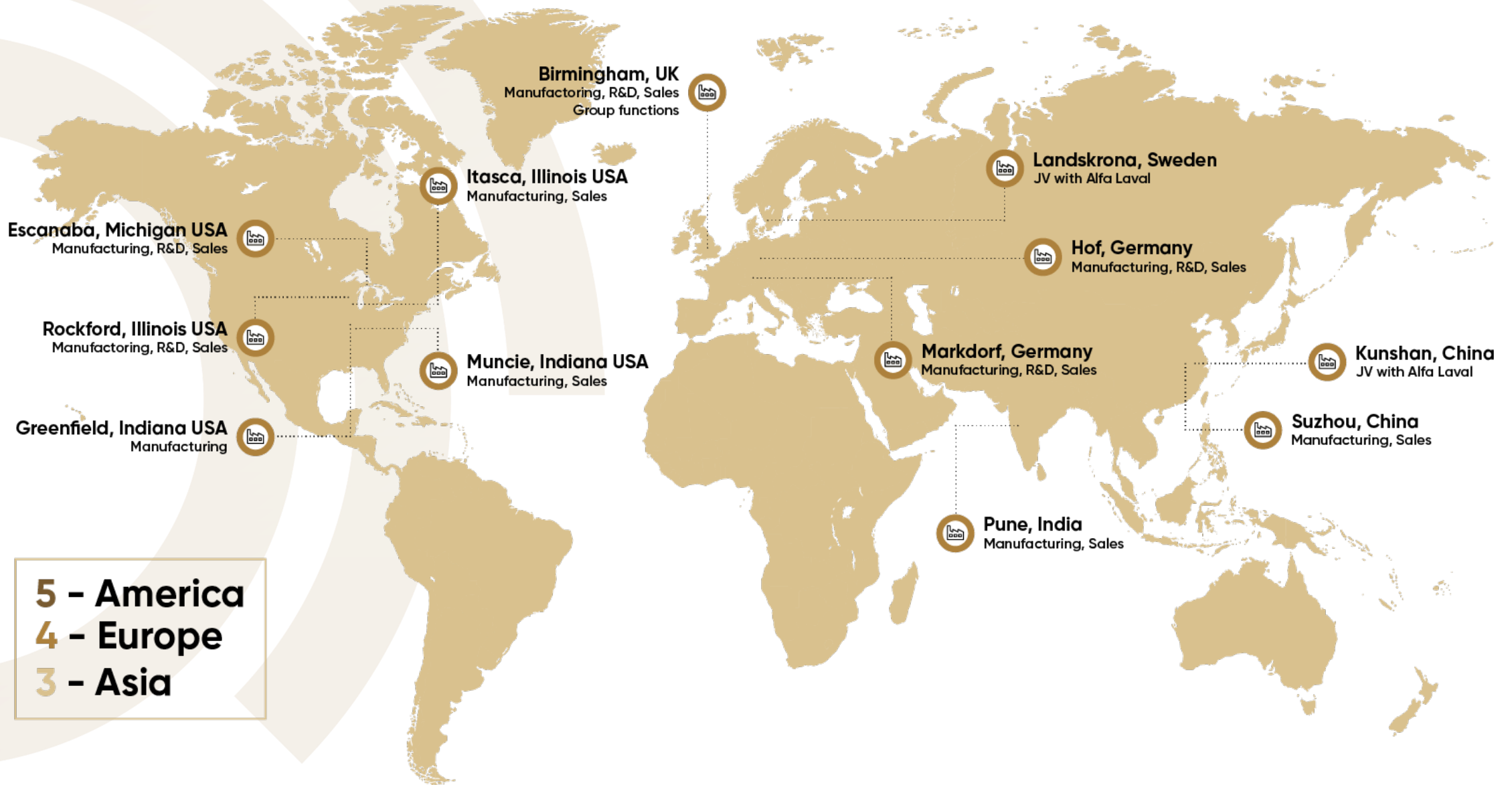
Strategic moves to accelerate growth, underpinned by a shift to a mindset and culture of growth

- ✓ Growing our base business
- ✓ Accelerating electrification
- ✓ Expanding into new end markets and applications
- ✓ Investing in a platform for growth in India
- ✓ An active acquisition strategy

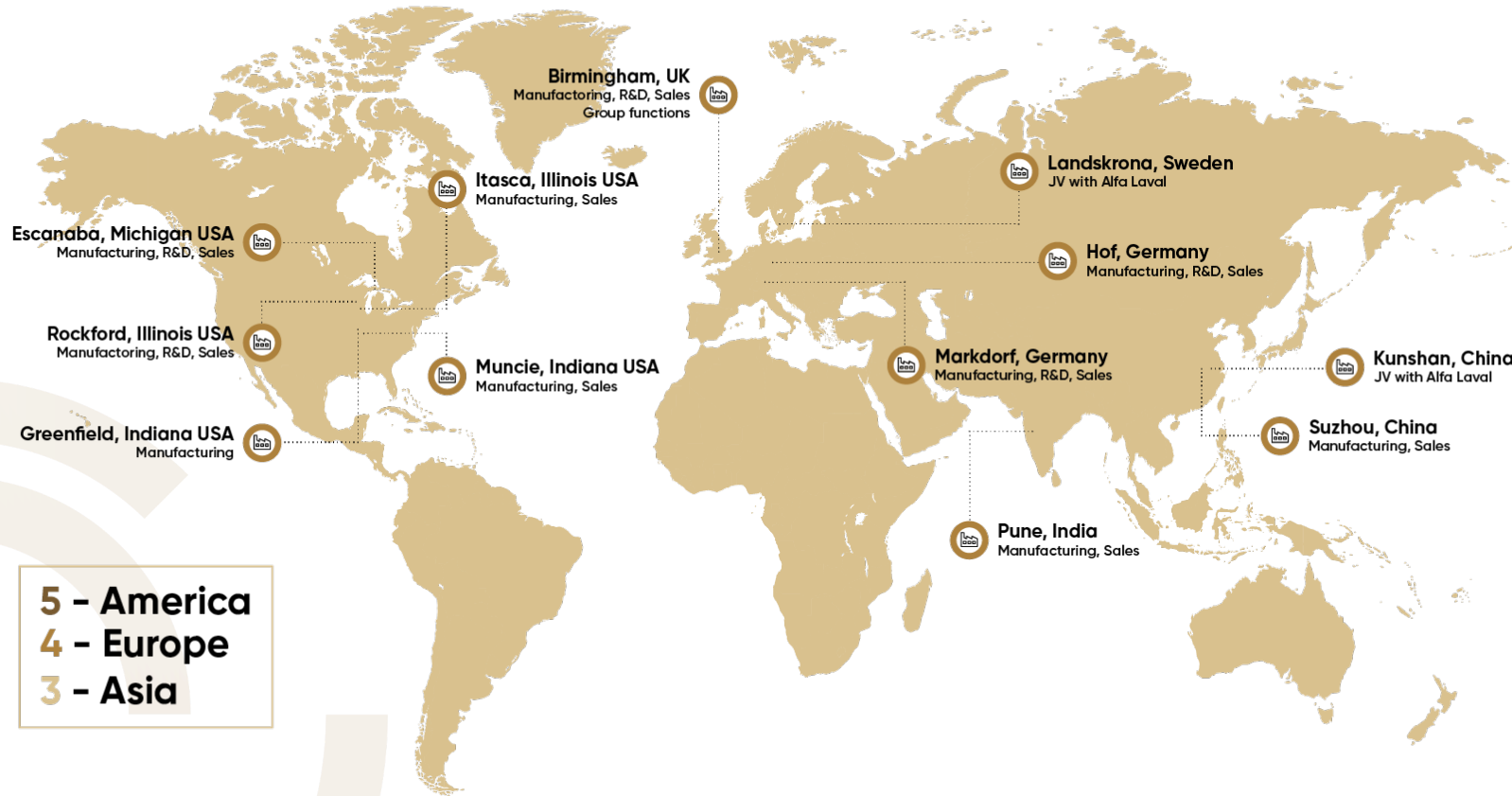
# Concentric Overview



# Business at a glance



# Business at a glance



**2022**

**4,056 MSEK** Revenue

**677 MSEK** Operating Income

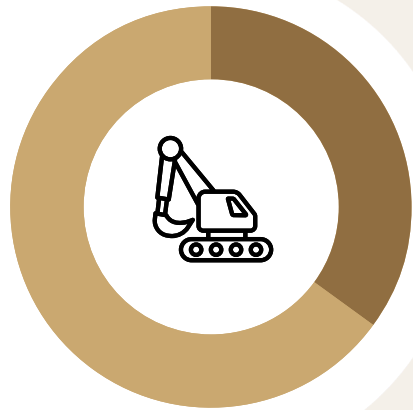
**16.7%** Operating margin

**17%** Electric Sales

**1,207** Employees

# Business at a glance

## Sales by end market



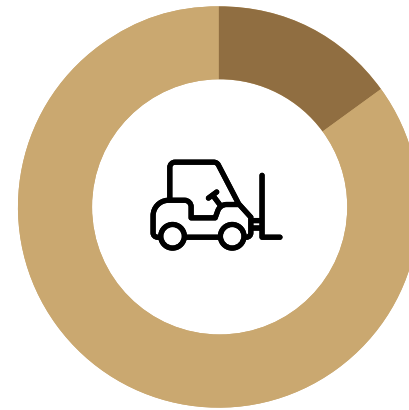
**36%**  
Construction



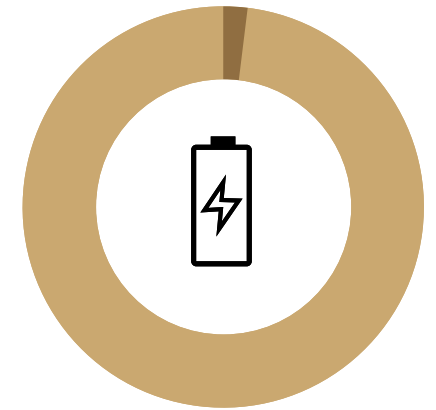
**29%**  
Truck and Bus



**18%**  
Agriculture



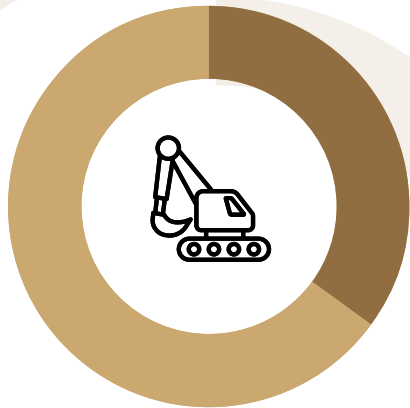
**15%**  
Industrial



**2%**  
Energy Systems

# Business at a glance

Percentage of electric sales in each end market



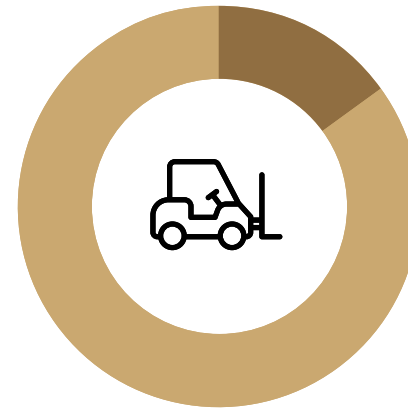
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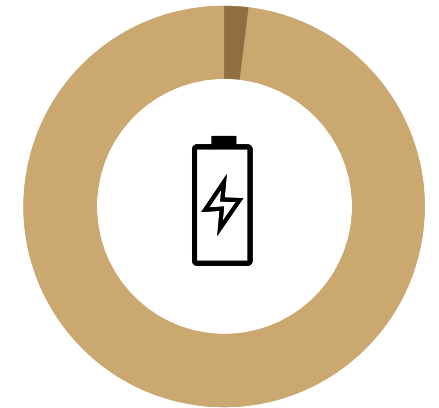
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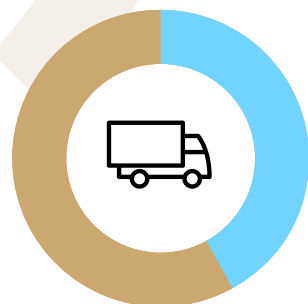
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Energy Systems



