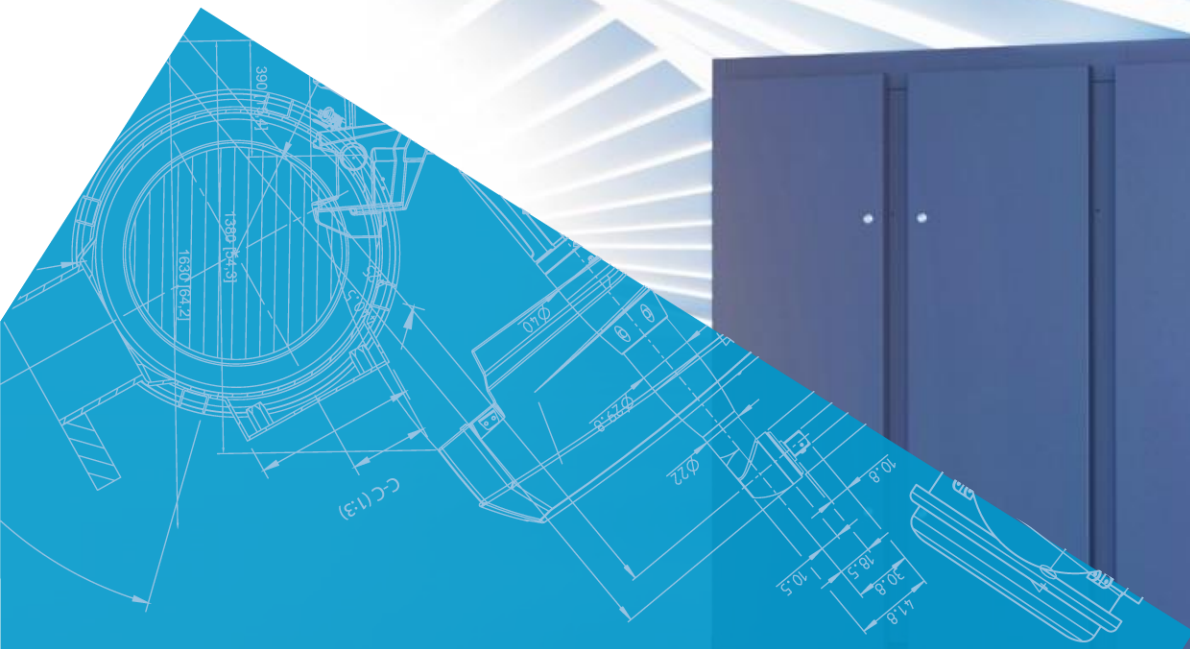


The Atlas Copco logo, featuring the company name in a white, italicized serif font, centered between two horizontal white bars on a blue rectangular background.

Atlas Copco

A blue triangular graphic overlay containing a white technical drawing of a mechanical component, possibly a bearing or a part of a turbine, with various dimension lines and labels.

