

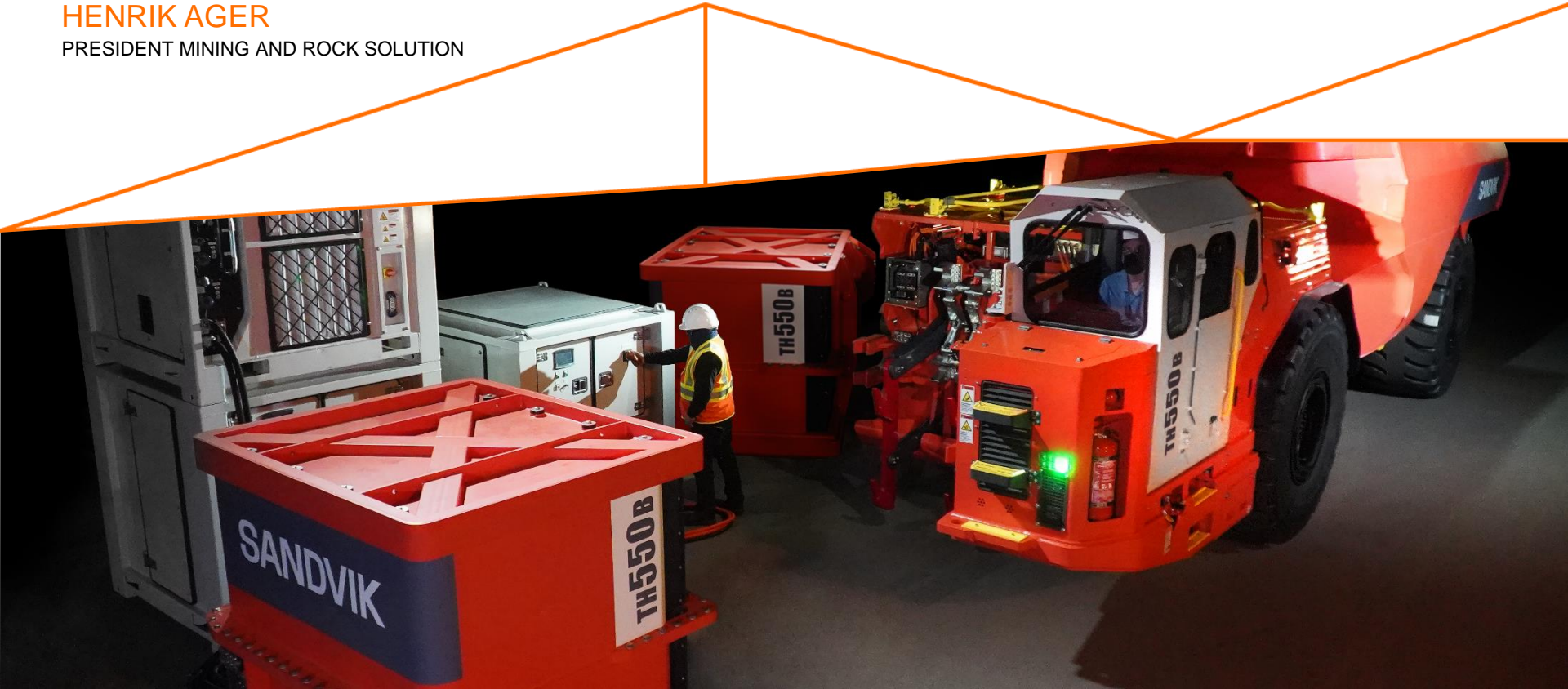
# SANDVIK MINING AND ROCK SOLUTIONS

## SANDVIK CAPITAL MARKETS DAY 2022



HENRIK AGER

PRESIDENT MINING AND ROCK SOLUTION



# SANDVIK MINING AND ROCK SOLUTIONS

REVENUES

~41 bn SEK

ADJ. EBITA MARGIN

21.1%

EMPLOYEES

~16,000

## DIVISIONS

SANDVIK MINING AND ROCK SOLUTIONS

MECHANICAL  
CUTTING



LOADING  
& HAULING



DIGITAL MINING  
TECHNOLOGIES



PARTS  
& SERVICES



ROTARY  
DRILLING



ROCK  
TOOLS



UNDERGROUND  
DRILLING



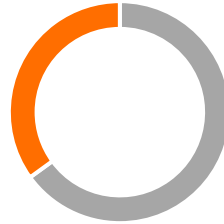
SURFACE  
DRILLING



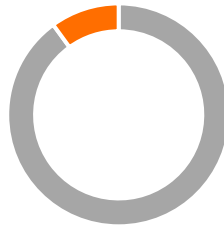
GROUND  
SUPPORT



## PRODUCT OFFERINGS



■ Aftermarket  
■ Equipment



■ Mining  
■ Infrastructure

## CUSTOMER SEGMENTS



■ Gold  
■ Electrification metals<sup>1</sup>  
■ Other<sup>2</sup>  
■ Bulk

<sup>1</sup> Electrification Metals: Nickel, Copper, Zinc, Lithium, Cobalt

<sup>2</sup> Other: Diamonds, other metals, other minerals

## GEOGRAPHY

AMERICAS



~30%



EMEA



~30%



ASIA PACIFIC



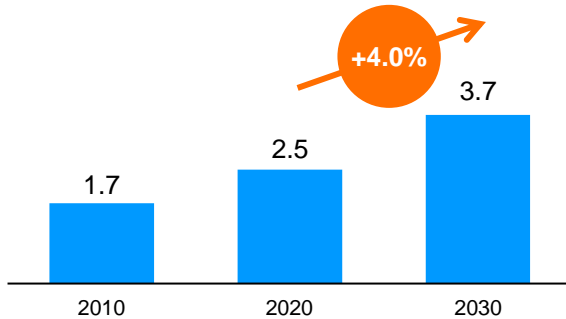
~40%



# DEMAND DRIVERS OF GROWTH IN MINING

## GROWING GLOBAL MIDDLE CLASS

GLOBAL MIDDLE CLASS  
NUMBER OF BILLIONS



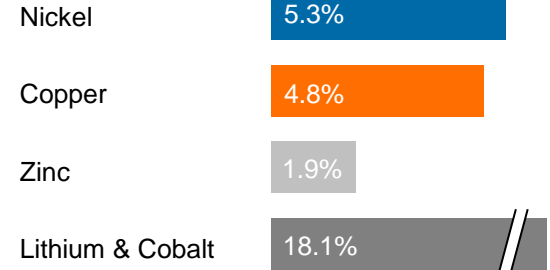
## DIGITAL AND SUSTAINABILITY SHIFTS

IDENTIFIED DRIVERS

- High demand for automated solutions
- Increased focus on digitalization
- Rapid demand growth for electrified equipment
- Gradual shift underground

## HIGH DEMAND OF ELECTRIFICATION METALS

EXPECTED GROWTH RATES  
2021-2025



UNDERLYING MINING PRODUCTION GROWTH OF 3-4% PER YEAR EXPECTED UNTIL 2025

Source: PEW Research Center, United Nations, Brookings Institute.  
Note: Excludes impact from Covid Pandemic.