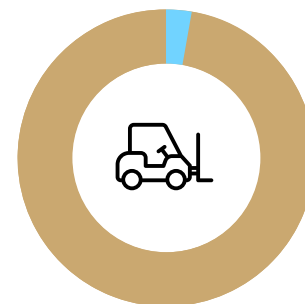
**5%**



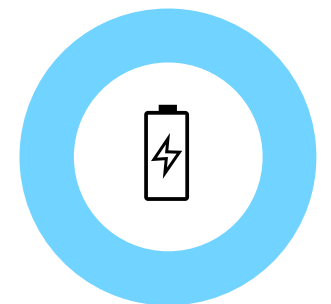
**42%**



**2%**



**3%**



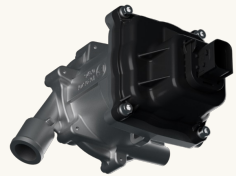
**100%**

# What do we sell

Innovation is at the core of all of our technology

Electric products

## Engines



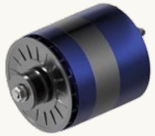
E-water pumps



E-oil pumps



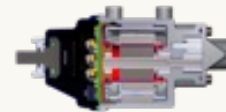
E-Fans



Alternators

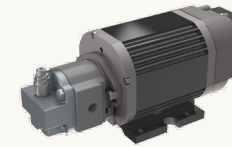


Thermal management systems



E-fuel pumps

## Hydraulics



Electro Hydraulic Steering



Power packs

Mechanical products



Mechanical pumps



Clutches



Precision machined components



Gear pumps



Low noise pumps

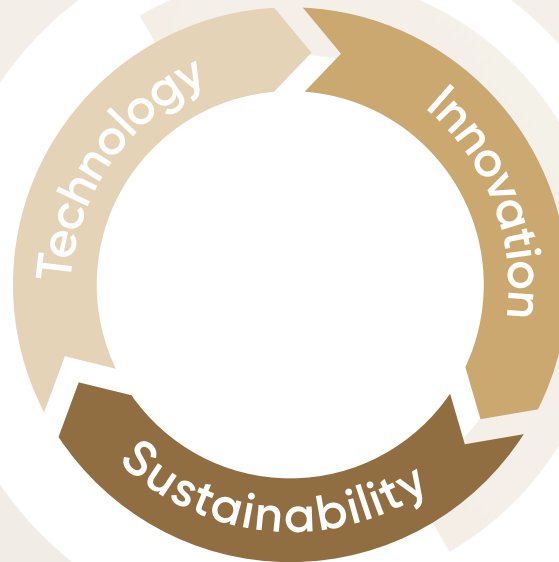


Transmission pumps



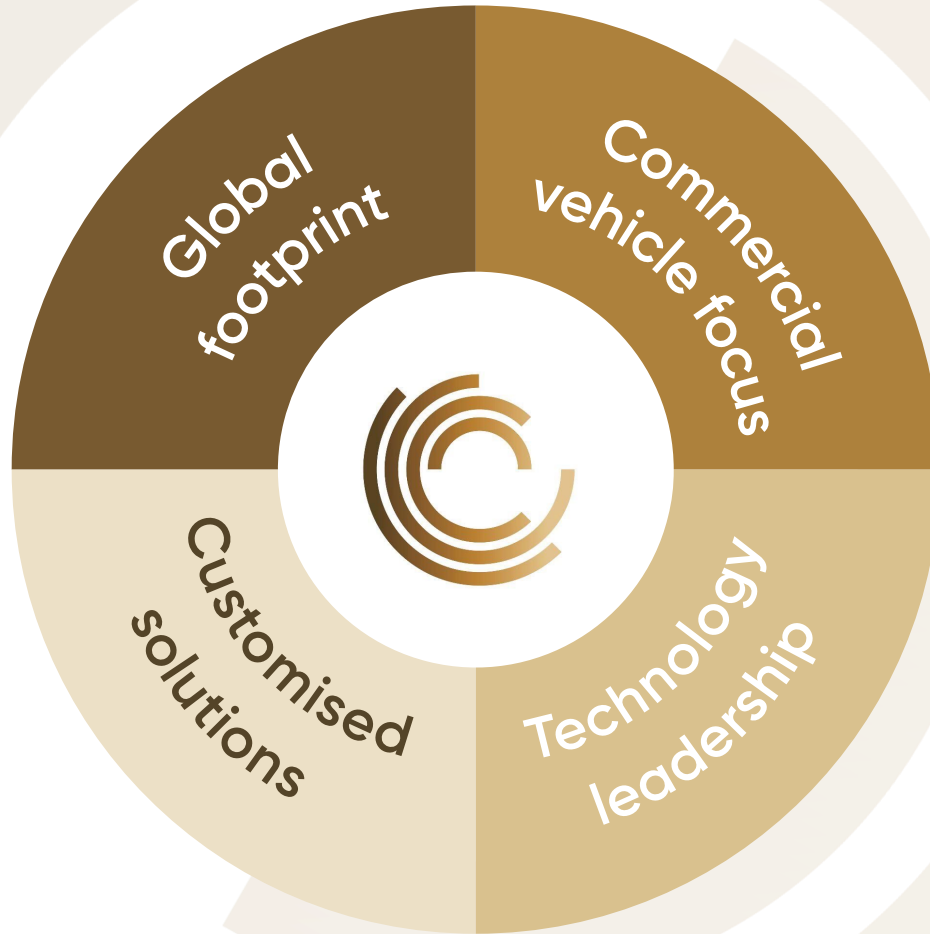
# Continued focus on delivering value and strong margins from our base business

We strive to be **a global leader** across all our primary end-markets, delivering **true value** through **high-quality** and **innovative products**



We target **profitable market niches** and maintain **strong partnerships** with our customers

# Competitive advantages



**Uniquely positioned  
against competitors**

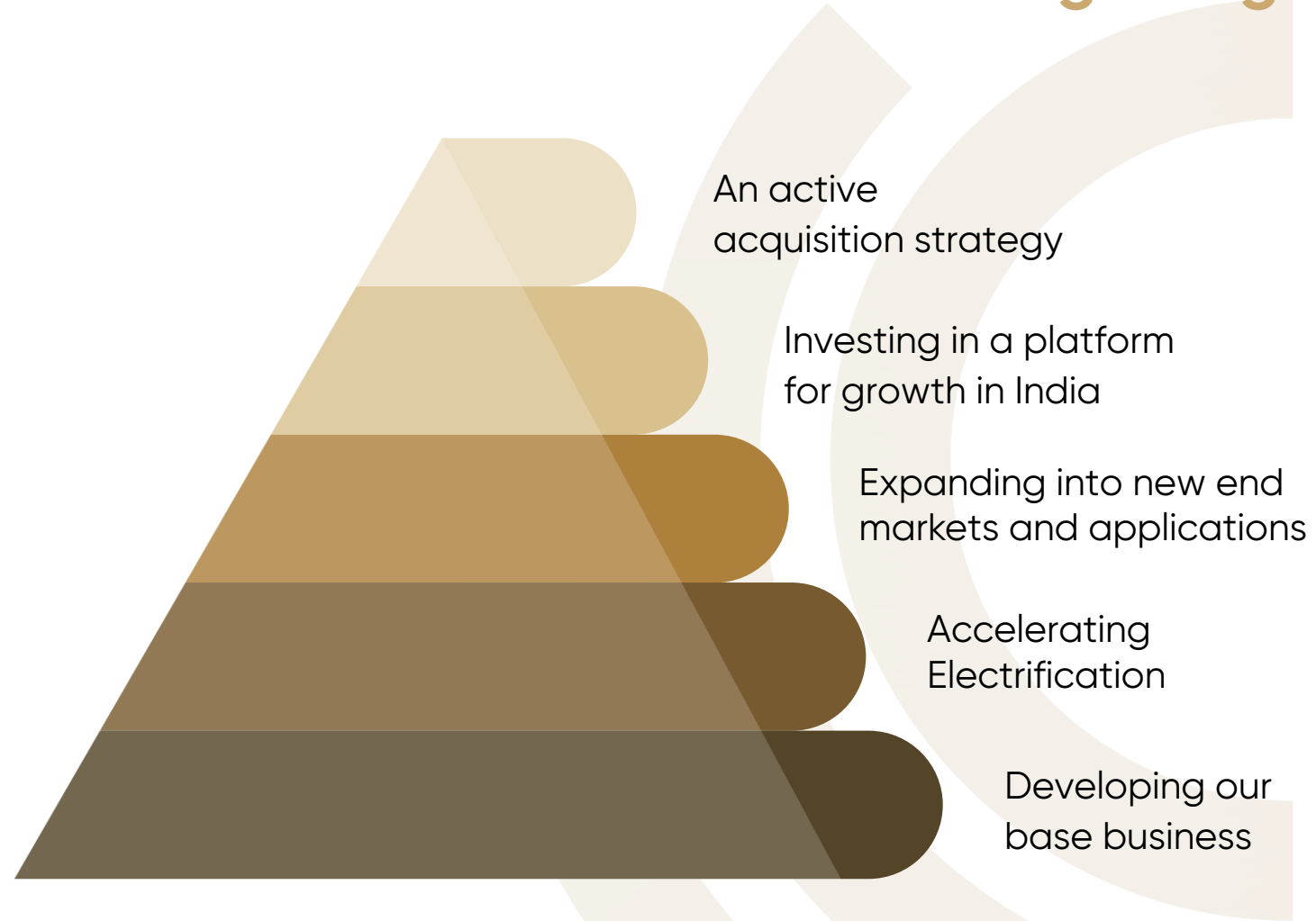
**We excel in quality  
and performance**

# Our Strategy to accelerate growth

# Accelerating growth through five strategic moves

Underpinned by a stable base business and strong margins

**We are instilling a mindset and culture of growth on top of operational excellence and margin discipline**



# Today's presentation

Explaining our profitable growth strategy

1.

**Brandon**

Development of our base business

2.

**Boris**

Growth in electrification

3.

**Adam**

Development of new markets and applications, supported by strategic acquisitions

4.

**Jennifer**

Sustainability as an integral part of our operations

5.

**Marcus**

Historic financial performance as a solid foundation for future outperformance

# Strategic moves: **Developing our base business**



Developing our  
base business

# Base business opportunities

## Continued development and strong cash flows from our base business

Whilst electrification provides huge opportunities, the transition will be non-linear. We will capitalise on the ongoing demand for mechanical products to continue to **grow our base business at 3% above the market**



**Demand for mechanical pumps will continue to be significant**, particularly in off-highway



Base business will continue to generate **market leading margins**



We expect to deliver ongoing **growth in our base business** in the coming years



**Strong cash flows** from our base business will **support investment in growth via our key strategic moves**



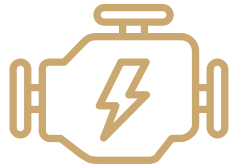
We **continue to win significant contracts** in our base business



We will enhance the performance of our base business through **operational excellence**

# Base business opportunities

Our base business will continue to deliver growth



## Engines

- **Euro 7 (2025-2027) legislation** will drive need for optimised efficient mechanical products to meet fuel economy targets, including:
  - Two speed coolant pump clutches on heavy and medium duty engines
  - Clutched steering pump
  - Variable flow oil pump
- Growth in emerging markets, particularly in India with **BSVI (2020) and BSVI-II (2023) legislation**



## Hydraulics

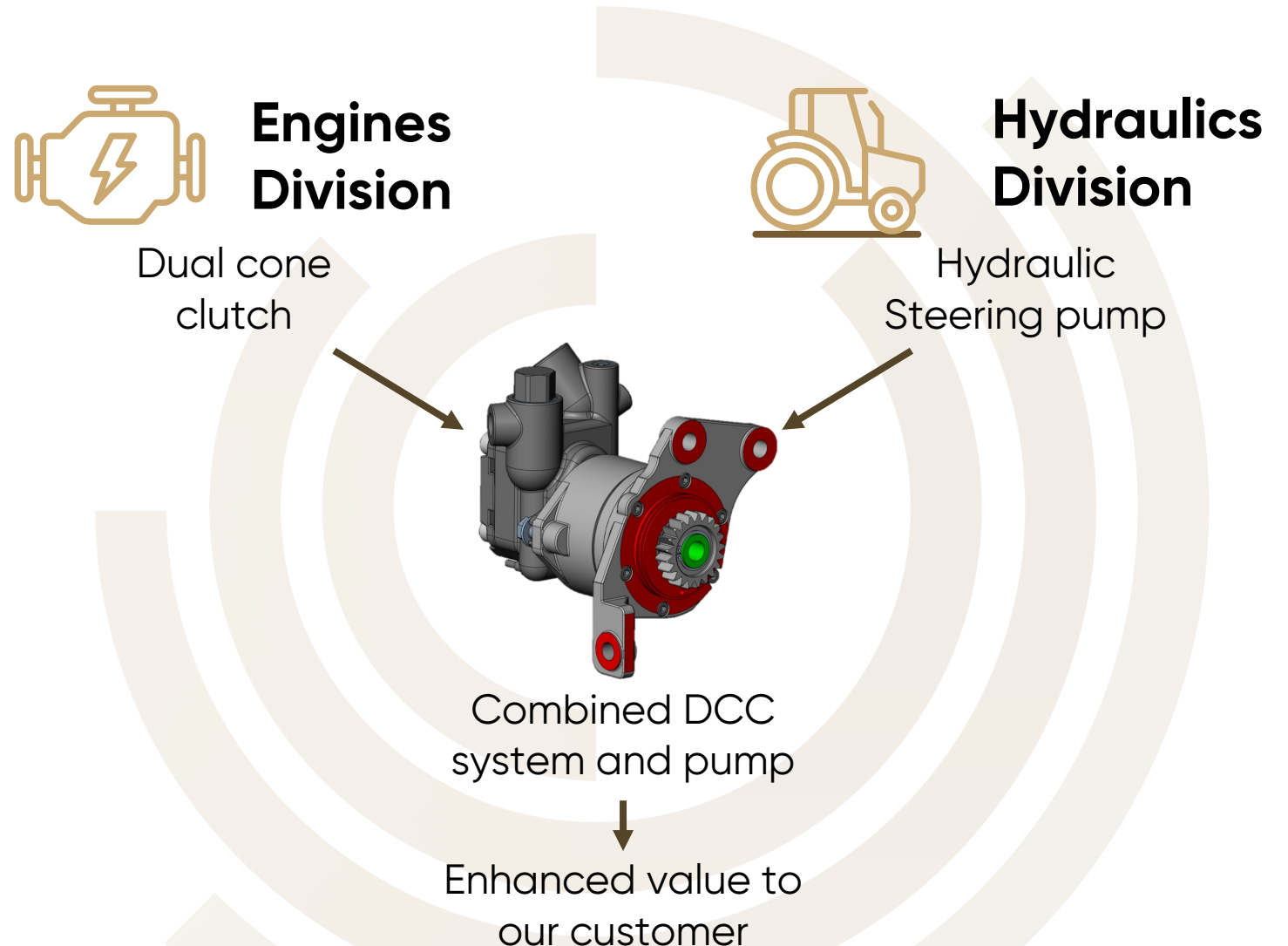
- We continue to **innovate and grow market share**, for example recently launching our internal gear pump to the market which delivers both performance and noise benefits to customers
- The **slower rate of electrification in off-highway** applications will ensure an ongoing demand for mechanical hydraulic products
- Even electric agricultural and construction equipment will require mechanical hydraulic pumps due to the **higher power density** requirements in these applications



# Combining technologies

## Collaboration across divisions to deliver value to our customers

- As we embed a **culture of growth**, we are increasingly **collaborating across our divisions** to produce technology which delivers value to our global customers.
- An example of this is the **Dual Cone Clutch (DCC) System and Pump** project, currently at prototype stage for a global OEM.
- This innovative product allows a truck to use hydraulic steering, even when the engine is off and delivers customers a **~2% fuel reduction**.



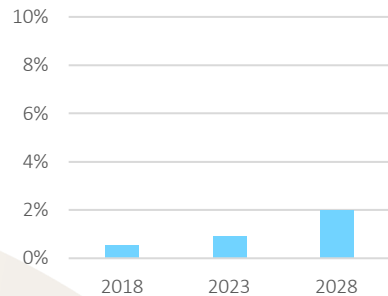
# Ongoing mechanical demand

Some key market segments will only electrify gradually

## Electric vehicles/machines as a % of total production



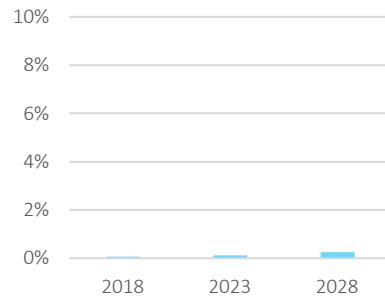
### Construction



Limited penetration so far due to power density requirements



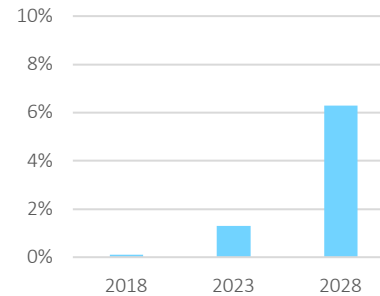
### Agriculture



Almost no electrification so far due to power density requirements



### HD Truck



The evolution has begun, but slower than bus and MD truck

The slower pace of electrification in these key markets will ensure an ongoing strong demand for mechanical products

We expect this continued demand to drive growth for our base business in the coming years

# Operational excellence

Driving continued strong margins and enhancing value to customers

Strategic Sourcing

Optimised Manufacturing footprint

Lean Transformation

Complexity Reduction



**Operational  
Excellence**

# Operational excellence

Driving continued strong margins and enhancing value to customers

## Strategic Sourcing

- Leverage purchasing volumes through global sourcing organization.
- Drive supplier performance improvements.
- Improve supply chain risk management.