**Atlas Copco
Capital Markets Day 2021**



Compressor Technique

Capital Markets Day 2021
Vagner Rego, Business Area President

Agenda

1 Facts in brief

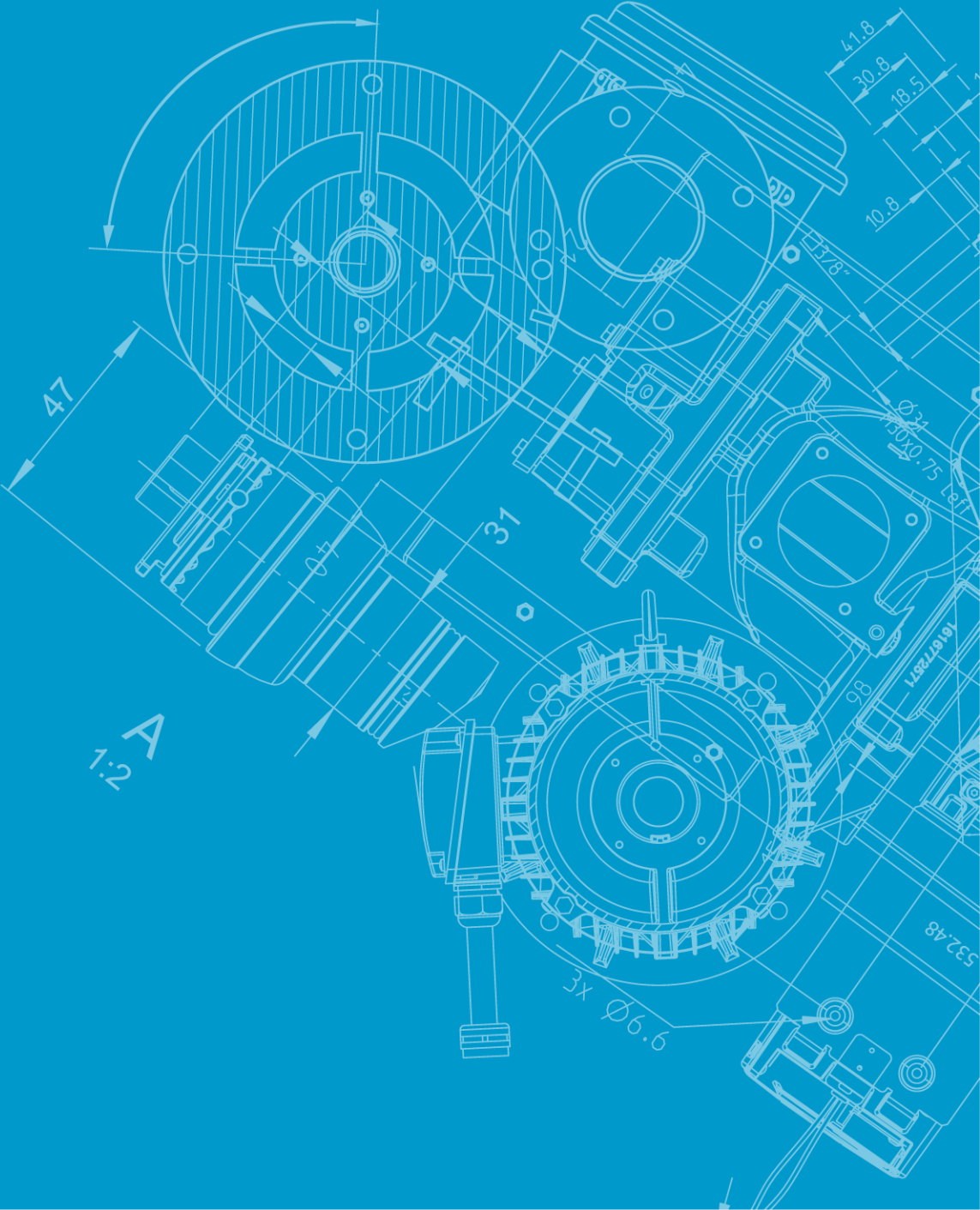
2 The market and business fundamentals

3 Strategy for growth

4 Summary



Facts in brief

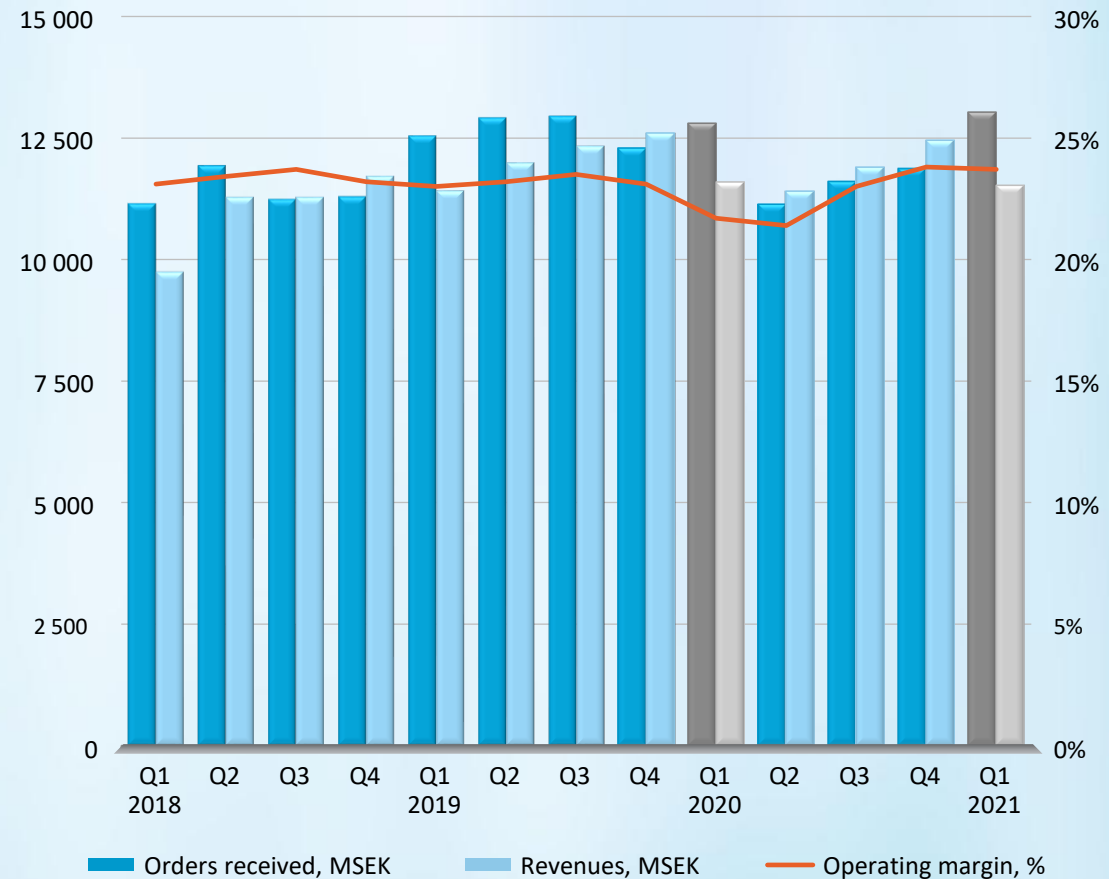


Compressor Technique

ROCE
84%

Market trends

- Continued focus on energy efficiency
- CO₂ emission reduction and energy recovery
- Total solution and total life-cycle cost
- Digitalization and automation
- New applications for compressed air



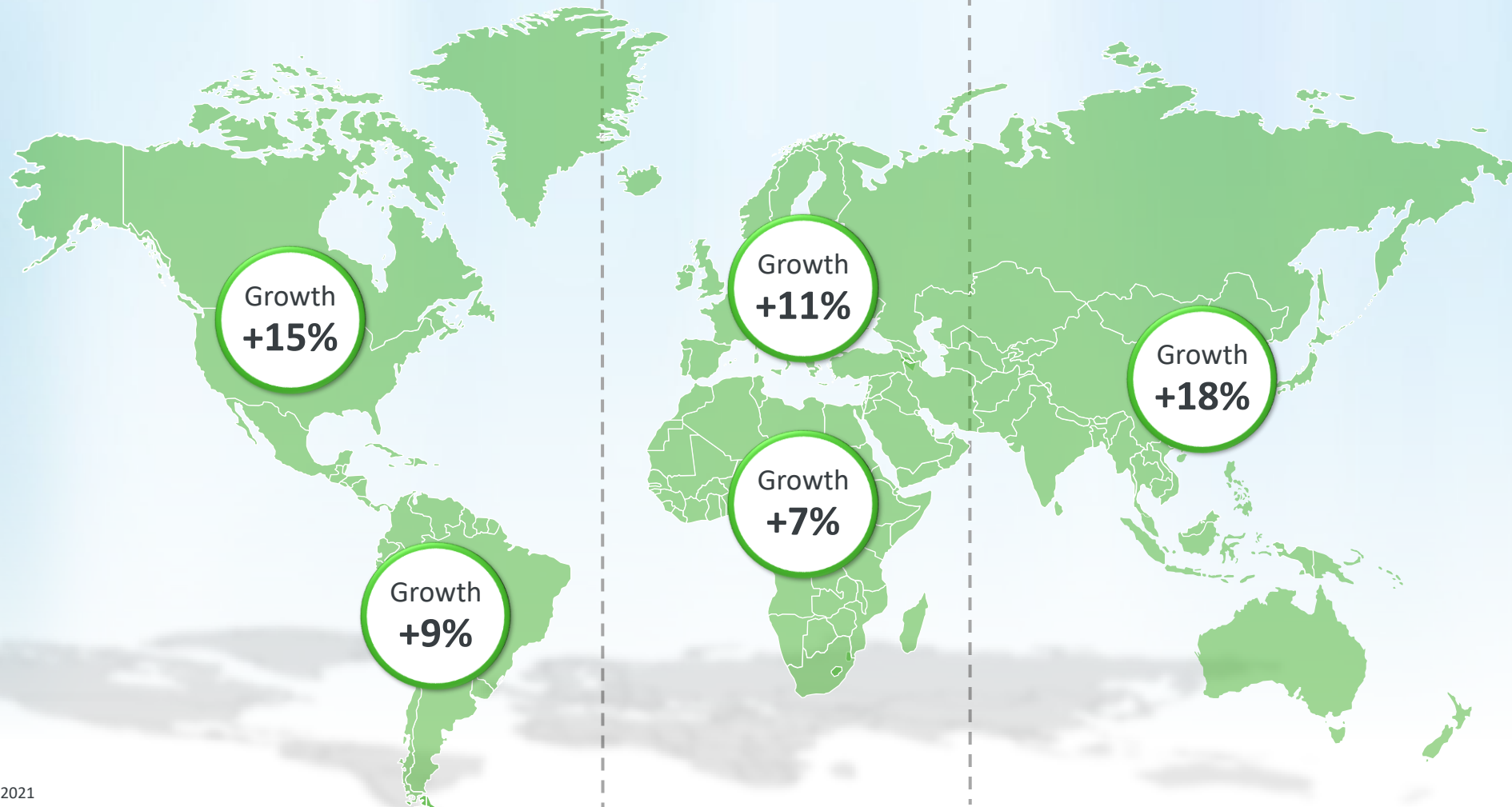
Orders received – local currency Q1 2021

SHARE OF ORDERS :

25%

42%

33%

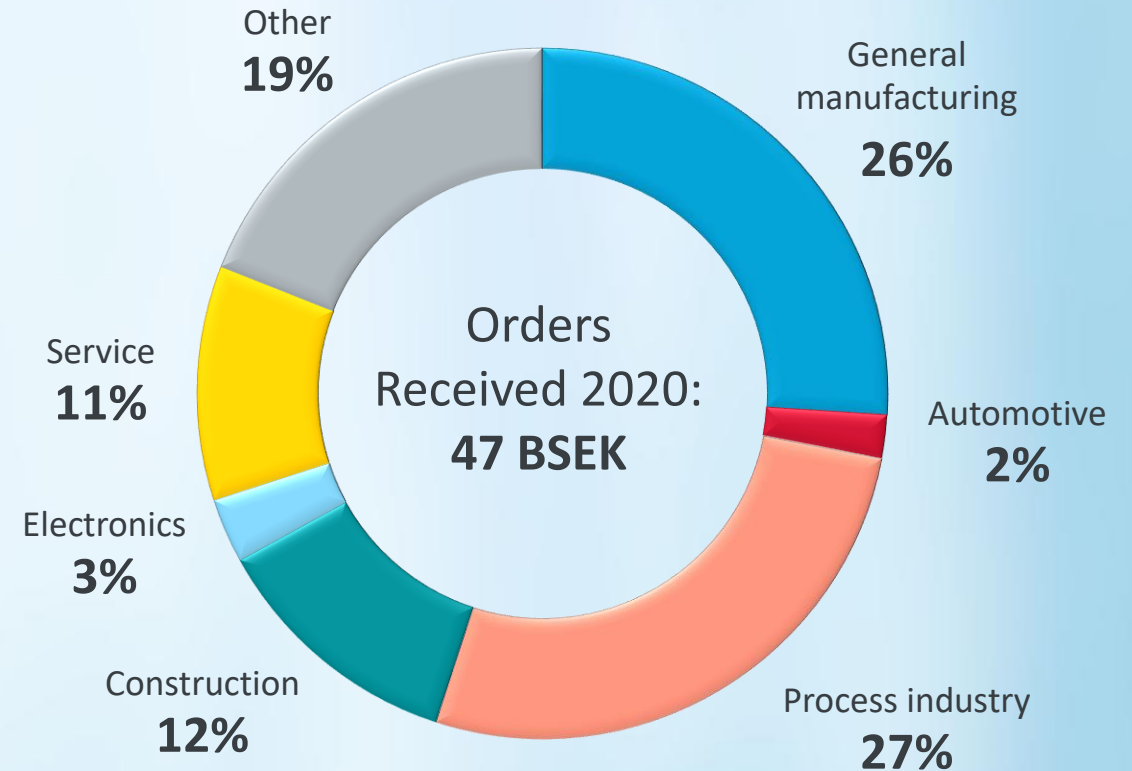


The market and business fundamentals



The market we operate in

- Compressed air is often referred to as the 4th utility
 - We serve all industry segments
- Largest technology range
 - Application driven solutions
 - Small to big industries
- Providing Total Solutions
 - Quality air treatment
 - Industrial Gasses
- Strong service organization
 - Global market coverage