# 5 STRATEGIC SHIFTS FOR SMR



**FOCUS ON HIGH GROWTH  
UPSTREAM HARD ROCK**



Target growth in gold and electrification metals



**SHAPE THE SUSTAINABLE  
UNDERGROUND MINE OF  
THE FUTURE**



Lead development of underground sustainability and productivity solutions in electrification, automation, digitalization



**TAKE LEADING POSITION  
IN SURFACE DRILLING**



Take leading position by 2030 in surface drilling



**BECOME CUSTOMER  
1ST PERFORMANCE PARTNER**



Build Customer 1st partnerships through performance-based commercial offerings and superior basic and advanced services



**BUILD HIGH PERFORMING,  
AGILE ORGANIZATION**



Safe, sustainable and agile operations is our number one priority



# WE MAKE THE SHIFT

## DIGITAL SHIFT

- Acquisition of leading mine planning company Deswik
- Automation's largest deal ever, 254 MSEK AutoMine® deal with Codelco
- Newtrax's largest deal ever with Sibanye-Stillwater for a total value of 155 MSEK

## SUSTAINABILITY SHIFT

- Largest active underground Battery Electric Vehicle (BEV) mining fleet in the world
- Launching the largest-capacity battery truck for underground mining, TH665B
- Up to 50% reduction in fuel consumption with Top Hammer XL surface drill
- 25-30% lower GHG emissions in 2021 vs 2020, with higher production output

## SHIFT TO GROWTH



REVENUE  
**7 BSEK**  
FTE  
**2000**



**Deswik**  
REVENUE  
**0.6 BSEK**  
FTE  
**258**



FTE  
**24**

## SHIFT TO GROWTH IN SURFACE DRILLING

- +60%<sup>1</sup> CAGR Order intake for Boom Surface Drilling Equipment
- Launch of the new Pantera DP1600i and DR410i
- Key reference cases established in ROTARY across the globe

<sup>1</sup> CAGR from 2020-2021 for Boom Surface Drilling Equipment.