## Optimised Manufacturing footprint

## Lean Transformation

## Complexity Reduction



**Operational  
Excellence**

# Operational excellence

Driving continued strong margins and enhancing value to customers

Strategic Sourcing

Optimised Manufacturing footprint

- Create economies of scale through manufacturing hubs for our base business in the key regions.
- Expand emerging markets footprint to achieve growth and cost competitiveness.
- Reinforce manufacturing centres of excellence.

Lean Transformation

Complexity Reduction



**Operational  
Excellence**

# Operational excellence

Driving continued strong margins and enhancing value to customers

Strategic Sourcing

Optimised Manufacturing footprint

Lean Transformation

- Share best practice globally.
- Implement continuous improvement culture.
- Performance management to improve customer experience.

Complexity Reduction



**Operational  
Excellence**

# Operational excellence

Driving continued strong margins and enhancing value to customers

Strategic Sourcing

Optimised Manufacturing footprint

Lean Transformation

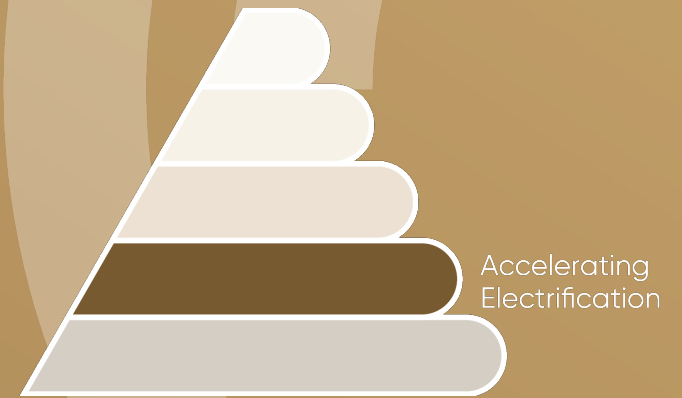
Complexity Reduction

- Streamline business processes.
- Reduce number of SKUs.
- Move activities which are not directly generating customer value to the most efficient place in the organization.



**Operational  
Excellence**

# Strategic moves: **Accelerating Electrification**

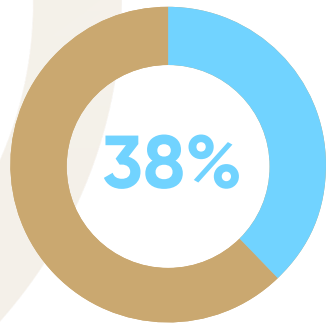




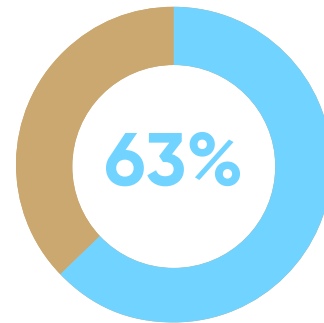
# Electrification brings global transformational change

... driven by increased climate awareness and legislative changes across the world, delivering substantial reductions in CO2 emissions

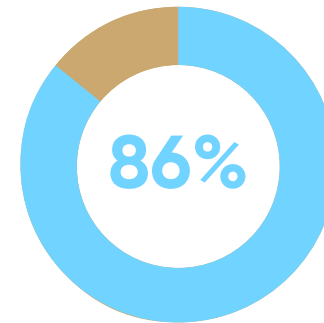
CO2 savings potential of a battery-electric truck compared to a combustion engine truck over the entire useful life



at today's EU energy mix



at the target for 2030 EU energy mix



using entirely fossil-free energy

500,000 km mileage in a representative distribution cycle with an average payload of 6.1 t (including battery production and disposal) Source: Scania LCA study for distribution vehicles

# Electrification - Growth Drivers

Exciting value creation opportunities are emerging

The electrification of our markets brings significant opportunities to:

Increase the **value** that our products can deliver to customers

Increase the **number of Concentric products** required on each vehicle

Increase the **revenue** generated from each product



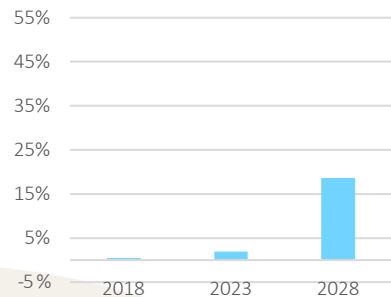
# Where are our end markets changing

## Bus, MD truck & industrial on a clear electrification path

### Electric vehicles/machines as a % of total production



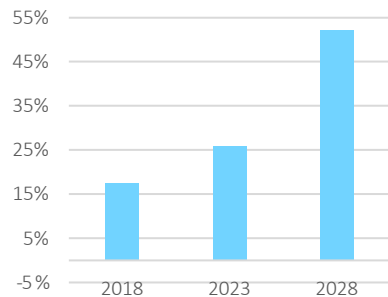
#### MD Truck



Steady evolution has begun, with ramp up expected in next 5 years



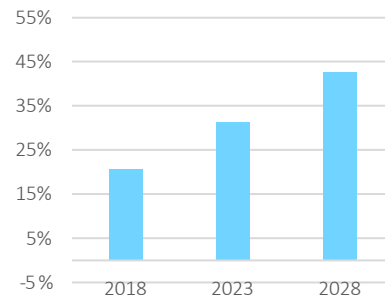
#### Bus



First mover in on-highway electrification, strong growth expected



#### Industrial



Small mobile industrial machines were the first to electrify and this is expanding

The pace of electrification in these key markets is generating significant demand for our electric products

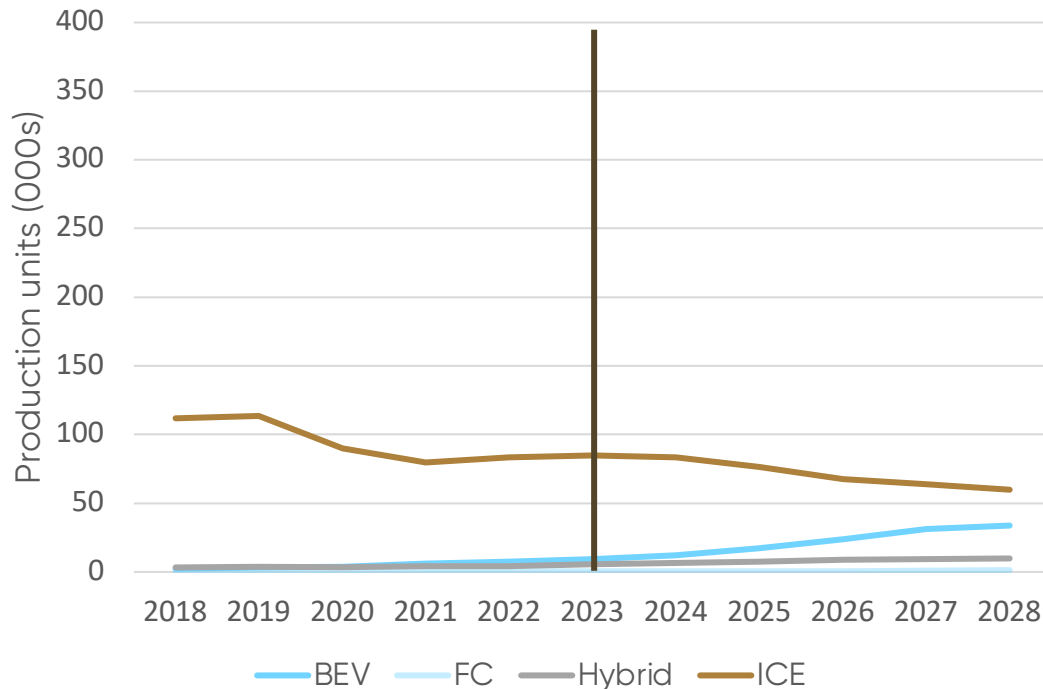
This demand will continue to increase as customers increase their rate of electrification in the coming years

# Markets at inflection point

## Buses leading the way, with MD trucks following

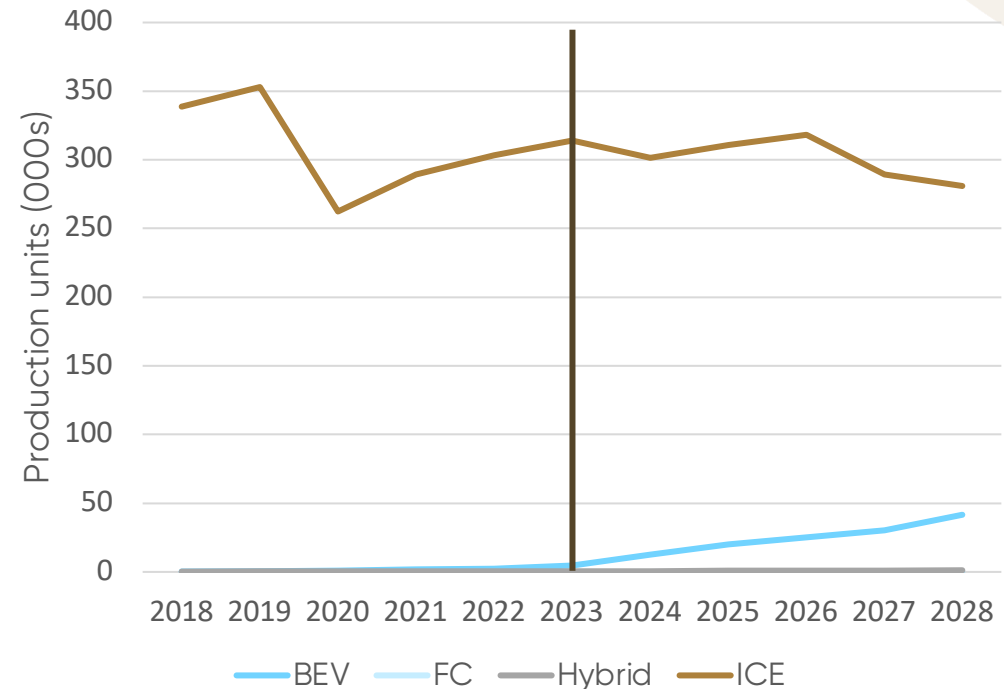
### Buses

- Buses are leading the way when it comes to commercial vehicle electrification
- Significant further EV growth is expected by 2028



### MD trucks

- Whilst MD trucks have limited electrification to date, there is expected to be a significant ramp up from 2023-2028



# Our advanced technology offering

## Thermal Management

## Steering



### E-Water pumps

Cooling of hybrid powertrains, EV batteries and power electronics

- Fuel savings
- Variable flow control
- 50,000 hour life



### E-Oil pumps

Lubrication and cooling of eMachines and eAxles

- Fuel savings
- Variable flow control
- 50,000 hour life



### E-Fans

Cooling of MD and HD BEV and FCEV

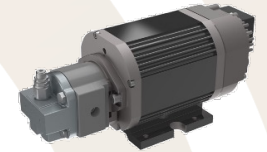
- Increases available engine horsepower
- Improves fuel economy
- Optimizes temperature control



### Thermal management systems

Heavy duty cooling of BEV and FCEV

- Customised and optimised to the customers specific performance requirements



### EHS

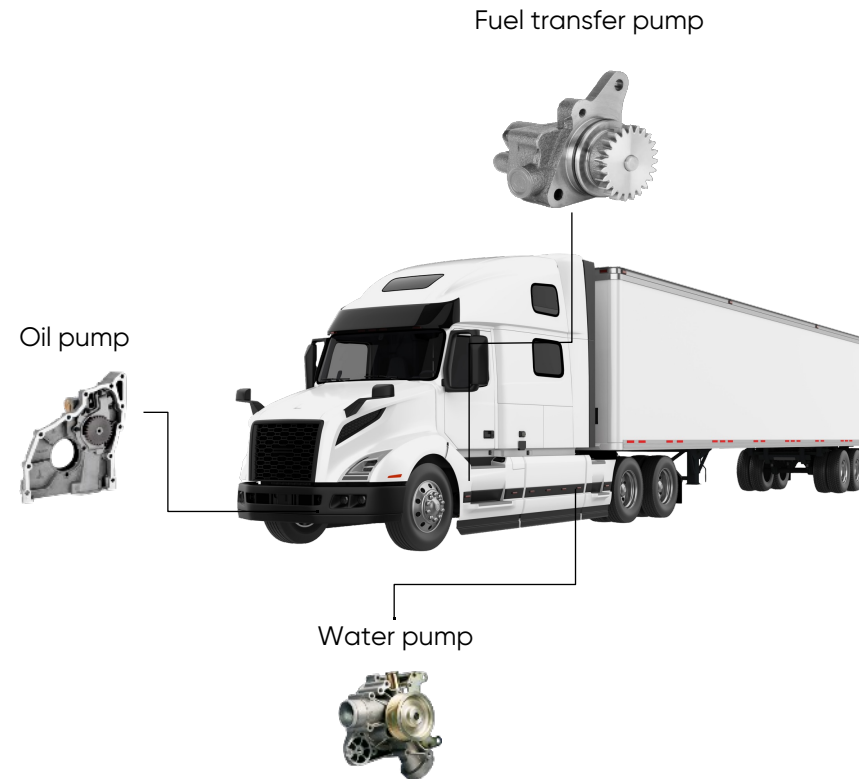
On-demand steering of on-highway commercial vehicles