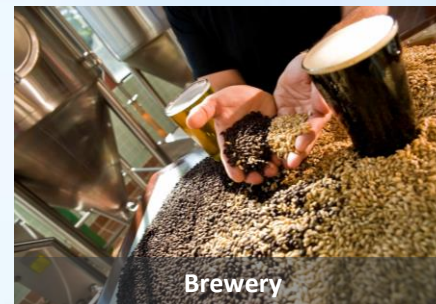


Traditional Industries

Continued investments in traditional industries:

→ GDP/Capita Growth

→ Energy & CO₂ reduction

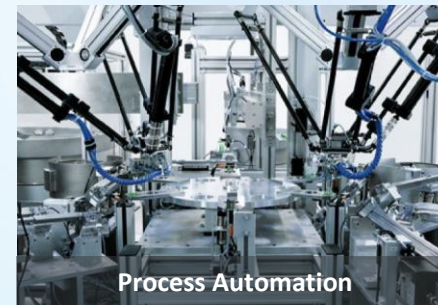
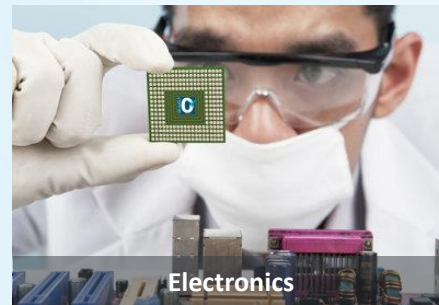


...
many more

New Technology Industries

→ Automatization & Industry 4.0 brings lots of opportunities for pneumatic controls and compressed air

→ Use of Industrial Gasses



...
many more



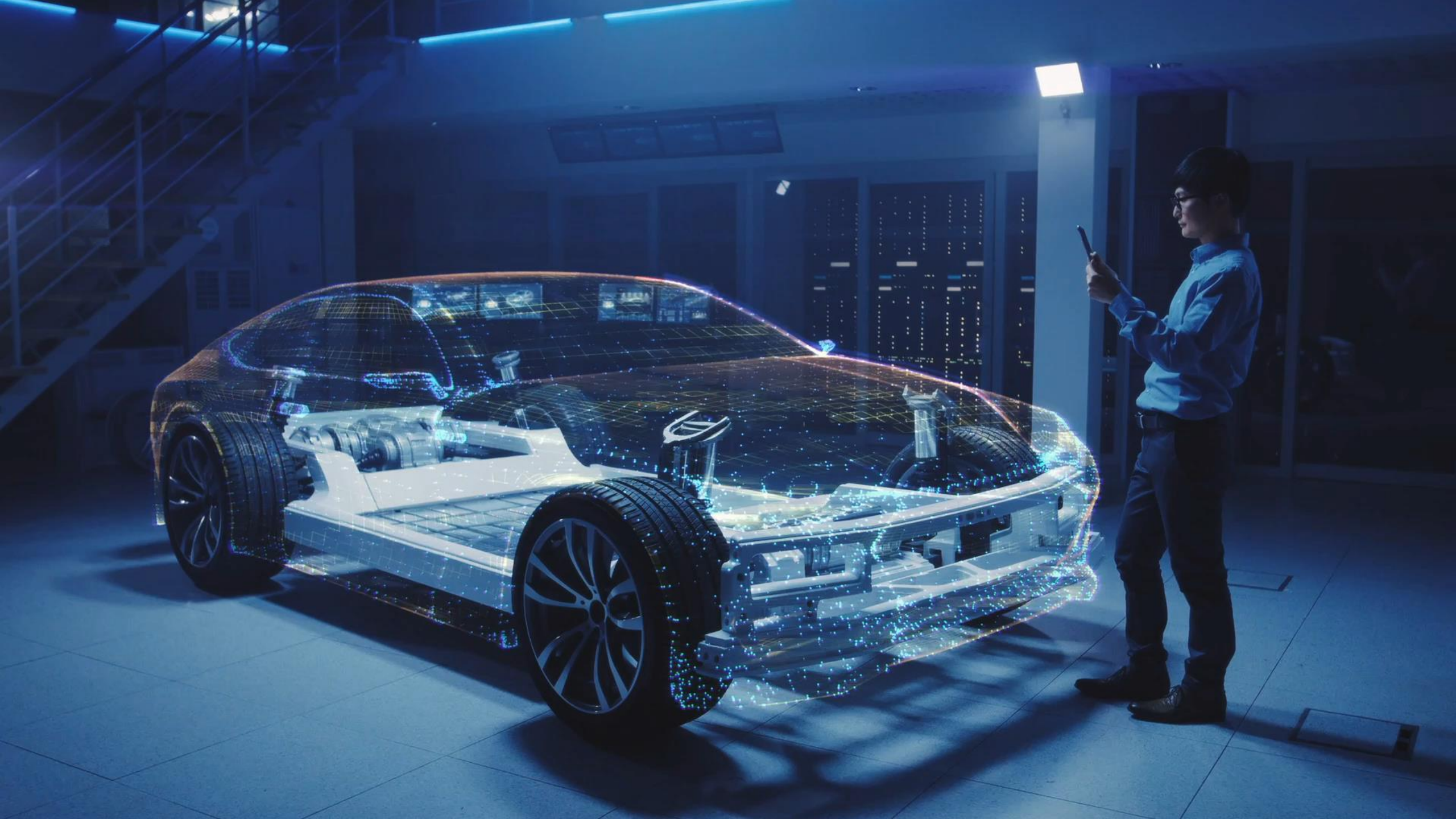
Example: Automotive Industry

Shift to electric driven cars

- Increased demand for battery cell production in the coming years
- Huge investments in new factories to produce electric cars