# WHAT HAVE WE ACHIEVED SO FAR

## – ELECTRIFICATION



# LEADING ELECTRIC SOLUTIONS IN MINING



TODAY

Expanding scope of electrified mechanical cutting (platinum, gold, potash)

Largest active underground BEV mining fleet in the world



2025

BEV offering for all underground applications

- 11, 18 & 20+ ton loaders, 30, 50 & 65 ton trucks
- Development, production and ground support drill rigs



2030

Full underground hard rock offering and more than 50% of underground hard rock equipment sales electrified



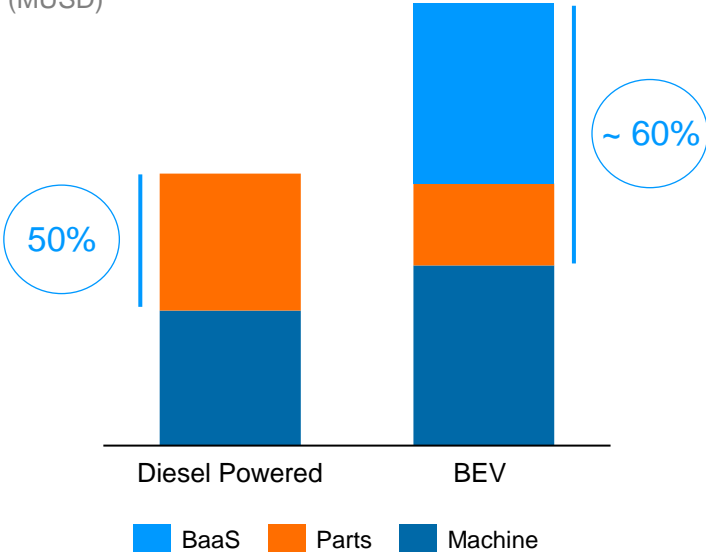
BATTERY AS A SERVICE, A SOLUTION DRIVEN BY PARTNERSHIP



# TOTAL COST FOR LOAD AND HAUL BATTERY ELECTRIC VEHICLE

## SANDVIK POTENTIAL OVER A MACHINE LIFECYCLE

(MUSD)



- Aftermarket grow as share of total cost over the lifecycle
- >60% higher addressable market for Sandvik
- Increased speeds and capacity drive lower cost per ton





# CONTINUOUS SUCCESS IN KEY SEGMENTS

## CUSTOMER'S FIRST CHOICE

### EL TENIENTE MINE (CODELCO)

- Equipment order for Toro™ TH663i trucks, LH514 loaders and AutoMine® automation system for 400 MSEK (December 2021)
- Additional order for AutoMine® automation system for a new block caving area in El Teniente for 87 MSEK (May 2022)

### New BEV fleet order

- New customer relationship established resulting in 11 electric loaders
- Deal value: ~140 MSEK

### NEWTRAX LARGEST DEAL EVER

- Sibanye-Stillwater placed 155 MSEK order in 2021 Q4 with Business Unit Newtrax to deploy Collision Avoidance and Operations Management system in their USA operations