- Low noise
- System power savings
- Variable speed capability

# Share of wallet

## Truck

3 pumps required on ICE platform



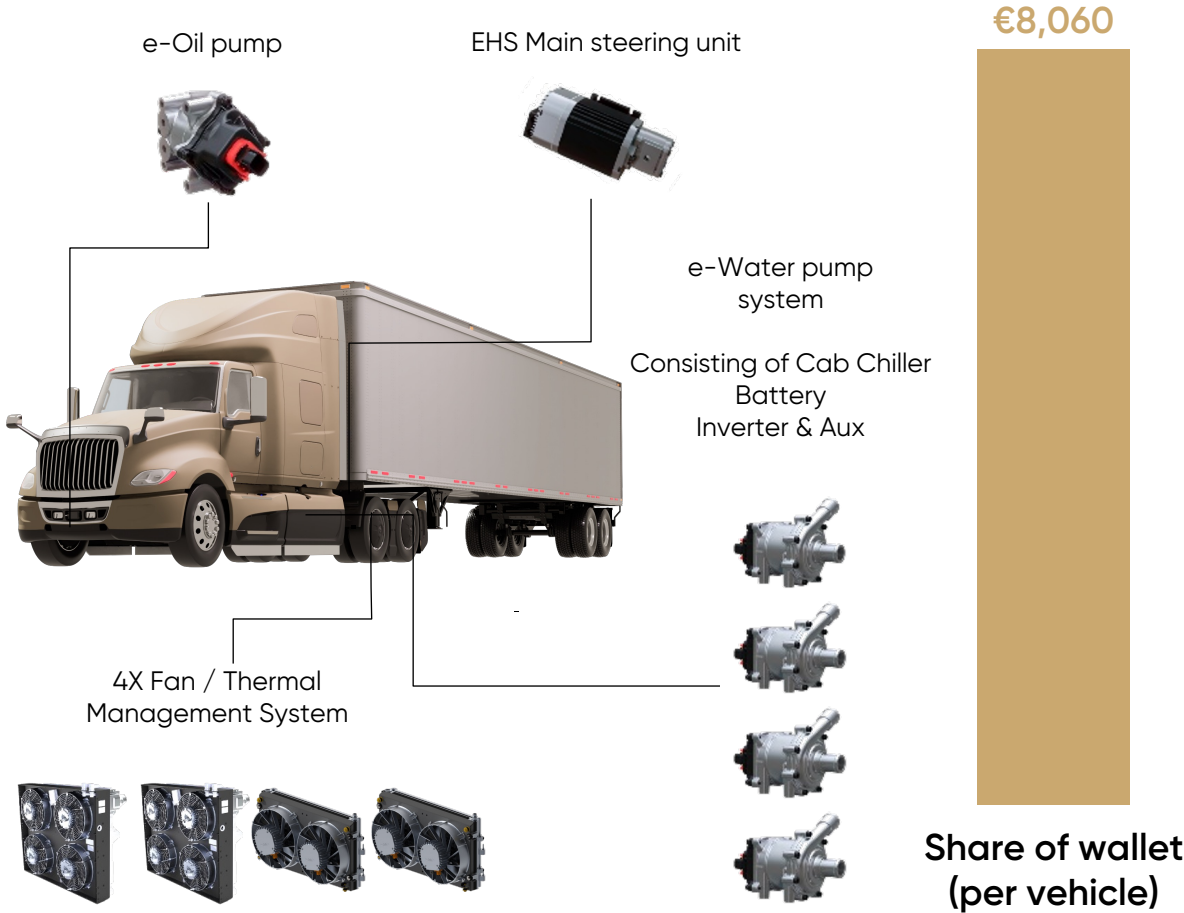
€150

Share of wallet  
(per vehicle)

# Share of wallet

## Truck

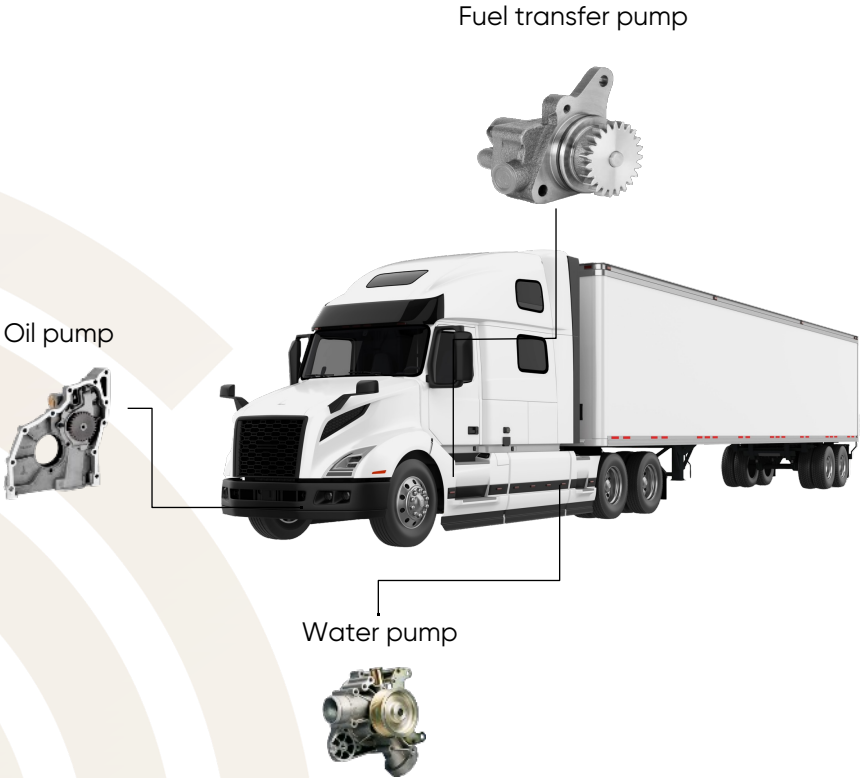
10 e-products required on BEV platform



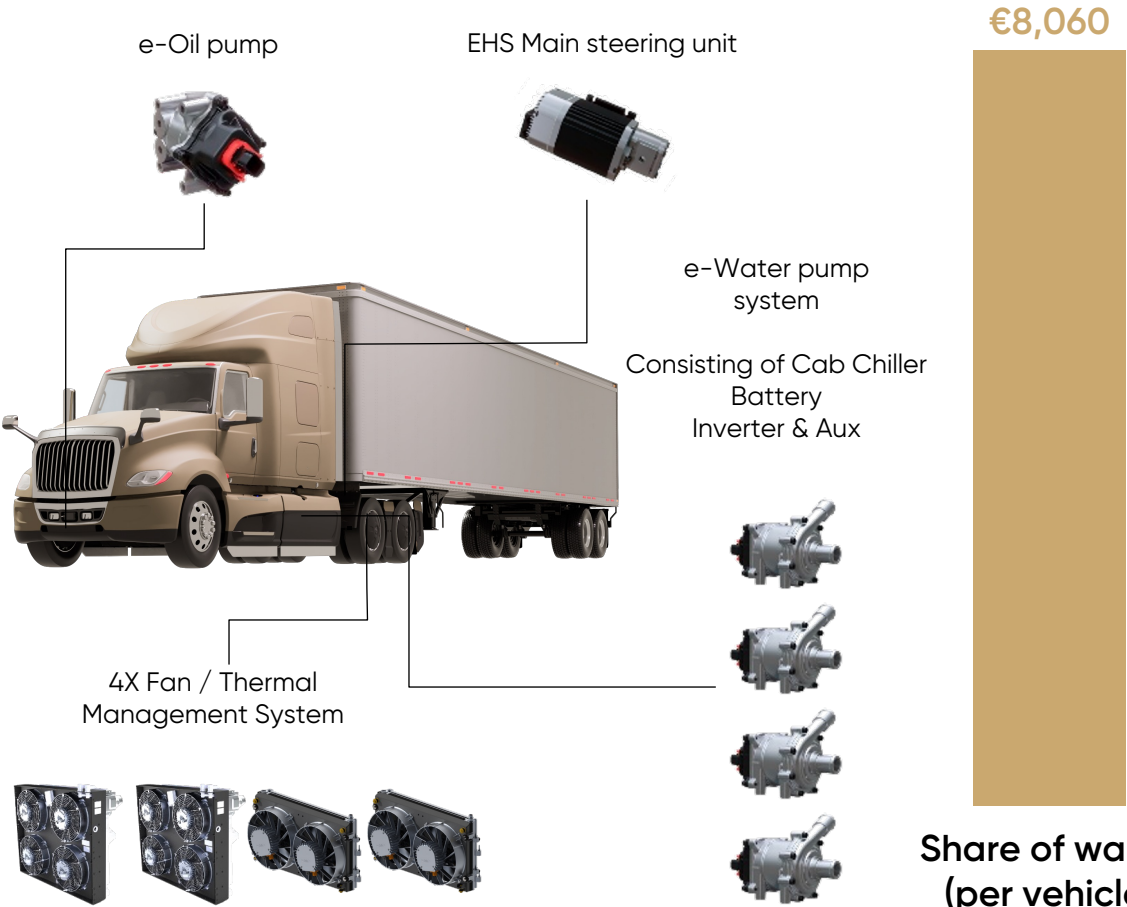
# Share of wallet

## Truck

3 pumps required on ICE platform



10 e-products required on BEV platform



€150  
Share of wallet  
(per vehicle)

Share of wallet  
(per vehicle)



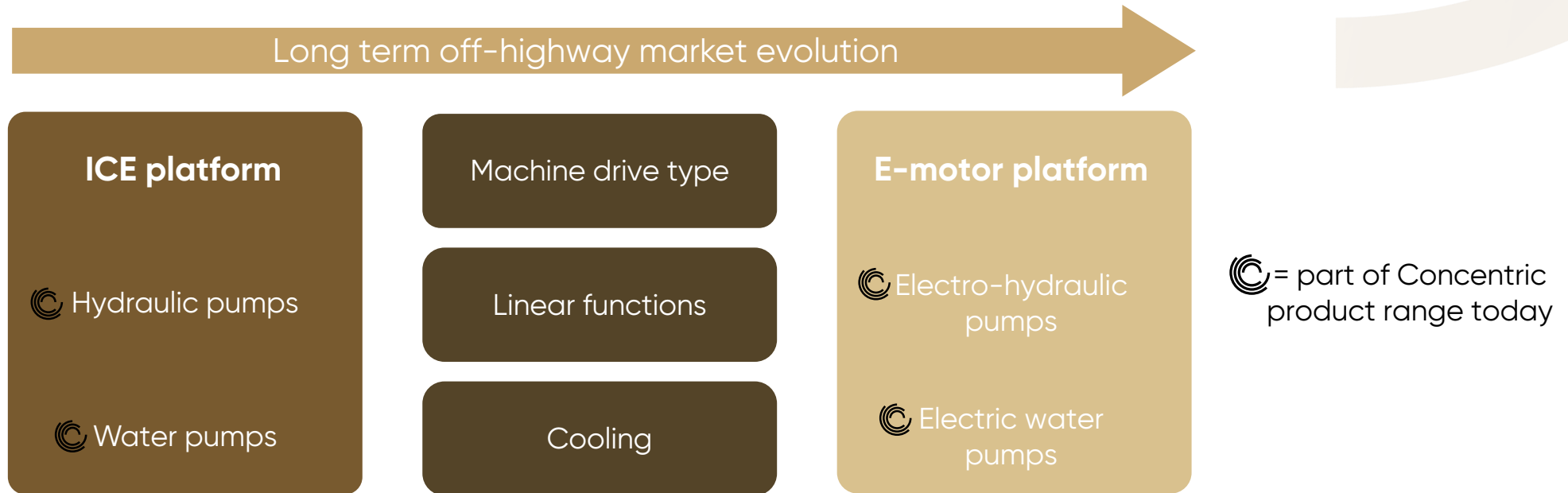
# Off-highway electrification

Behind on-highway but we expect a steady evolution

Today, less than 1% of construction and agriculture equipment is electric

Electrification of off-highway will be steady, due to the high power density requirements

By 2028, PSR estimate that 2% of construction equipment will be electric whilst agriculture will still be under 1%









Our current hydraulic products will continue to deliver value for many years, and we already have electro-hydraulic products available which will increase in demand as the market evolves

# Share of wallet

## Excavator





### Hydraulic pumps & motors required on ICE platform

-  Hydraulic fan drive motor
-  Implement pump
-  Hydraulic fan drive pump
-  Fuel transfer pump
-  Oil pump
-  Water pump

Share of wallet (per machine) €600



### Cooling and lubrication as well as hydraulic pump products required on e-motor platform

-  HV power pack including low noise pump
-  CAN controlled power pack decentralization
-  E- fan module
-  3x e-WP: cooling oil/water/electronics

Share of wallet (per machine) €6,300

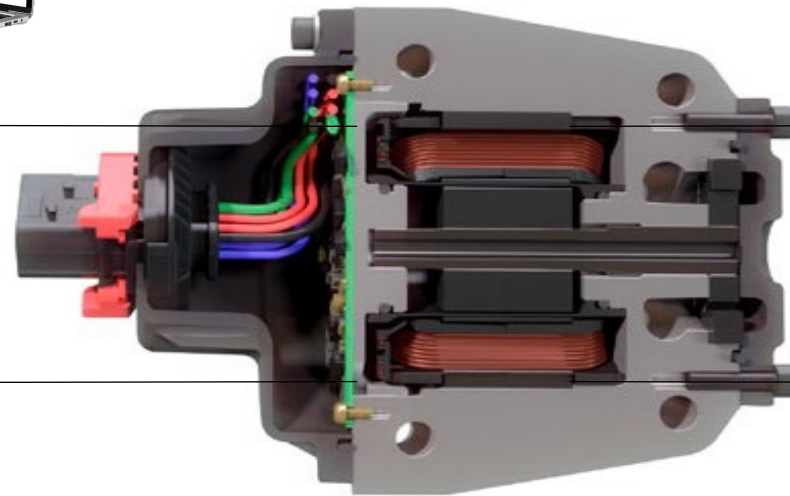
# Core technologies in-house

## Growing in-house electrical engineering capability

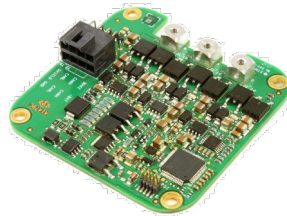
**Software**  
In-house capability



**Mechanical hardware**  
Built internally



**Motor controller**  
IP in-house,  
manufactured via supply  
partners



**Electric motor**  
Close collaboration with  
partners



# Delighting our customers

## What are our customers saying about Concentric?

"We have had the Concentrics EMP branded e-fan system on our vehicles for over a year and we are very impressed! The **trucks perform better** with **more power to the wheels** and **quieter operation** in our neighborhoods. We also see the benefit of the fan reverse and no longer having the need to do preventative maintenance on a weekly basis, **saving us both time and money**"

"Concentric leads the way in coolant packages/charging systems"

"Highest standard on quality"

"Customer service, sales, engineering and technical support have just been great"

"Your system works without any issues... to the point that we sometimes forget they are on our vehicles"

"This new technology is definitely advantageous for our industry"

"Since your system was put in, I haven't had a call on the truck for over a year!"

# Optimising our footprint

We will continue to invest in our footprint to support growth as electrification accelerates

We will **invest in our business** to ensure that we can deliver growth in the coming years.

We will **adjust our footprint**, to ensure that our resources are optimised to enhance value for our customers.



Shorter lead times for customers



Access to high quality talent



Centre of excellence approach to allow closer regional collaboration between teams



Economies of scale



State of the art manufacturing

# Electrification

## Roadmap Summary

Key segments growing with healthy CAGR to provide **significant opportunity** in near and long term.