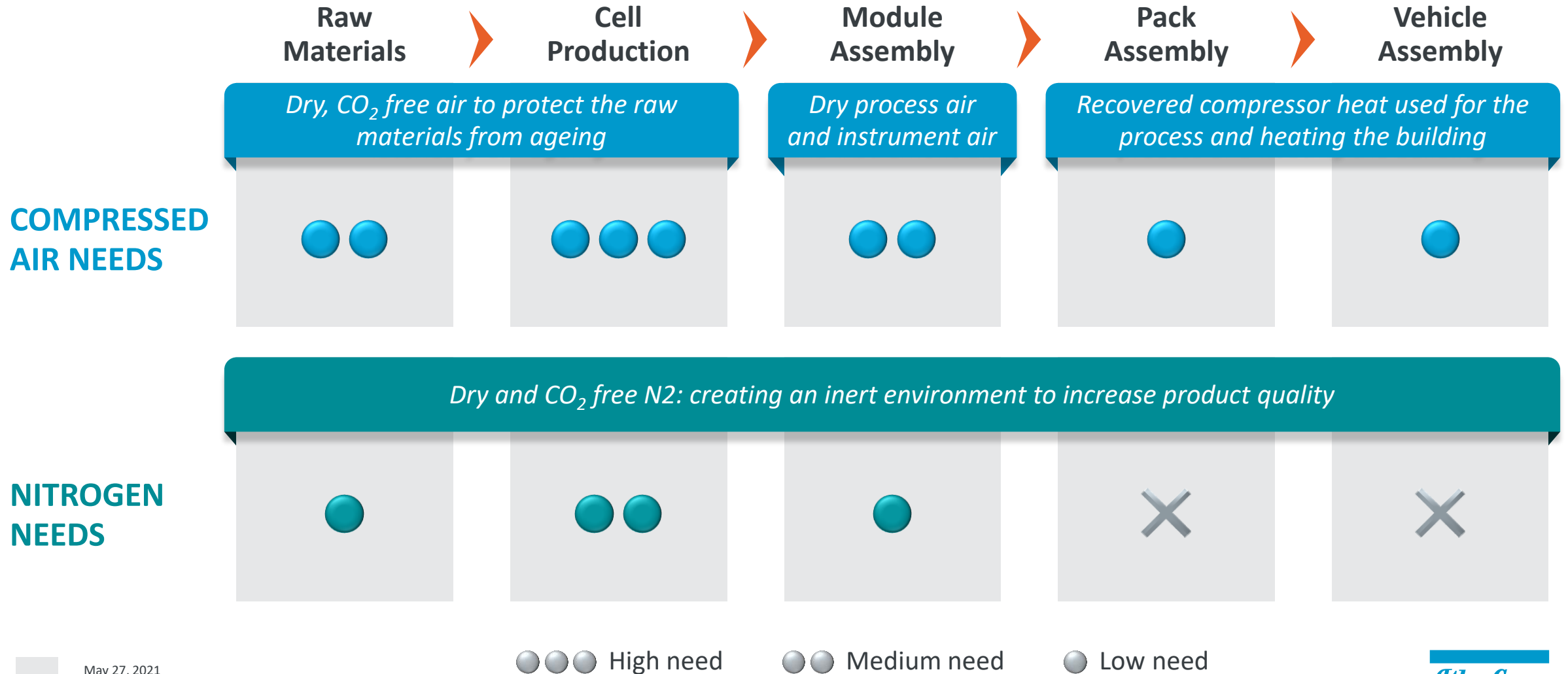


Compressed air and industrial gasses are needed in every part of the process



Example: Automotive Industry

Electrical vehicle battery production process



Strategy for growth



Strategy for profitable growth

- Innovation for reduced TCO
- Expanding Applications
- Increased Presence
- Service Offering
- Digitalization



















GROWTH

**OPERATIONAL
EXCELLENCE**

- Modular Product Design
- Lean Management
- Local for Local
- Digitalization of processes

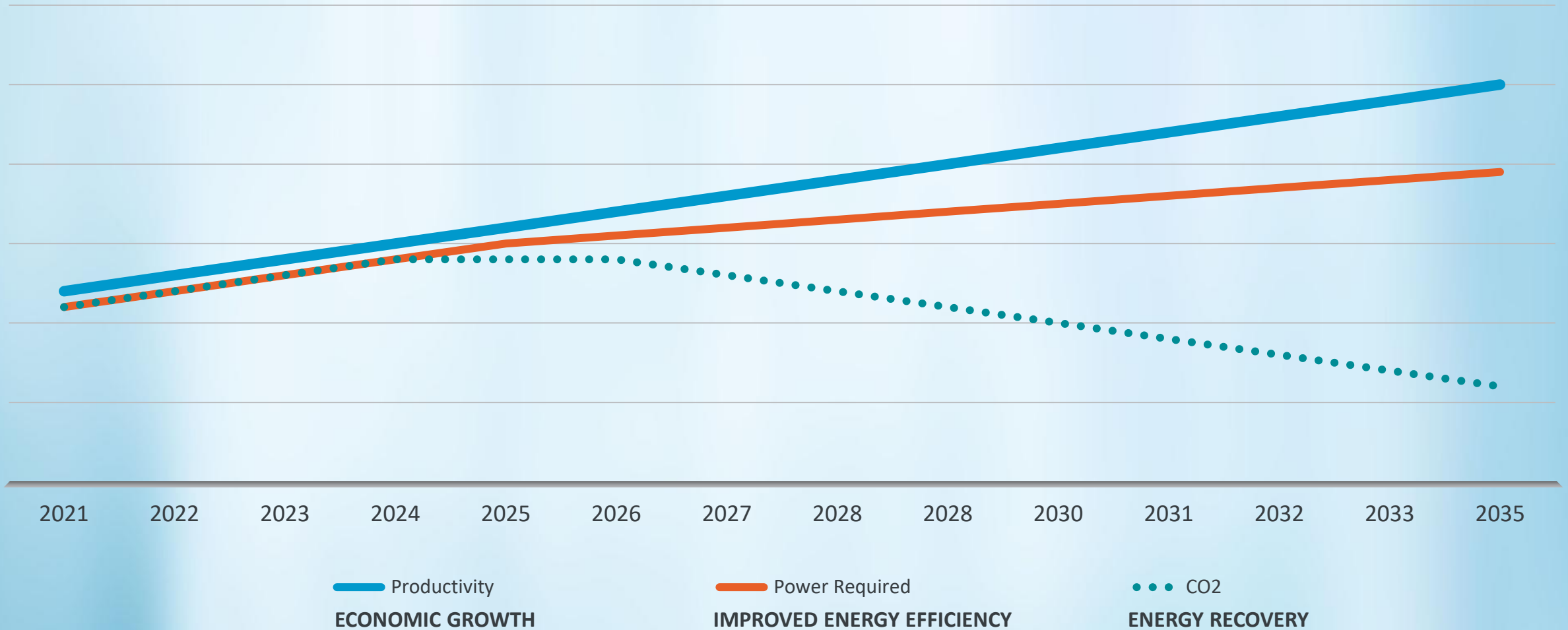
Our Product Offering

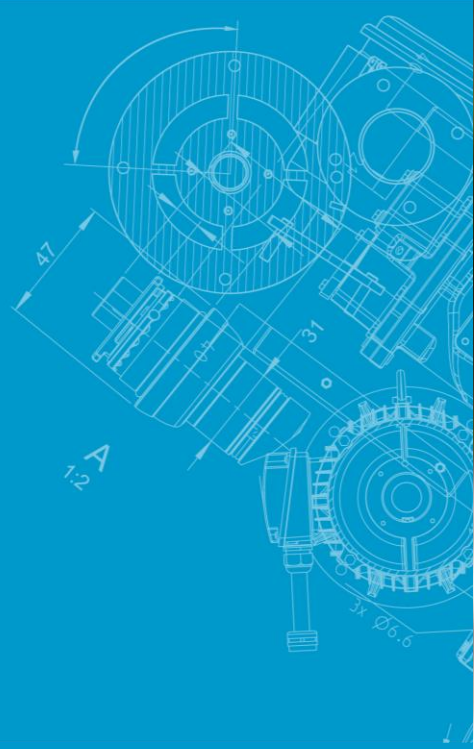
ATLAS COPCO COMPRESSOR TECHNOLOGY

TECHNOLOGIES	OIL LUBRICATED	PRESSURE	AIR QUALITY	MONITORING & CONTROL	SERVICE
<ul style="list-style-type: none">  Screw  Piston  Scroll  Centrifugal  Lobe  Tooth 	100% OIL FREE	POWER	<ul style="list-style-type: none">  Dryers  Filters  Condensate treatment  Ancillaries N Nitrogen O Oxygen 	<ul style="list-style-type: none">  Central control  Energy recovery  Connectivity  Industry 4.0 integration 	<ul style="list-style-type: none">  Global presence World class logistics Certified technicians Service plans Diagnostic services
	INDUSTRIAL COOLING	TEMPERATURE	THERMAL MGMT		
		0.1 bar  400 bar LARGEST PRESSURE RANGE			
		1 kW  20 MW LARGEST POWER RANGE			
		-20°C  +40°C	Water Oil Air		