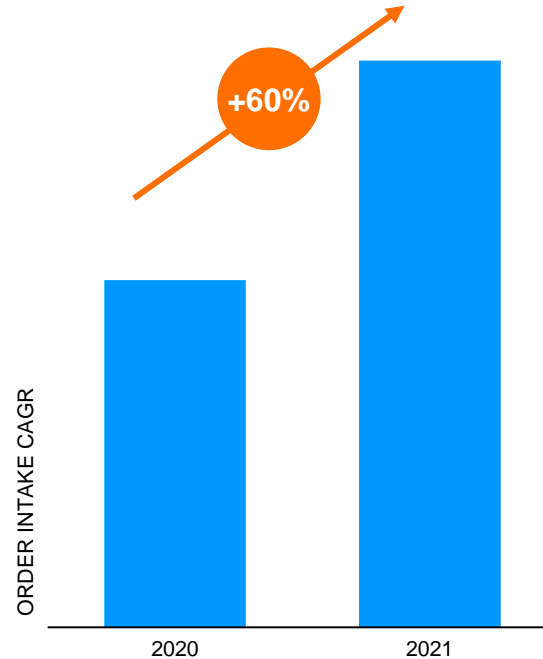


SANDVIK LH518B



SANDVIK TH550B

## GROWTH IN SURFACE BOOM DRILLS



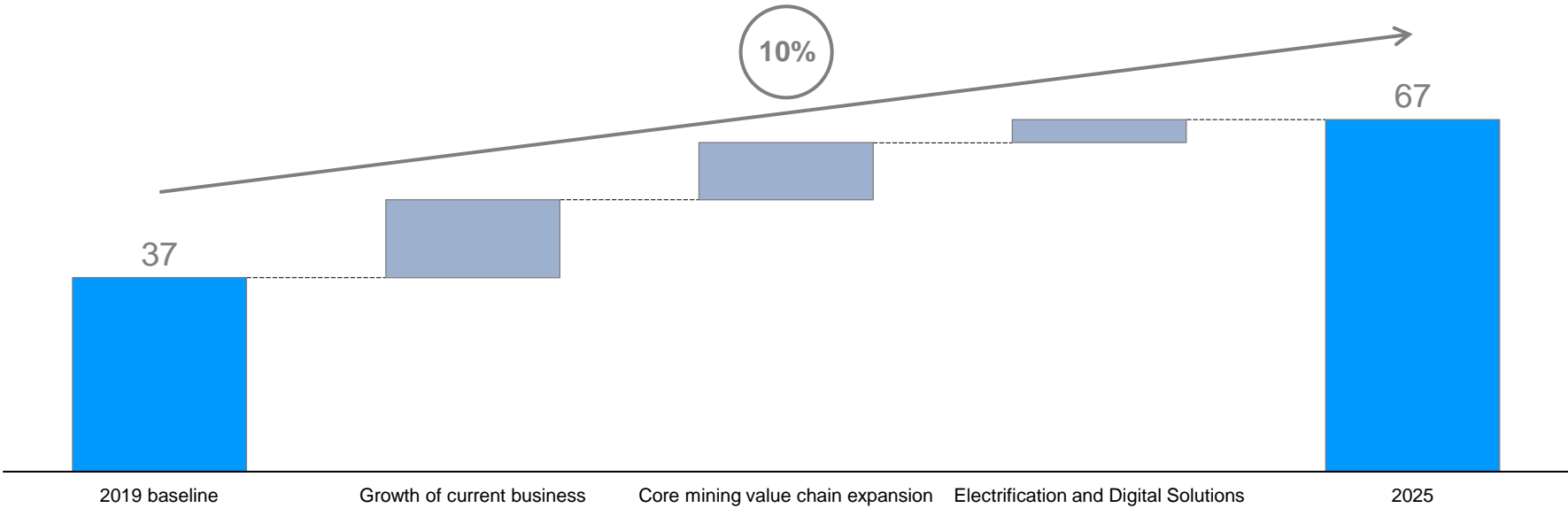
SANDVIK DI650I

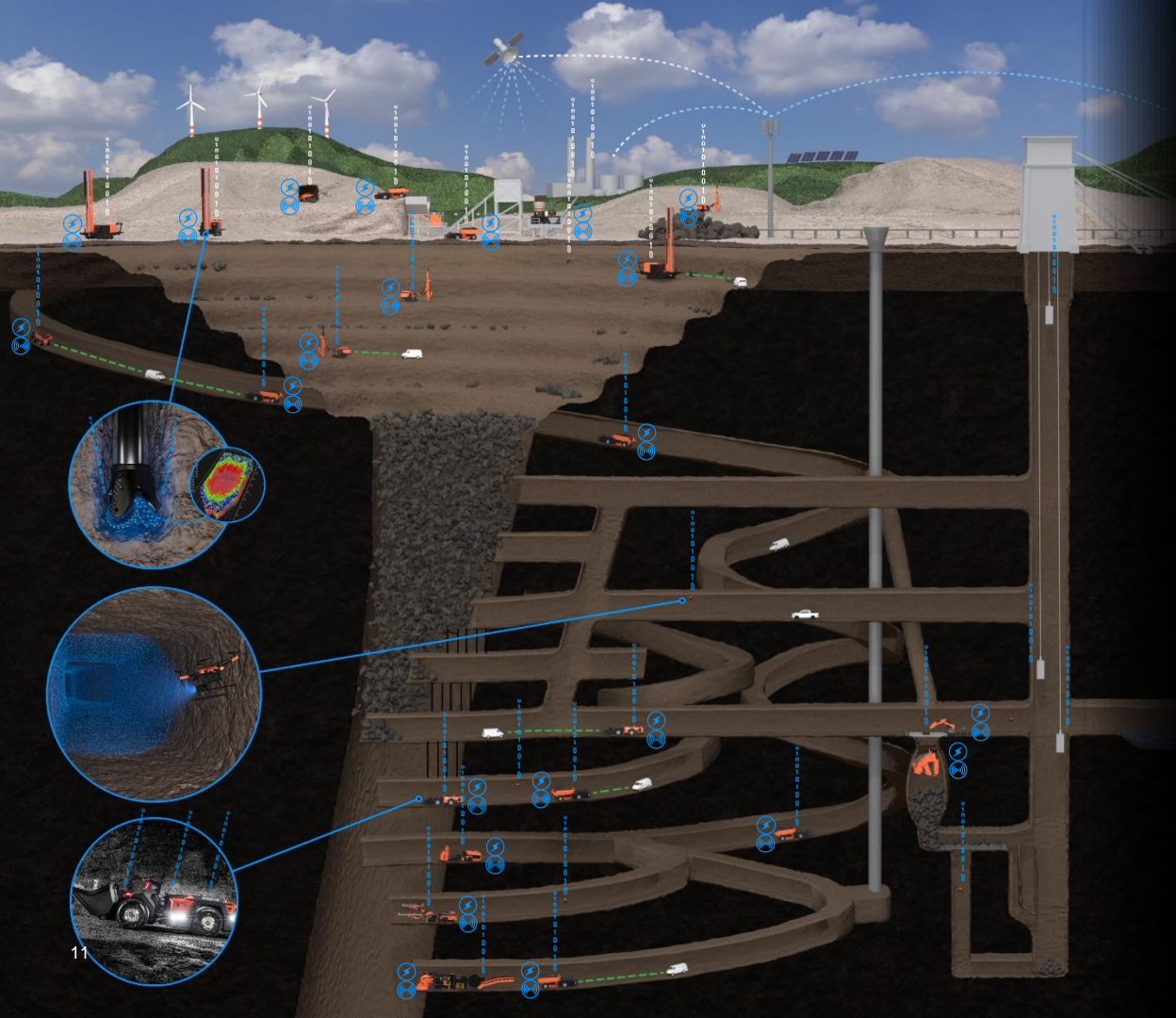


SANDVIK DP1600I

# 2019 TO 2025

## SANDVIK MINING AND ROCK SOLUTIONS (BSEK)





# THE SUSTAINABLE UNDERGROUND MINE OF THE FUTURE



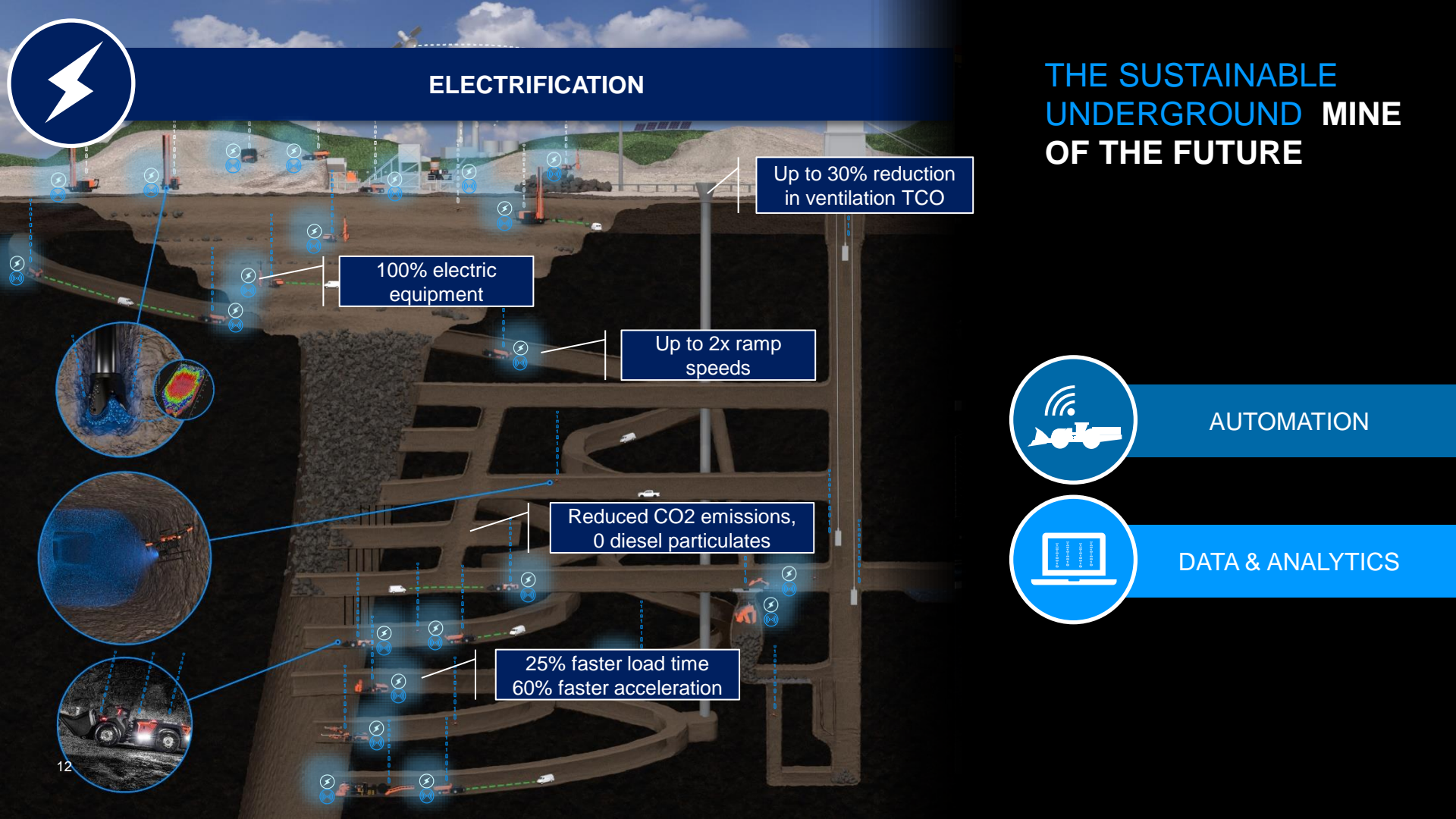
ELECTRIFICATION



AUTOMATION



DATA & ANALYTICS



# ELECTRIFICATION

# THE SUSTAINABLE UNDERGROUND MINE OF THE FUTURE

Up to 30% reduction in ventilation TCO

100% electric equipment

Up to 2x ramp speeds

Reduced CO2 emissions, 0 diesel particulates

25% faster load time  
60% faster acceleration



AUTOMATION



DATA & ANALYTICS

# AUTOMATION

# THE SUSTAINABLE UNDERGROUND MINE OF THE FUTURE

Autonomous mining equipment for safety and productivity

Autonomous scanning drones