We have **responded quickly** to changing market needs, successfully developing reliable, technologically advanced e-products



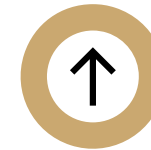
Our products have impressed major OEM customers in a range of end markets resulting in **significant wins**



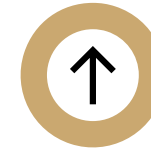
We have **successfully integrated EMP** which has enhanced our product range and our e-engineering competence



We will continue to **invest in building our capability**, including optimising our footprint in the coming years



Increases the value that our products can deliver to customers



Increases the number of Concentric products required on each vehicle



Increases the revenue generated from each product

# Strategic moves: **Expanding into new end markets and applications**

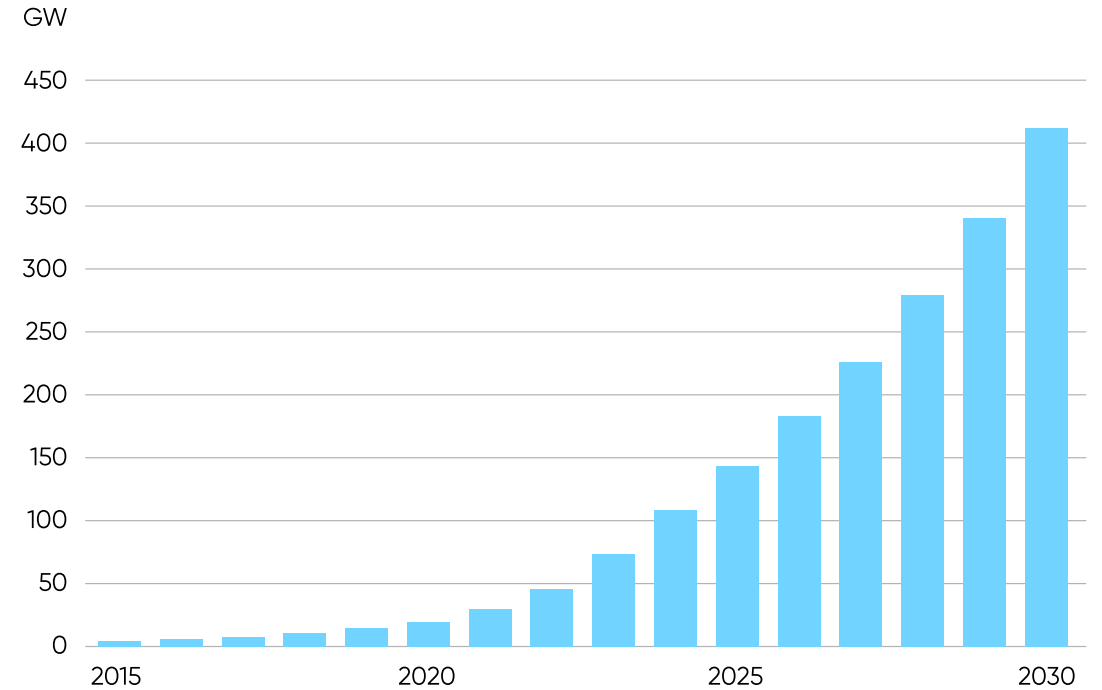


# New markets

## Significant opportunities in battery cooling for our advanced products

- Our range of **electric pumps and fans** can meet the **cooling requirements of any application** that generates heat
- **Any market where batteries are used to store energy represent an opportunity** for Concentric
- We are currently **targeting sales into a number of markets** where we have not previously had a presence
- Our proven **ability to tailor solutions to customers requirements** is a key competitive advantage

### Global cumulative energy storage installations



Source: BloombergNEF 2022



# Penetrating new markets

With existing products and dedicated resources

## Existing products

- The **cooling requirements** in the new markets that we are targeting are the **same as in our legacy markets**
- As a result, our **existing electric product range is ideally suited to meet the needs of customers in these new markets**, enhanced with our proven customisation capabilities

## Dedicated resources

- Dedicated **business development personnel**, who are familiar with and speak the language of the target markets (e.g. energy storage)
- **Additional electrification manufacturing capacity** in our target geographies, to better serve our customers

## Wins with customers

- We have demonstrated our ability to win in new markets, having **secured a significant contract** with a major energy storage customer
- We are currently in a range of **active discussions and development projects** with customers in new markets

# Strategic moves: **Investing in a platform for growth in India**



Investing in a platform  
for growth in India

# Platform for growth in India

Long established off-highway presence with significant growth potential



## Off-highway strength

- Full scale manufacturing facility since 1999, with a **particularly strong presence in off-highway applications**
- Our products are on the machines of many **leading domestic and international OEMs in India**
- We see **significant potential to build on our strong customer relationships and grow** our business further, both growing share with existing customers and winning new customers

*"Indian Construction output is expected to record a **CAGR of 9.9%** from 2023-2027, to reach **over \$800 billion by 2027**"*

Researchandmarkets.com

# Platform for growth in India

Recent business wins pave the way for further on-highway growth



## Catalysing on-highway growth

- Recently announced **two separate major supply opportunities for coolant pumps in the on-highway truck sector in India**
- This is the **first on-highway success** for Concentric in this region
- We are confident that these successes will allow us to grow further in this market in coming years with both existing and new customers

*"The India truck market will reach **US\$ 36.4 billion by 2028**, exhibiting a growth rate (CAGR) of 9% during 2023-2028"*

IMARC Group

# Platform for growth in India

Significant electrification investments planned in India over the next five years



## Electrification potential

- We are engaged in **active discussions** with a number of **major India based OEMs** regarding our e-products
- A **localisation plan** is being developed to assess the potential to **produce e-products domestically in India**
- The **growth potential for electrification in India is significant**. The forecast for electric bus production in India suggests that electric buses will grow 9x by 2028

*"India is planning a **\$10 billion investment** for 50,000 electric buses in the next 5 years"*

# Strategic moves: **An active acquisition strategy**



# EMP integration

We have created a successful post acquisition process which is repeatable



Unlocked **revenue synergies** through leveraging global sales teams



**Product line consolidation** & optimisation



Performance improvements through group wide **operational excellence**



**Cost synergies** achieved by the global sourcing organisation



**Leveraging electrical engineering capability** across entire group



**Operational alignment** and consolidation of commercial organisation

*Cross selling Concentric and EMP products has already increased our global market penetration, and significant further opportunities exist.*

# EMP integration

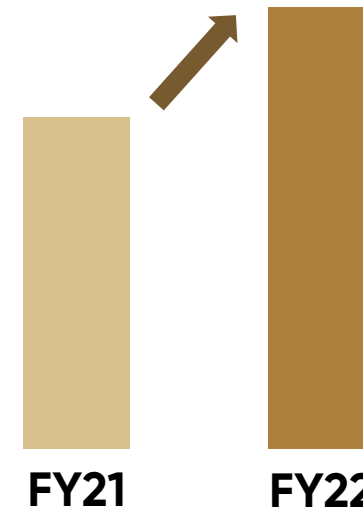
Significant value creation since the acquisition

Between FY21 and FY22:

EMP revenue grew significantly...



...whilst also demonstrating substantial operating margin improvement



The improvement journey continues in 2023, with Q1-23 performance well above that achieved in Q1-22, supporting ongoing investment in areas such as R&D



# Accelerate acquisitions

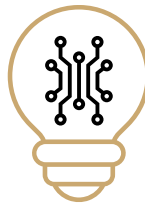
Target further acquisitions  
which support our strategy

Our **dedicated M&A resources, robust balance sheet, and significant debt capacity** mean that we are well positioned to execute acquisitions

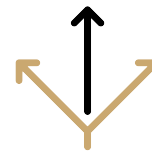
## Strategic criteria



Support our  
**electrification**  
strategy



Market  
leading  
**technologies**



Access to  
**new markets**



Enhance  
**geographical**  
**footprint**

# Accelerate acquisitions

Target further acquisitions  
which support our strategy

Our **dedicated M&A resources, robust balance sheet, and significant debt capacity** mean that we are well positioned to execute acquisitions

## Financial Criteria



Capable of  
delivering  
**high margins**



Consistent  
**profitability**



Opportunity  
for **synergies**

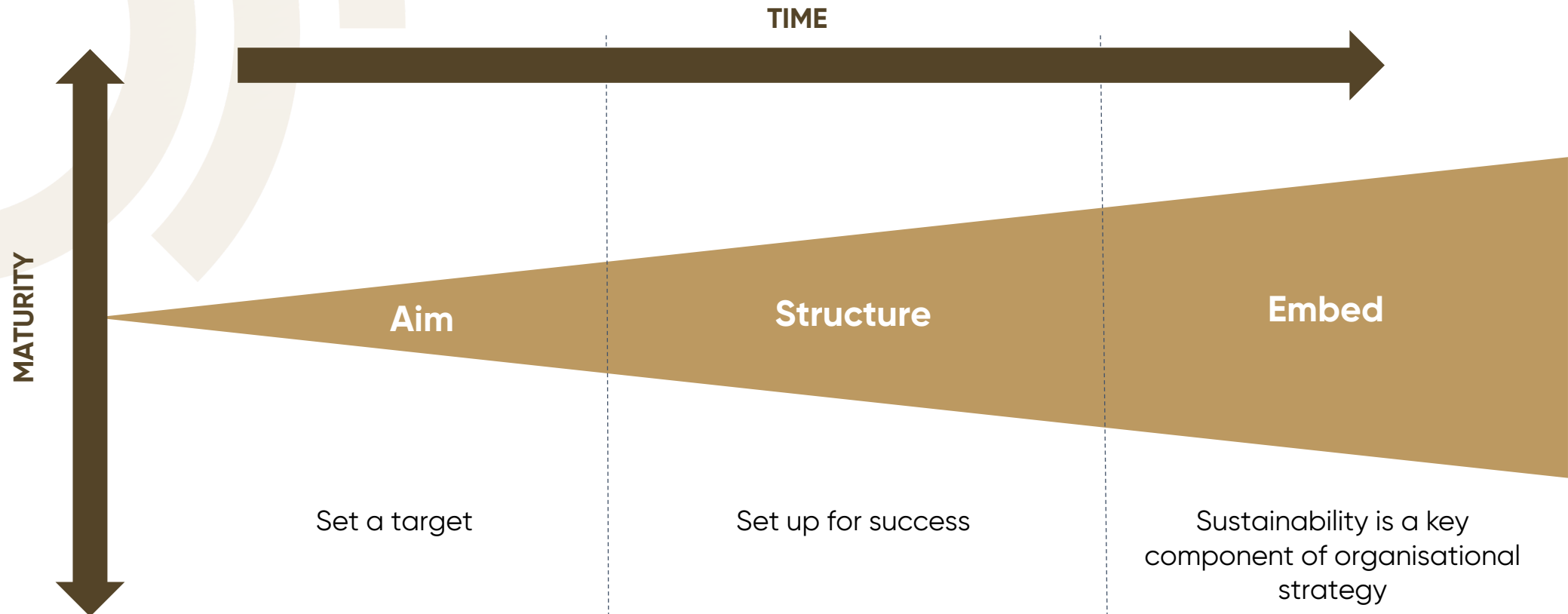


Opportunity for  
**revenue growth**

# ESG & Sustainability

# ESG

Building our ESG ecosystem in partnership with critical stakeholders, to meet the demands of our changing industry and our customers' ESG ambitions

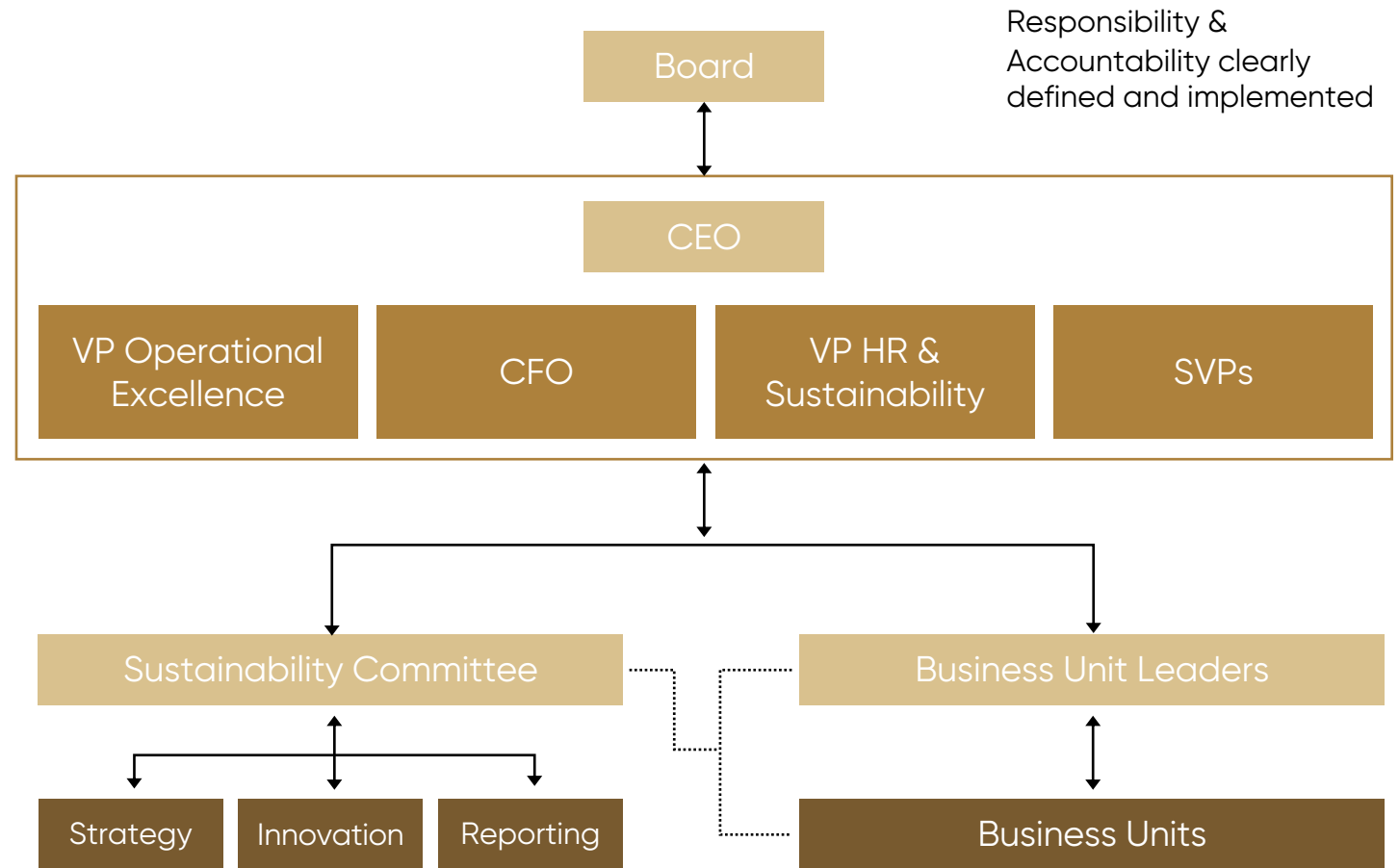


# Sustainability

## Governance structure to drive responsibility and accountability throughout Concentric

Over the course of this year and next year, we will operationalise our plans to support business growth, whilst also transitioning to a carbon neutral future