Compressed air carbon emissions





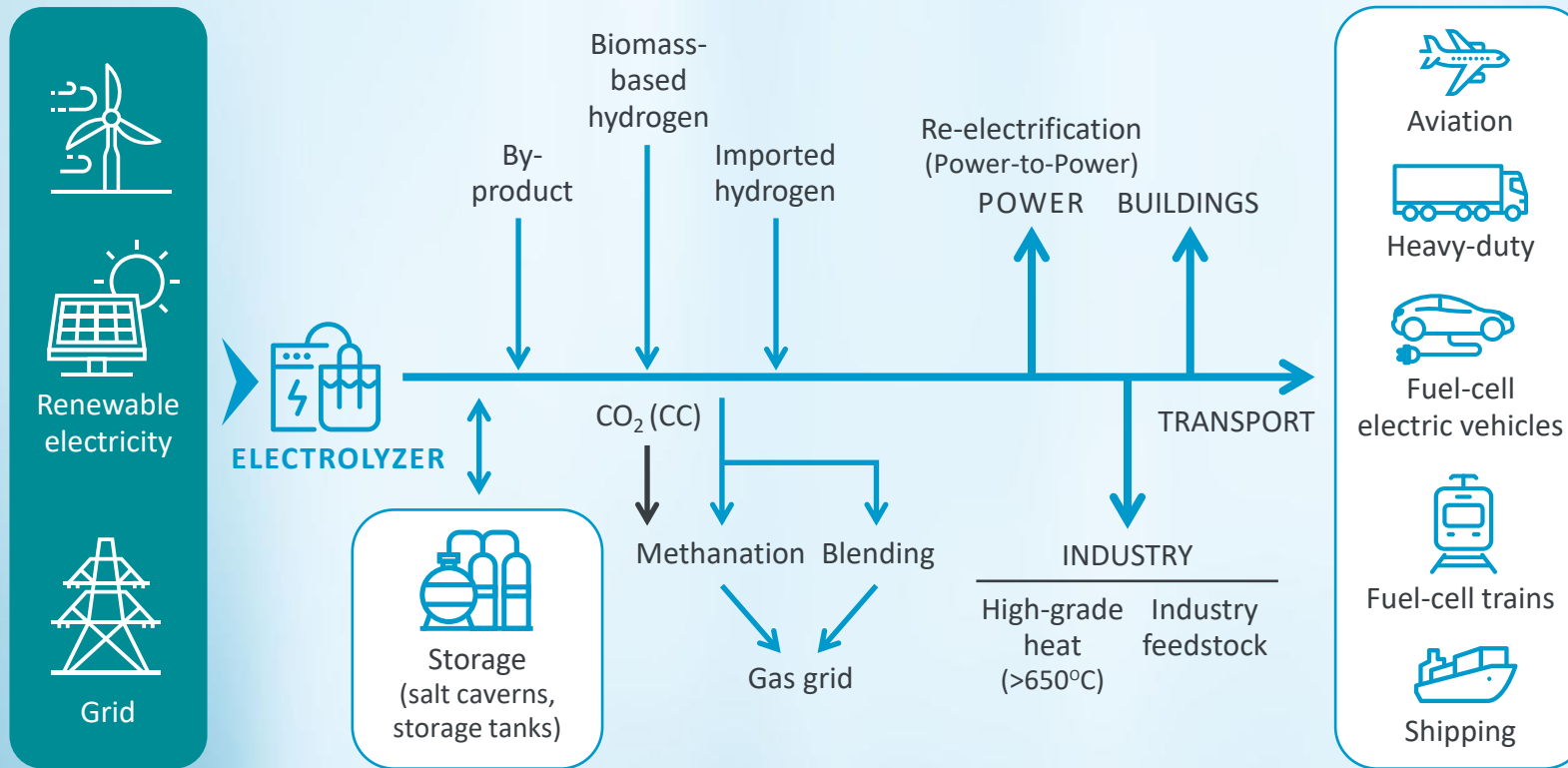
Hydrogen

A huge potential for a decarbonized economy

Hydrogen

A sustainable energy shift

ELECTRICITY



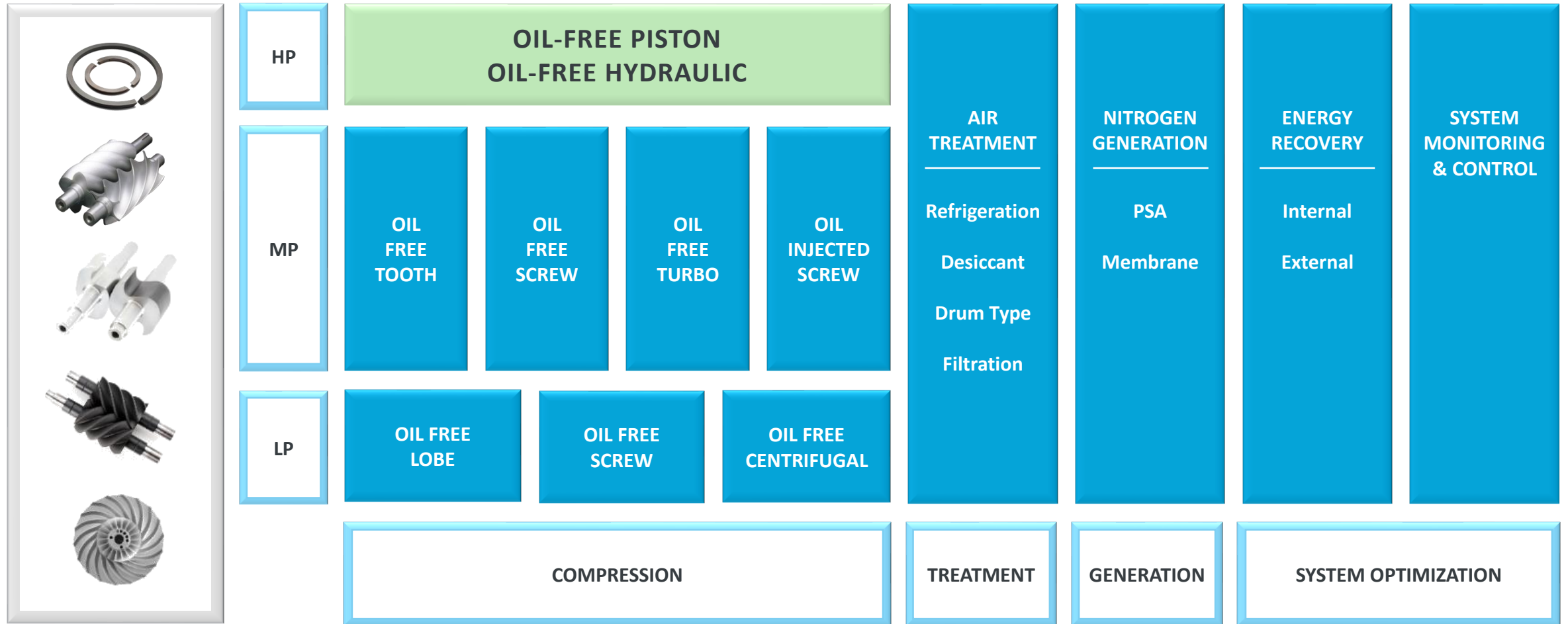
Initiatives to decarbonize the energy sector to meet net carbon zero emissions target by 2050