Collision avoidance for safe interaction between autonomous equipment, vehicles and humans



ELECTRIFICATION



DATA & ANALYTICS

## DATA & ANALYTICS

# THE SUSTAINABLE UNDERGROUND MINE OF THE FUTURE

Analytics and AI center

Digital control room

Continuous  
improvement of  
availability and  
productivity

Rock conditions  
monitored and modelled  
while drilling

All equipment connected  
and sharing data

ELECTRIFICATION

AUTOMATION

# SANDVIK MINING AND ROCK SOLUTIONS

- Strong market fundamentals
- SMR is making the shift
  - Commodity exposure dominated by fastest growing minerals
  - Strong growth in surface drilling
  - Strengthened aftermarket and digital offering with DSI, Tricon and Deswik acquisitions
  - Continued leadership in automation, digitalization and electrification
- In position to capture leadership in surface drilling and shape the sustainable underground of the future





# Q&A SESSION



An abstract graphic consisting of several bright blue lines that intersect to form a series of triangles and polygons, creating a dynamic, geometric pattern against the black background.

# DISCLAIMER STATEMENT

“Some statements herein are forward-looking and the actual outcome could be materially different. In addition to the factors explicitly commented upon, the actual outcome could be materially affected by other factors for example, the effect of economic conditions, exchange-rate and interest-rate movements, political risks, impact of competing products and their pricing, product development, commercialisation and technological difficulties, supply disturbances, and the major customer credit losses.”

**SANDVIK**

The logo consists of the word "SANDVIK" in a bold, blue, sans-serif font. Below the text is a solid blue horizontal bar. The entire logo is enclosed within a thin blue rectangular border.