A **Sustainability Committee** will be established, to embed our sustainability culture into the business by providing input into strategy, innovation and KPI reporting



# Sustainability

## Ambition

To ensure sustainability is prioritised and embedded throughout the organization focusing on climate & resources, innovative products & partnerships, and our people



### **Climate & resources**

Achieve sustainable long-term financial growth in an ethical manner that contributes to the improved welfare of the planet



### **Innovative products & partnerships**

Consciously deliver leading products that enable customers to increase energy efficiency and reduce their environmental impact

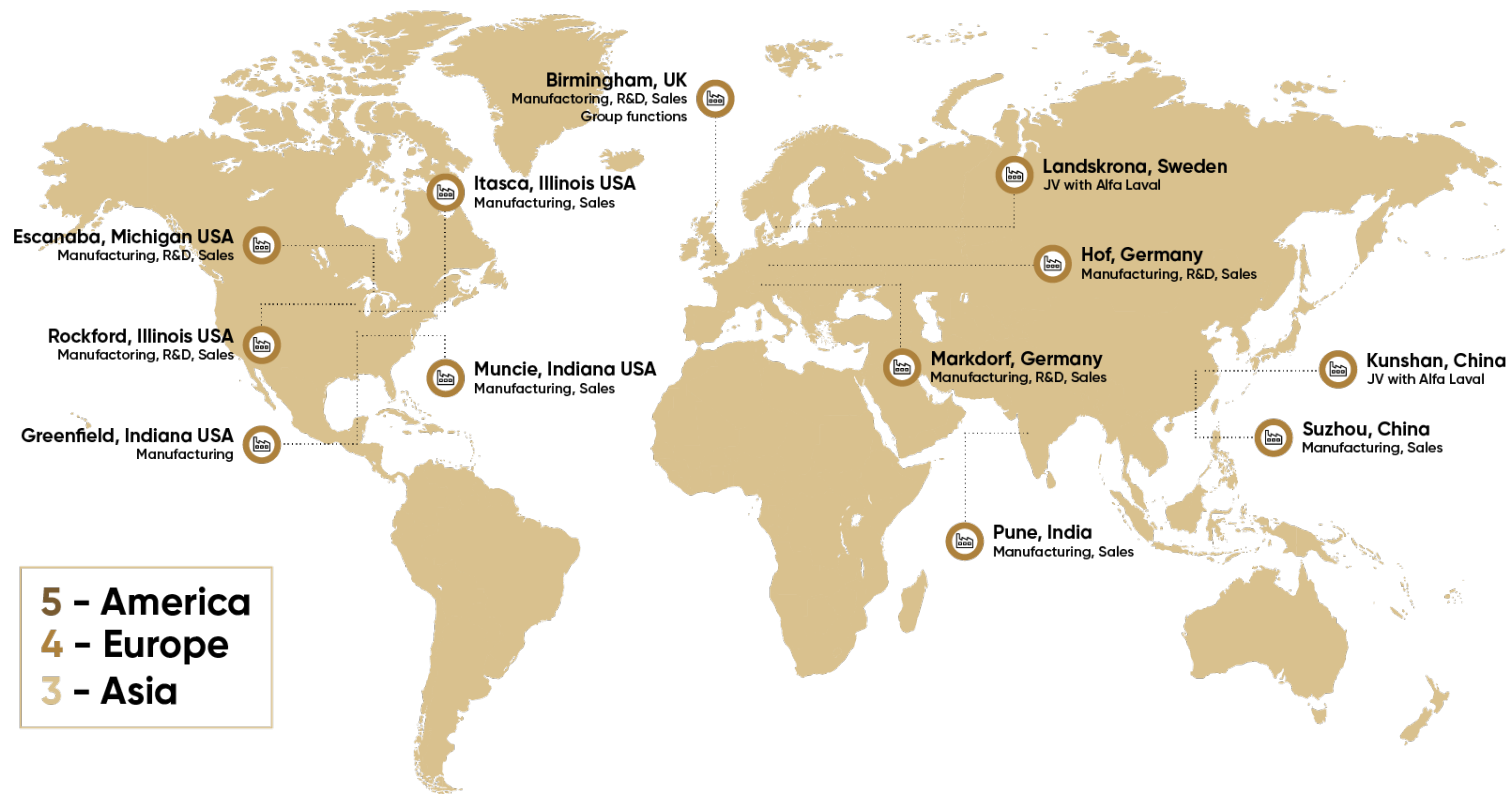


### **People**

Empower our people to deliver the best service to customers and make a meaningful difference in the world

# Sustainability

## Ambition



We maintain a global perspective with a local presence. In partnership with our stakeholders, this enables shorter lead times, local adaptations, economies of scale, faster innovation and reduced impact on the planet

“Sustainability, whether focused on products or people, constitutes an integral part of our operations”



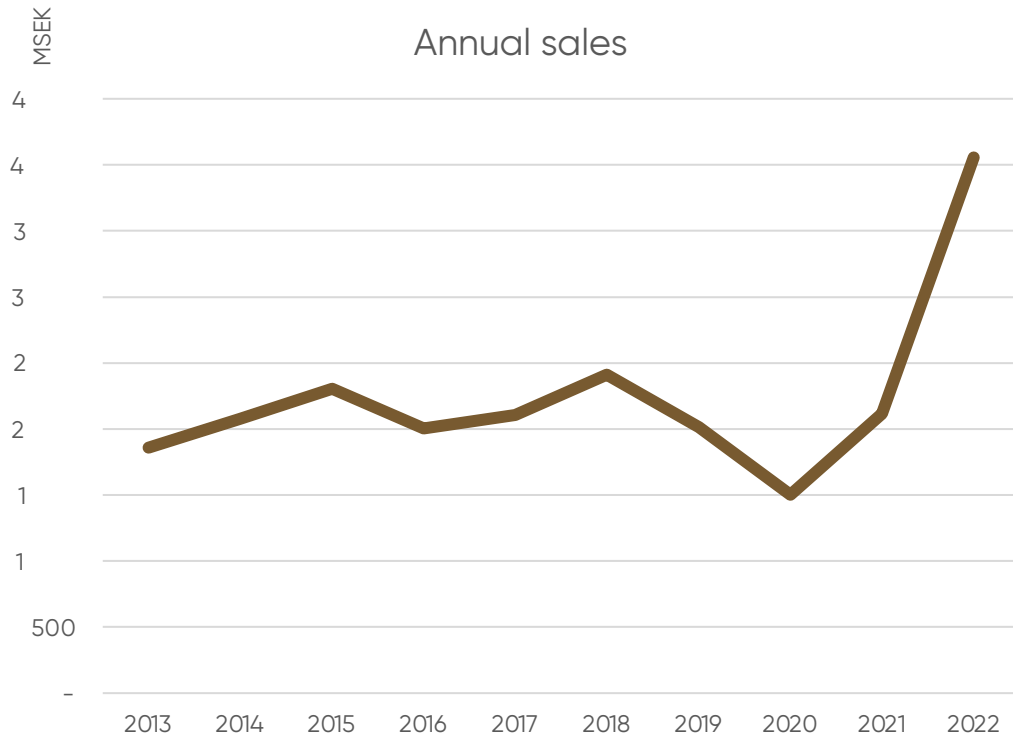
**Martin Kunz, CEO**

# Financial strategy and targets

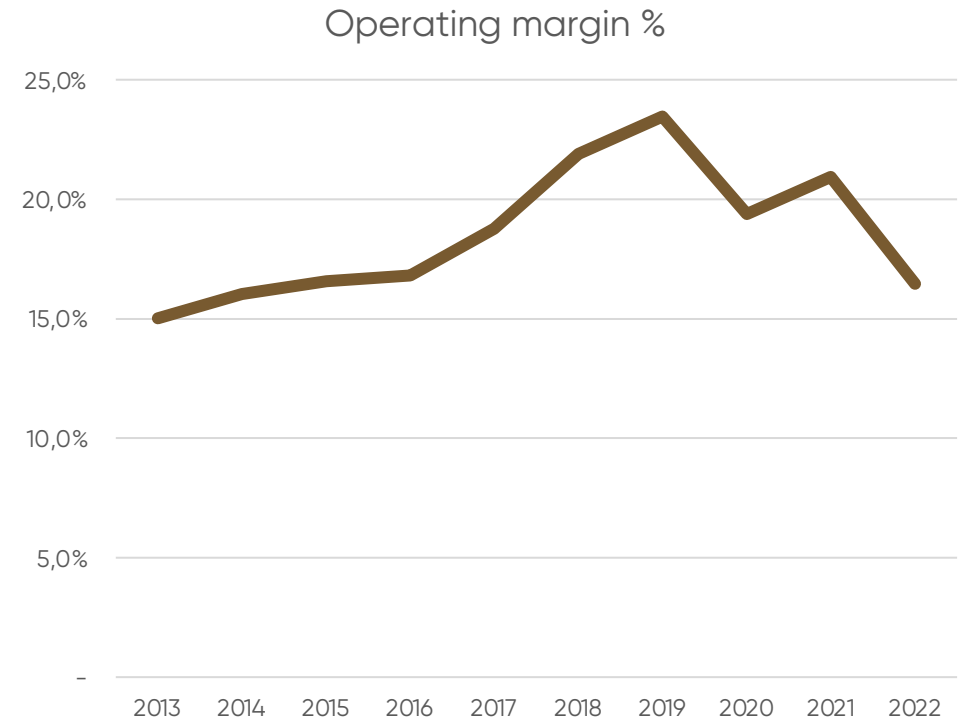


# Strong track record

Concentric has a history of robust financial performance



**Sales increased by 92% in 2022** to MSEK 4,056 through the acquisition of EMP and strong organic growth

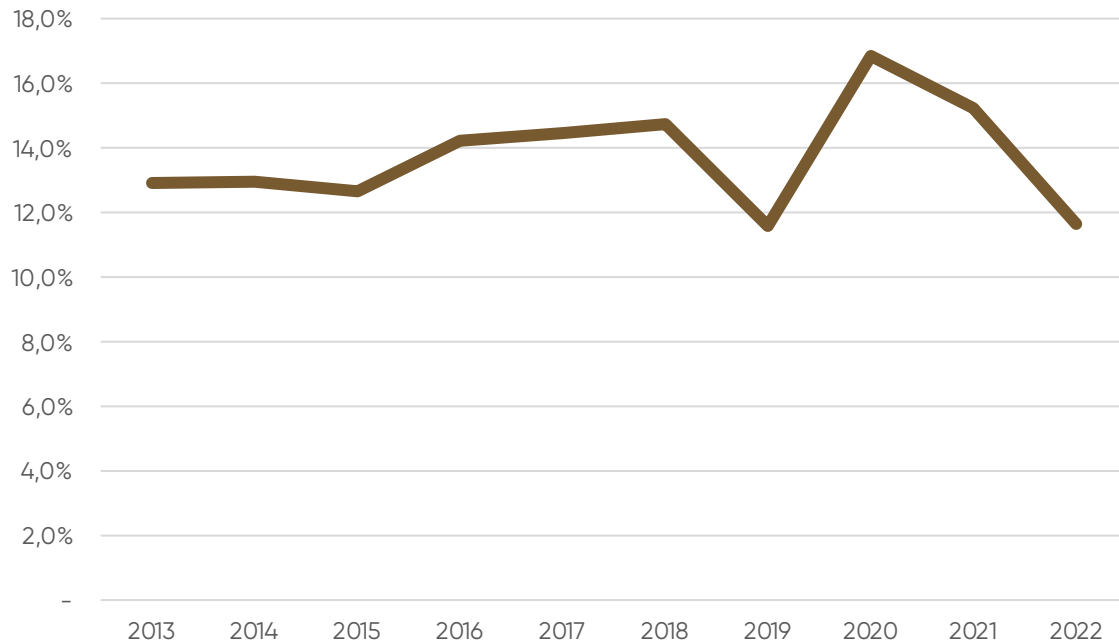


**Operating margins remain best in class** within our industry

# Operating in cyclical markets

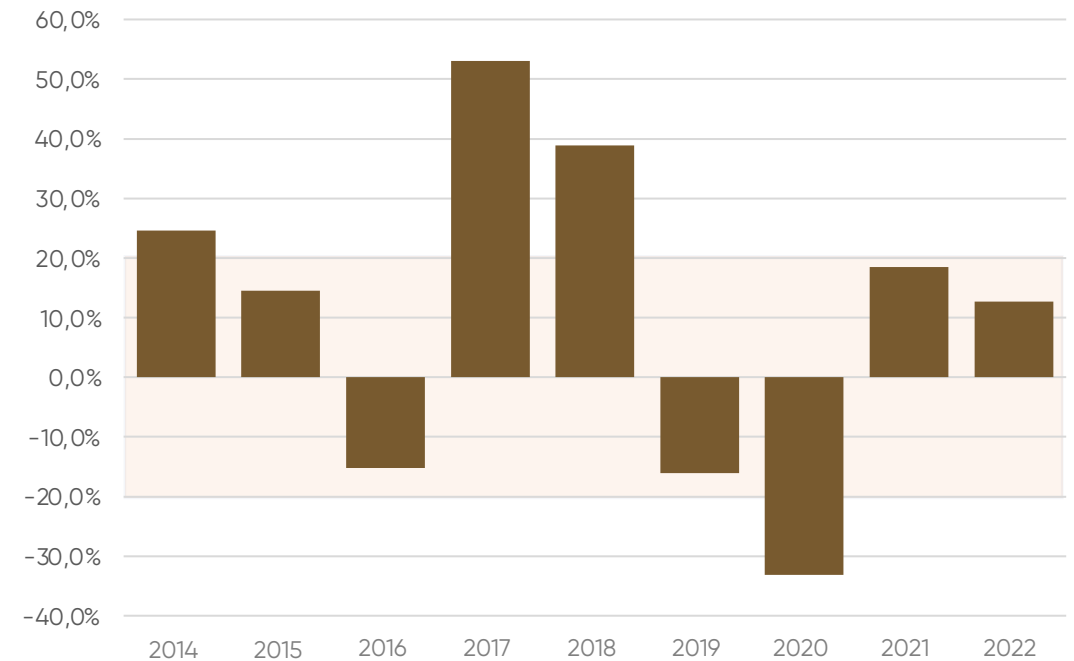
Adapting to changing markets to maintain strong operating margins