Hydrogen fuel technology offers a role in global decarbonation

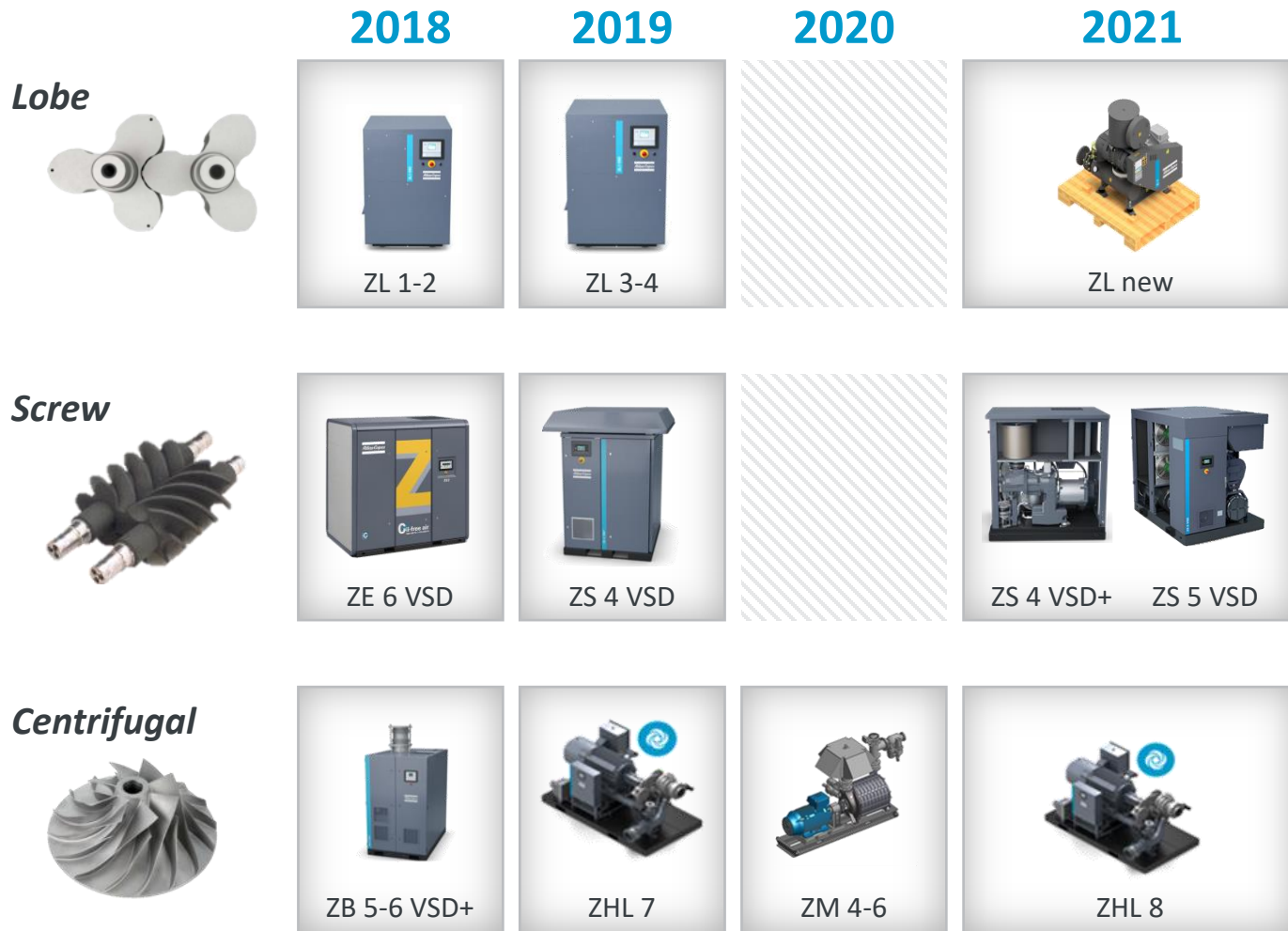
Projected an interesting compressor market for mobility + heat & power applications

Hydrogen Portfolio in Atlas Copco

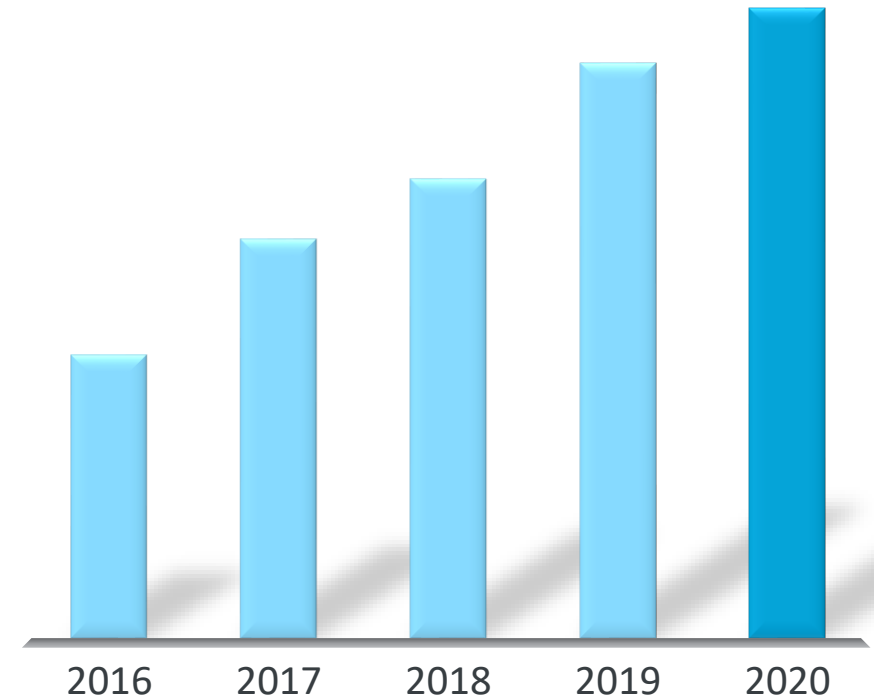
Atlas Copco Core Technologies



Low Pressure



Revenue Development



Industrial Cooling

Temp
ABOVE
ambient

Cooler



60-900 kW

Temp
BELOW
ambient

Chiller



5 kW



1250 kW

Watercooling

Product range of chillers and coolers with optional adiabatic pre-cooling and freecooling.
Optimized performance and energy savings for industrial process cooling.

Air flow rate 1000-20.000 m³/h

Airchiller

10-200 kW

Fluid temp range 90-300°C

Temp control unit

5-150 kW

Thermal Management

Precise temperature control of water, air and oil.
Increased customer productivity and production quality

Innovation

New products

2020

>55

2019

>40

2018

>35

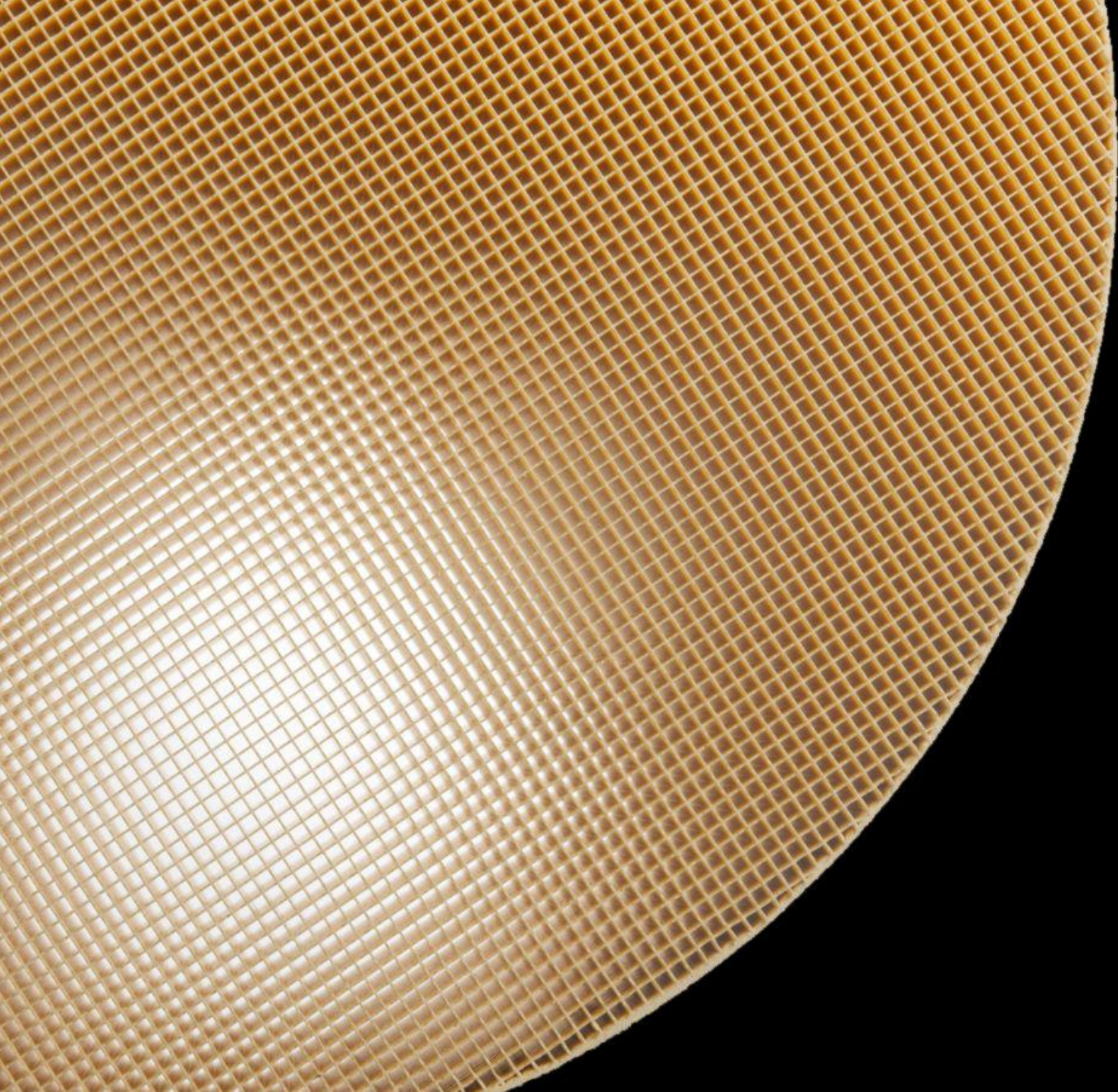
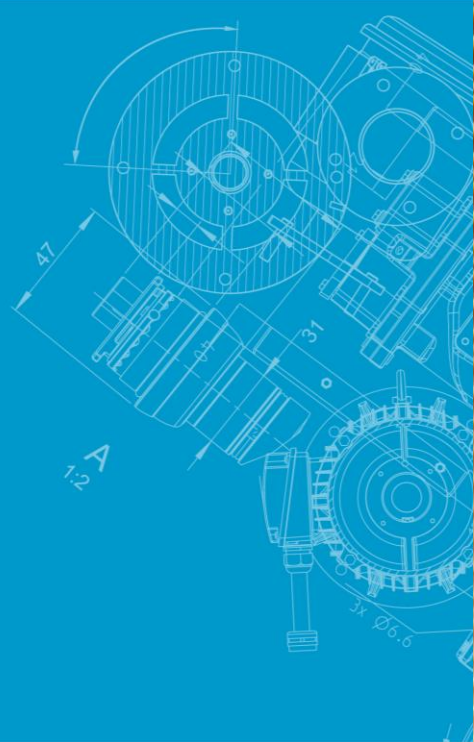
2017