Overheads as a % of sales



**Actively managing our overheads** as market demand changes ensures **operating margin stability**

Operating income drop through / drop out %

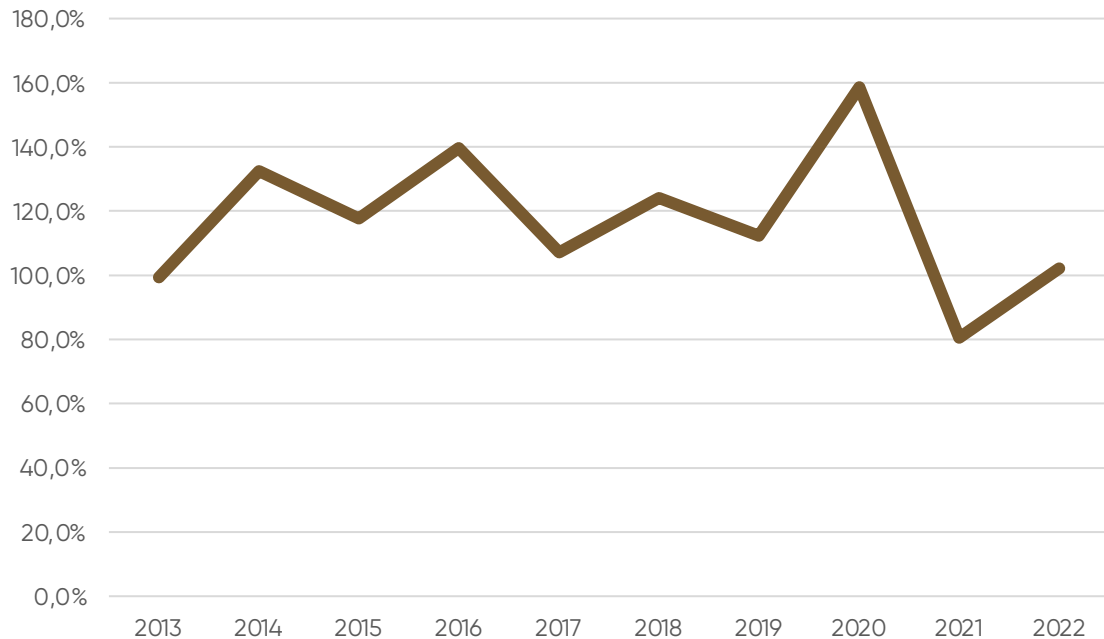


**Operating income drop through / drop out** from changing sales shows we operate **in the range of +20% to - 20%**

# Generating cash consistently

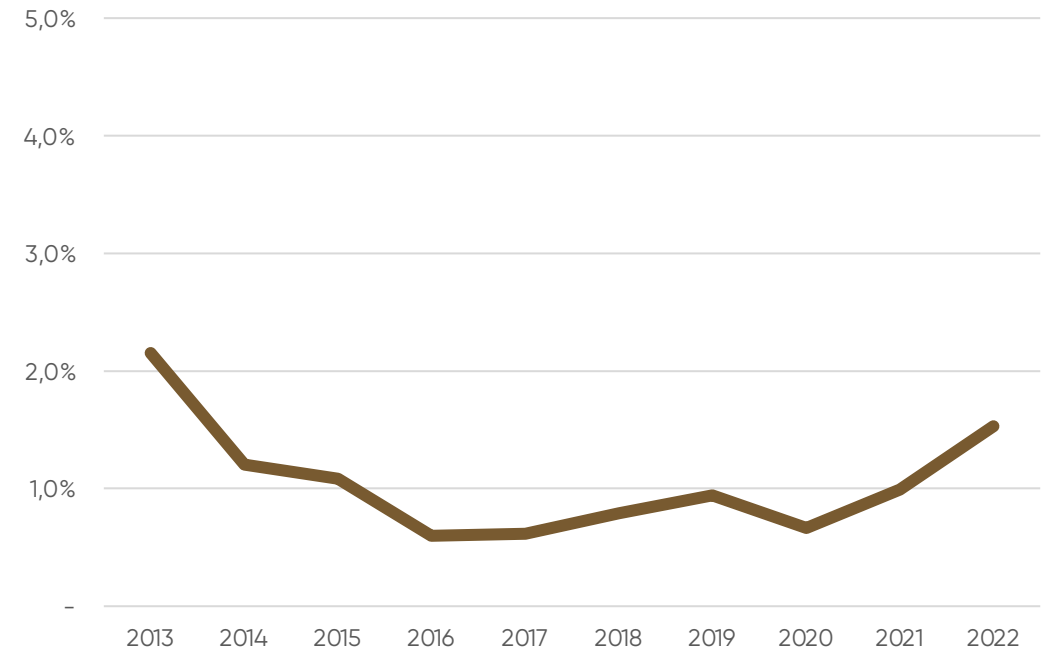
Whilst converting profit to cash & applying financial discipline to capital investment

Cash conversion %



We consistently generate **strong operating cash flows** from our global operations

Capital expenditure as a % of sales

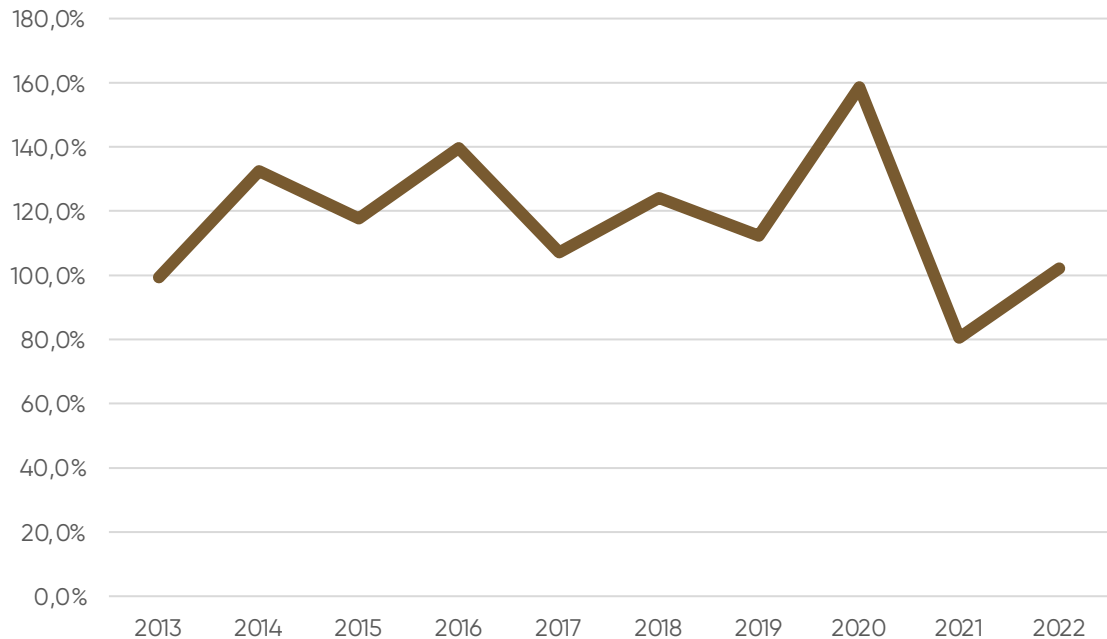


**Historically capital expenditure** levels have been in the range of **0.5%-2.0%**

# Generating cash consistently

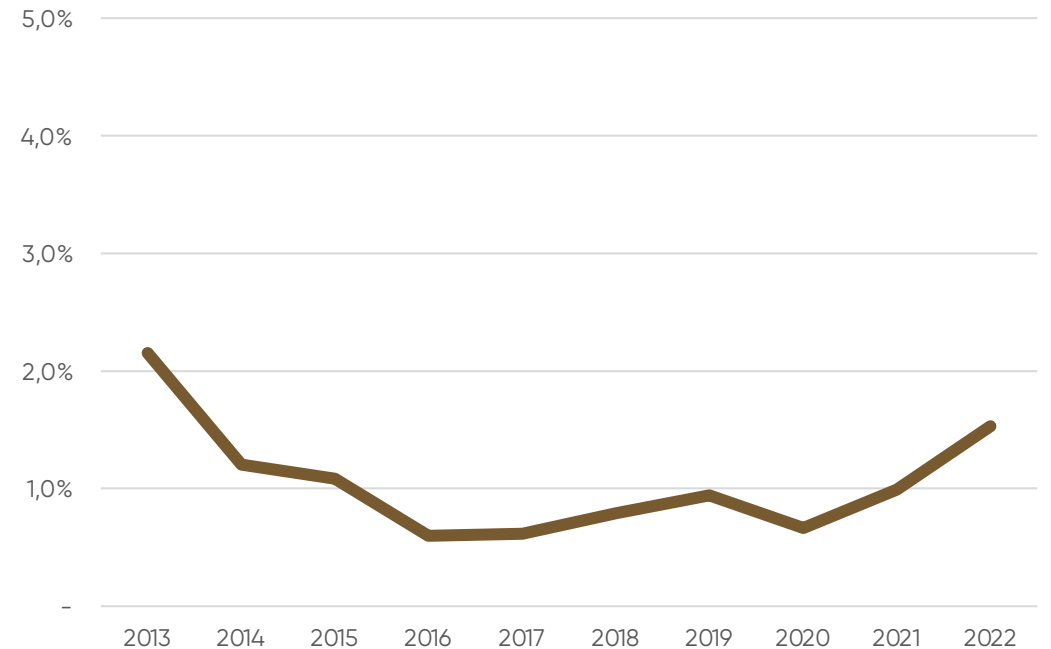
Whilst converting profit to cash & applying financial discipline to capital investment

Cash conversion %



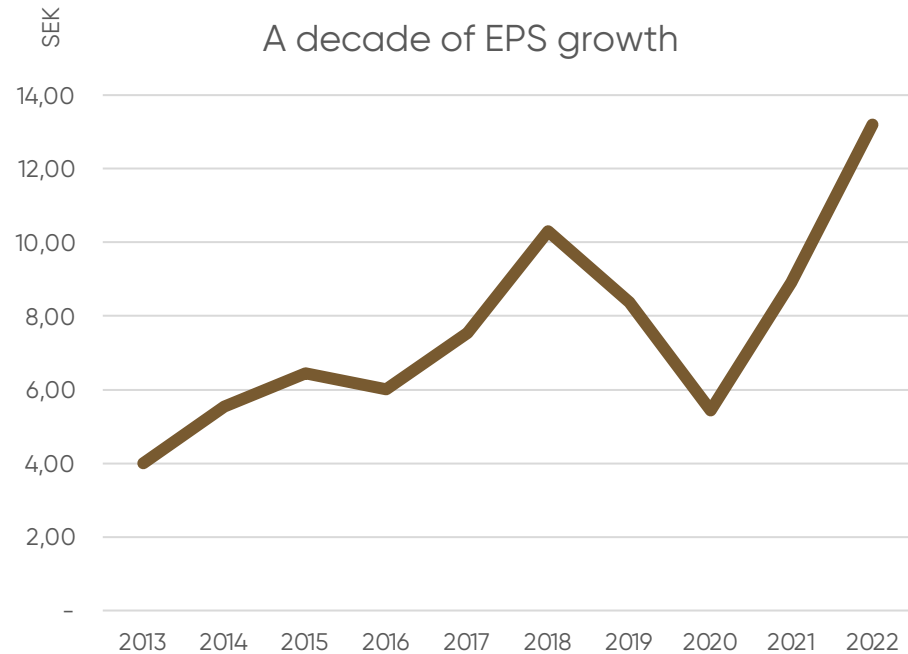
We consistently generate **strong operating cash flows** from our global operations