>30

2016

>25





Cerades™

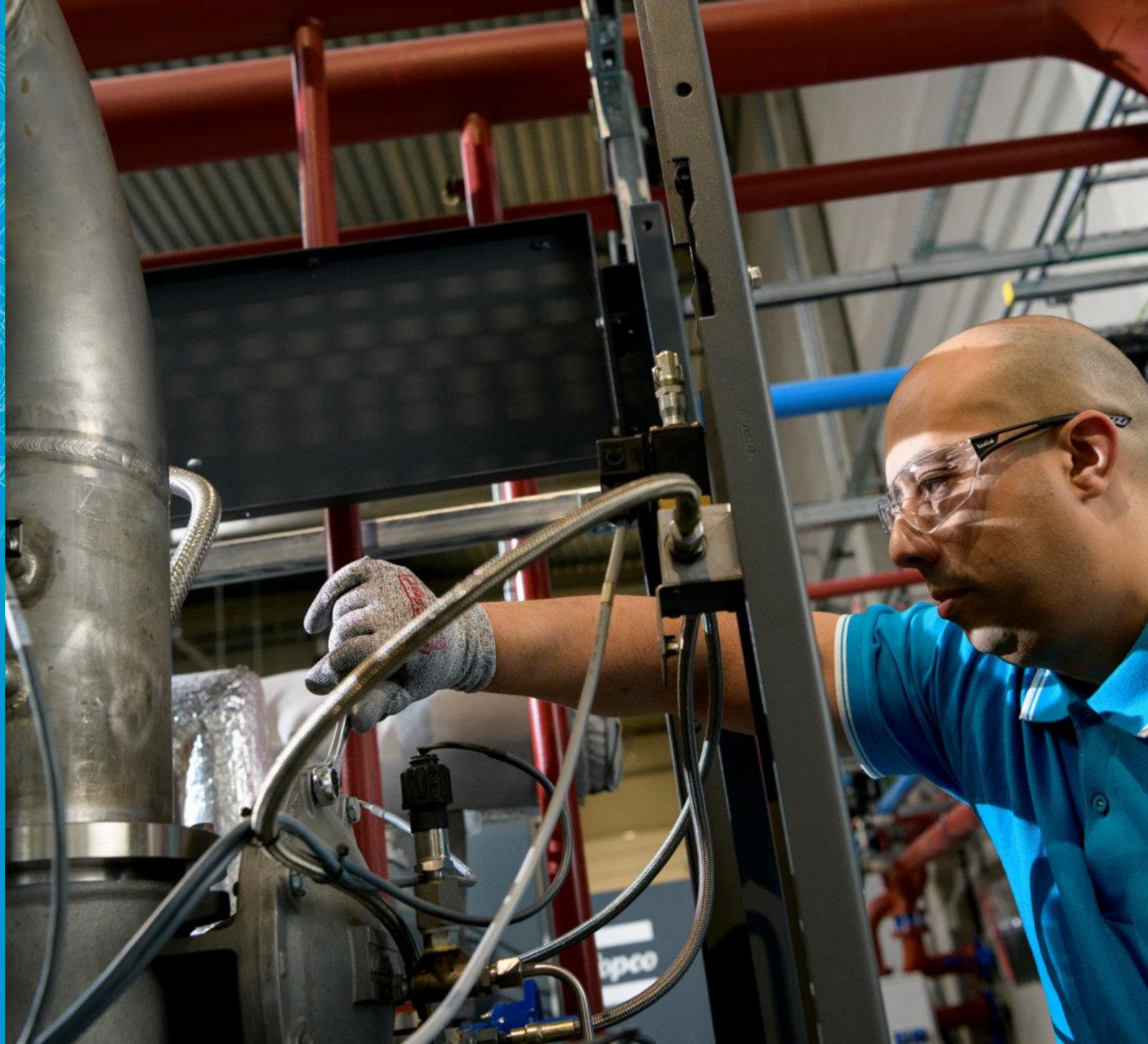
A revolution in dessicant
dryer technology

**A revolution in desiccant
dryer technology
by Atlas Copco**

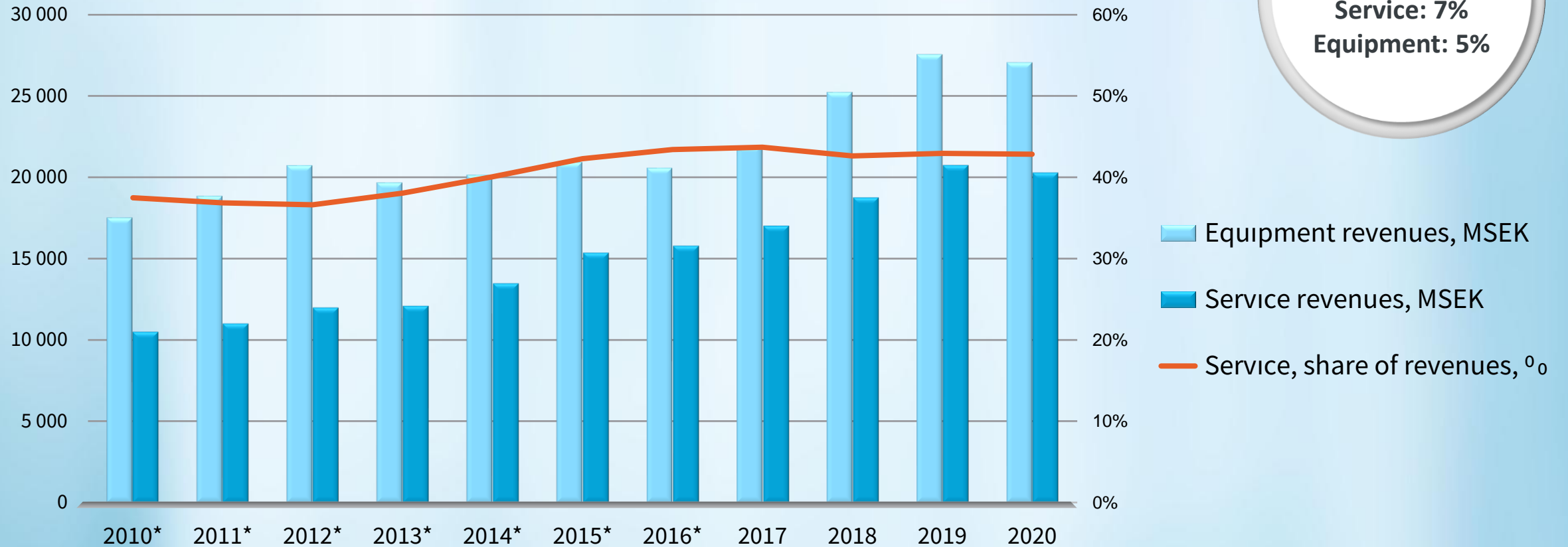


Service

Connecting you to
an easier life



Compressor Technique – Service



Average yearly growth:
Service: 7%
Equipment: 5%

* Figures for the years 2010-2016 are best estimated numbers, as the restatements for IFRS15 are not fully reconciled.