Capital expenditure as a % of sales

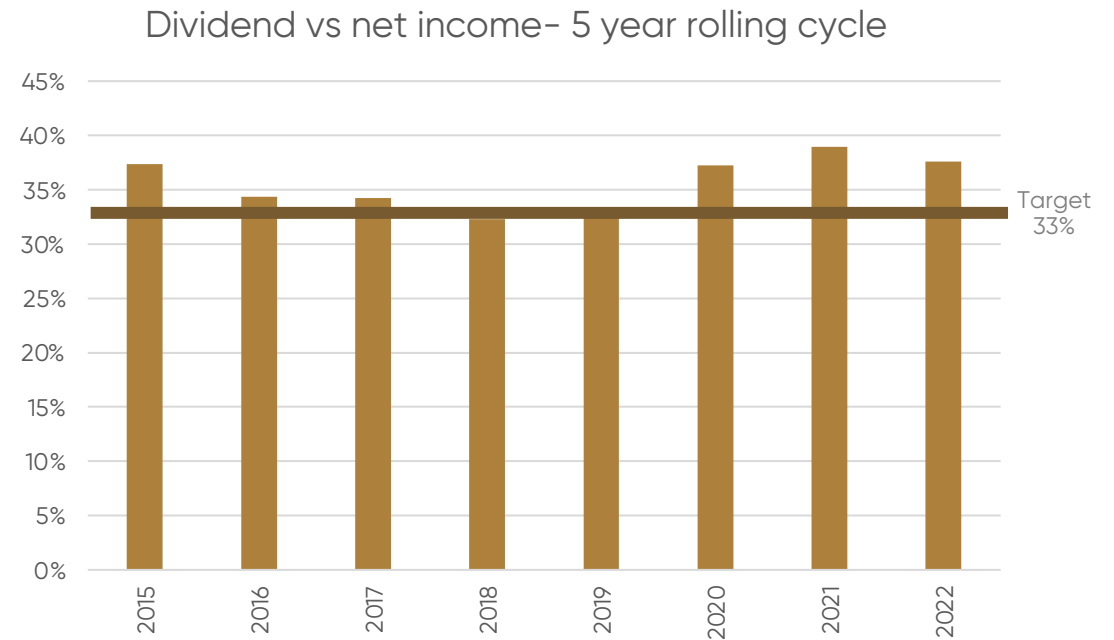


**Forecast capital expenditure** is expected to be in the range of **2.0-4.0%**

# Stable returns to shareholders

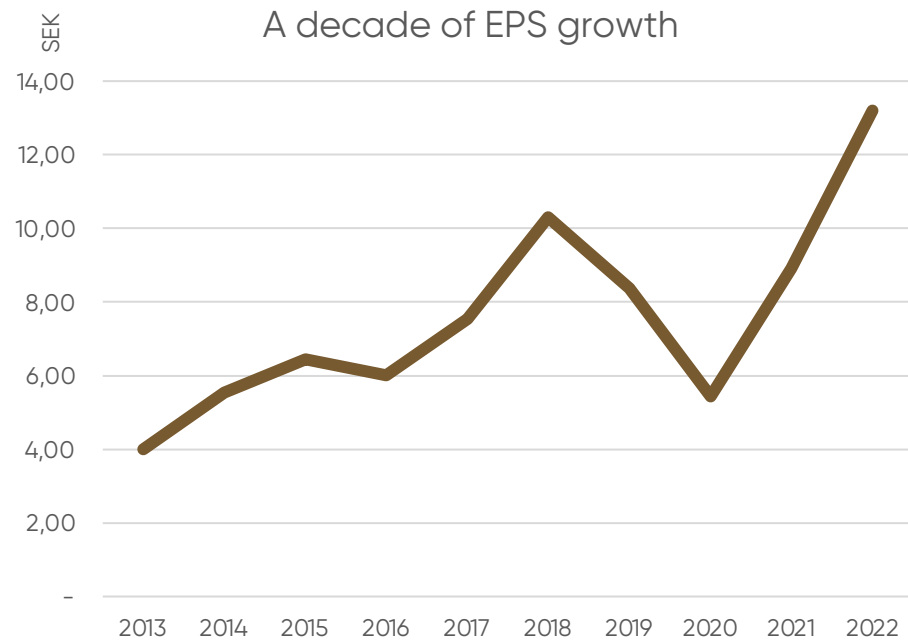


**EPS has increased 3x** over the last 10 years to **SEK 13.20**

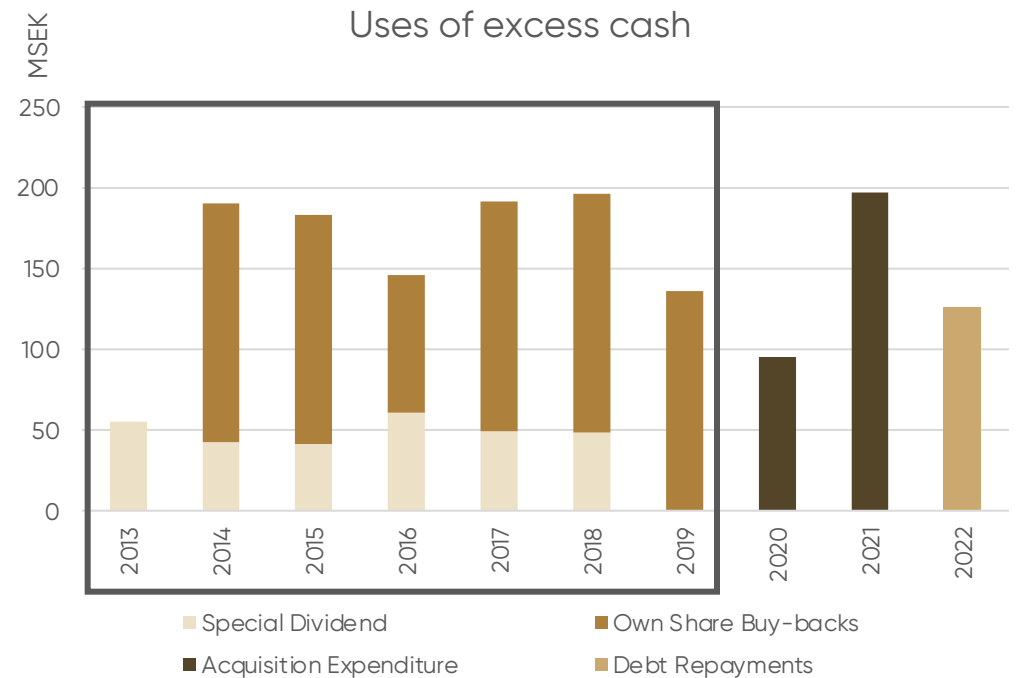


**MSEK 1,088** returned to shareholders through **ordinary dividends** over the last 10 years

# Stable returns to shareholders

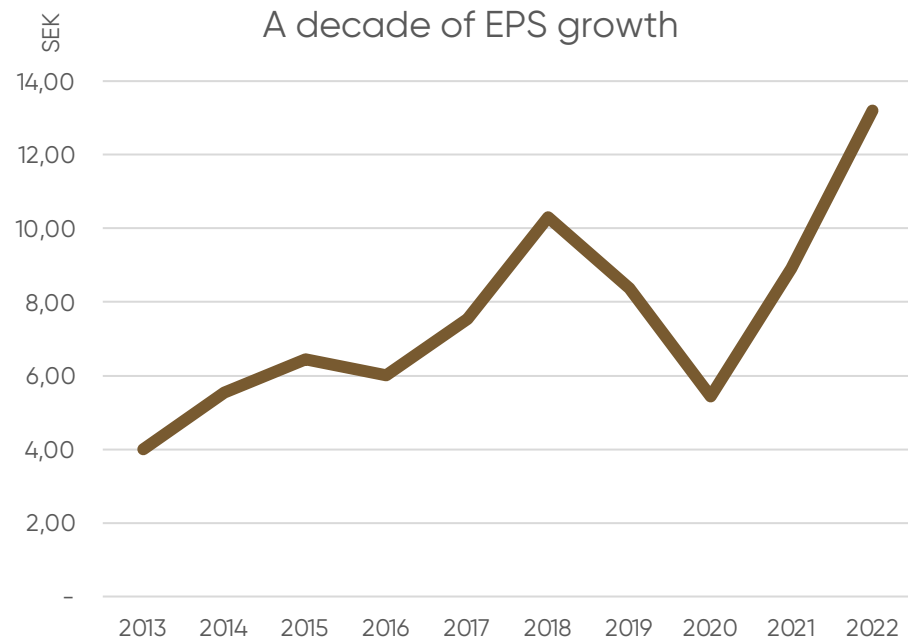


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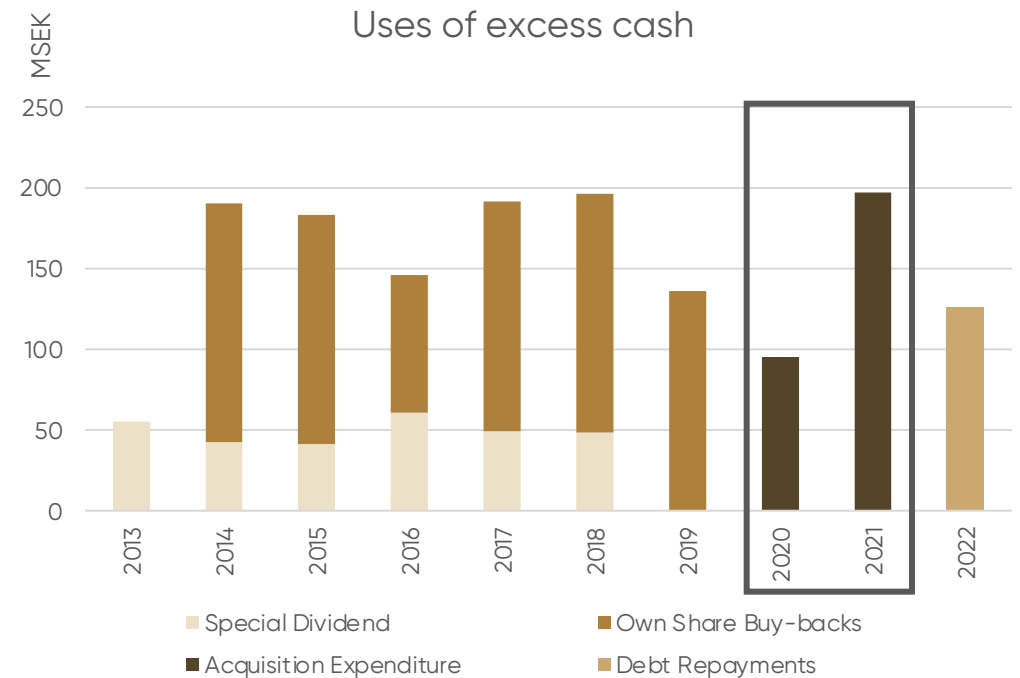


Excess cash of **MSEK 1,098** returned to shareholders through **special dividends and the own share buy back program**

# Stable returns to shareholders

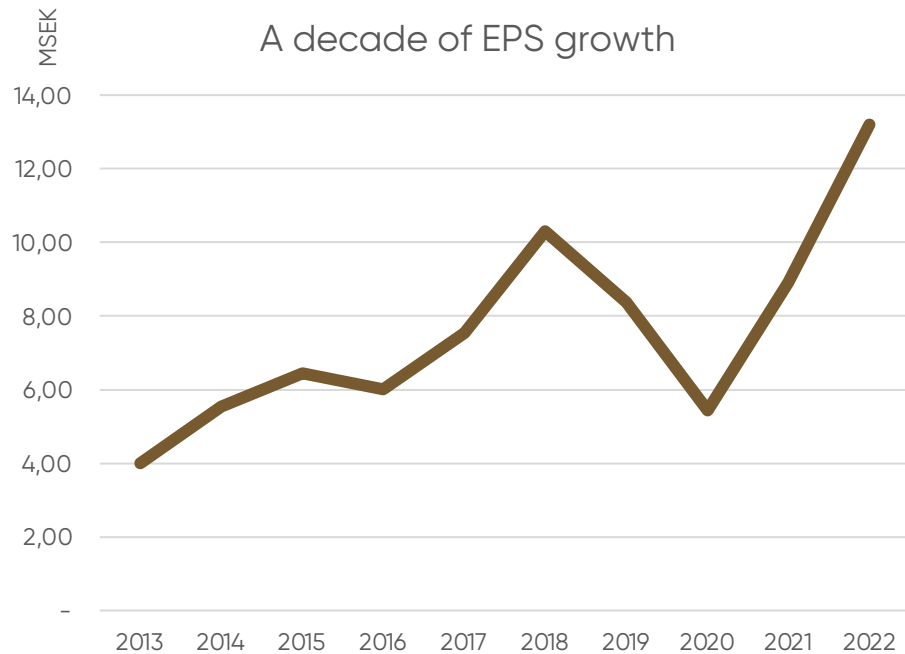


**EPS has increased 3x** over the last 10 years to **SEK 13.20**

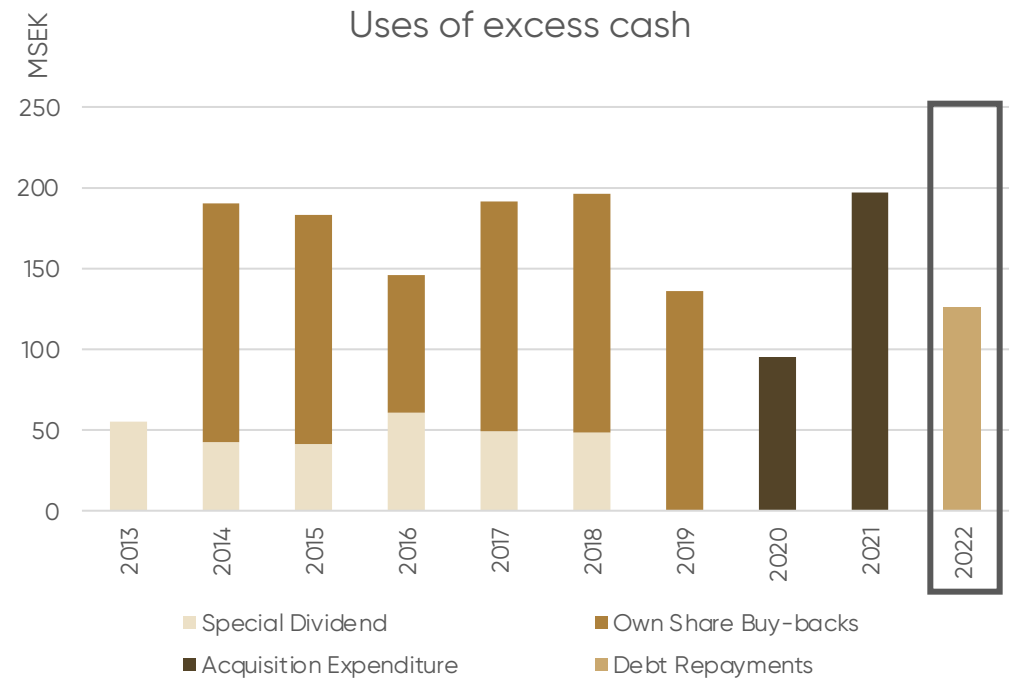


In **2020 and 2021** excess cash was utilised for **acquisitions, totalling MSEK 292**

# Stable returns to shareholders



**EPS has increased 3x** over the last 10 years to **SEK 13.20**



**Debt repayment** obligation amounting to **MSEK 126** during 2022



# Financial framework aligned to our strategy

## Financial targets

## Financial policy

### Growth



Revenue

Base

**3%**

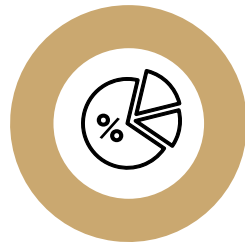
above market indices

Electrical

**15%**

CAGR over the cycle

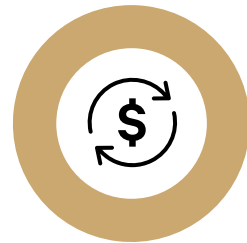
### Profitability



Operating margin

**≥ 16%**

### Cash Flow

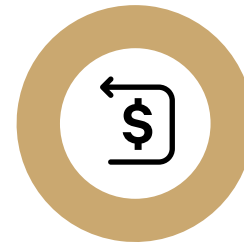


Cash conversion

**≥ 100%**

of adjusted operating income

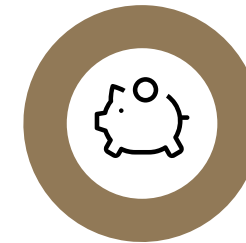
### Returns



ROCE

**≥ 20%**

### Financial Discipline



Leverage

**≤ 2.5x**

Net debt/EBITDA

### Dividend



Pay out ratio of net income

**33%**

over the cycle

# Capital allocation priorities

## Strong Operating Cash

- 1 Business Investment**  
Capital investment will increase to 2-4% of sales to support our organic growth plans
- 2 Dividend**  
33% of net income over an economic cycle

## Uses of excess cash

- 3 Meet debt and pension obligations**
- 4 M&A**  
Inorganic growth through our accelerate acquisitions plan
- 5 Additional Shareholder Returns**  
Maintain our capital structure through appropriate returns to shareholders

# We are in excellent financial shape

- ✔ The demand for ICE will continue for many years
- ✔ Our base business will finance the electrification transformation
- ✔ Whilst continuing to generate strong operating cash flows
- ✔ Maintaining our strong balance sheet
- ✔ Allowing shareholders to receive consistent returns on their investment

# CEO summary

# Key message

Concentric is well positioned to deliver significant growth and robust returns – we are a compelling investment choice

1.

Our **base business** remains important to our group, and has **growth and margin improvement potential** through legislation, innovation and operational excellence.

2.

We will be a **winner in electrification**, through the value we deliver to our customers, the number of products on vehicles and increased product revenue.

3.

**New markets, applications and geographies** will add further opportunities for our profitable growth strategy. This will be supported by **strategic acquisitions**.

4.

**Sustainability**, whether focussed on products or people, constitutes an **integral part of our operations** and our products will support our customers on their journey to zero emissions.

5.

We have historically **outperformed our peers** and are positioned to continue to do so. **Strong cash generation and wise capital investment** will fund our profitable growth strategy and deliver strong returns to our shareholders.