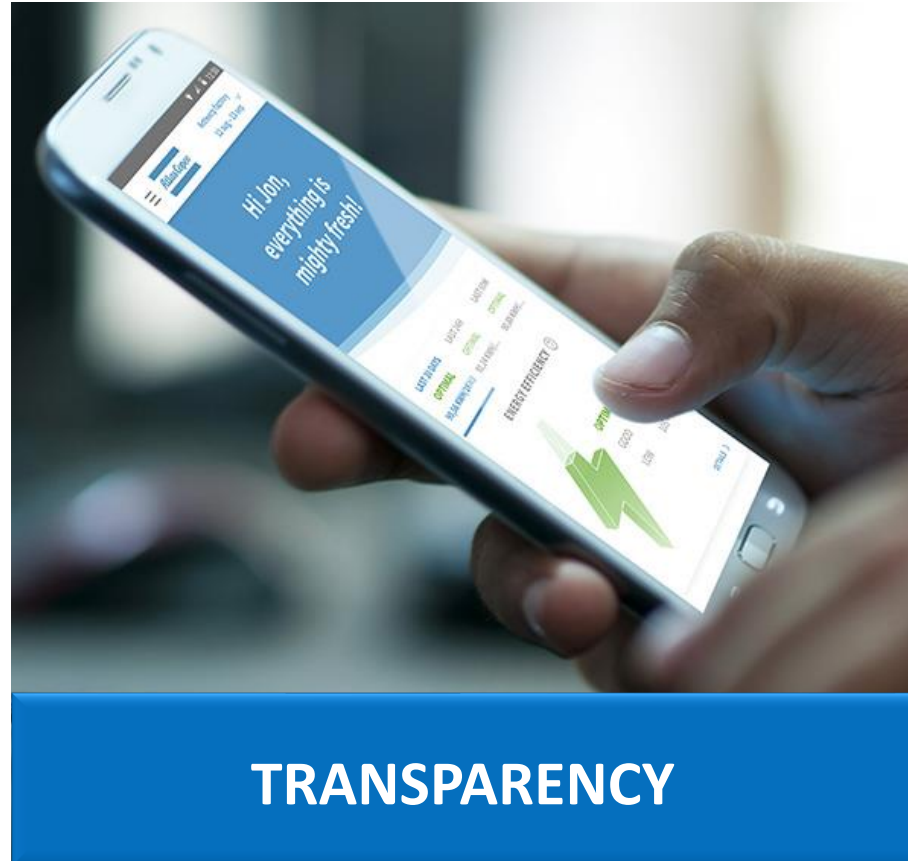
Customer Requirements

INCREASED PRODUCTIVITY

Maximum Uptime
Performance increase

ELIMINATE RISKS

Guaranteed Air Quality
Service Agreements



REDUCED OPERATING COST

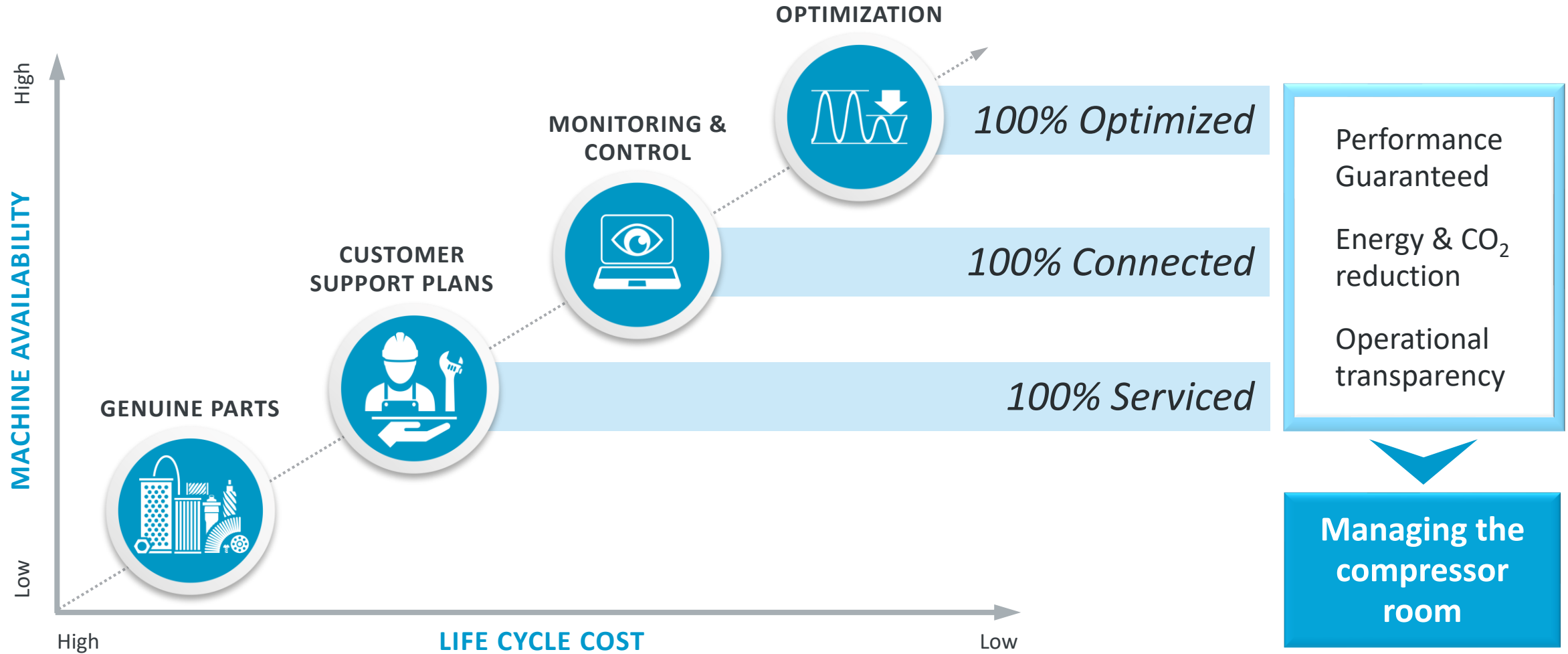
Energy Savings
Eliminate Breakdown Cost

PROTECT ENVIRONMENT

Energy Savings
Environmental footprint

Strategy for profitable growth – Service

Our Service Offering



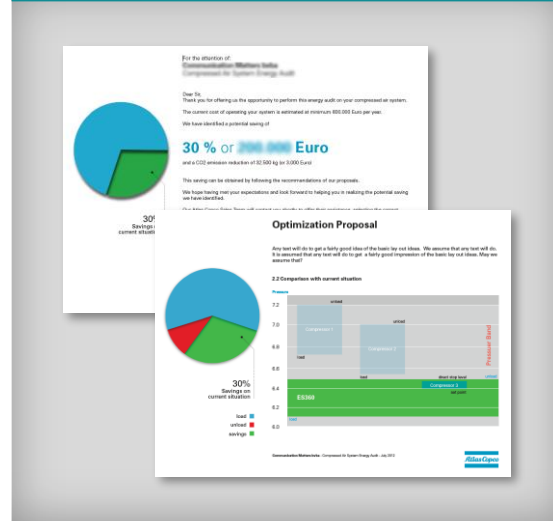
Optimization

AIRSCAN



Leak Detection
Energy Audit
Air Quality

REPORTING



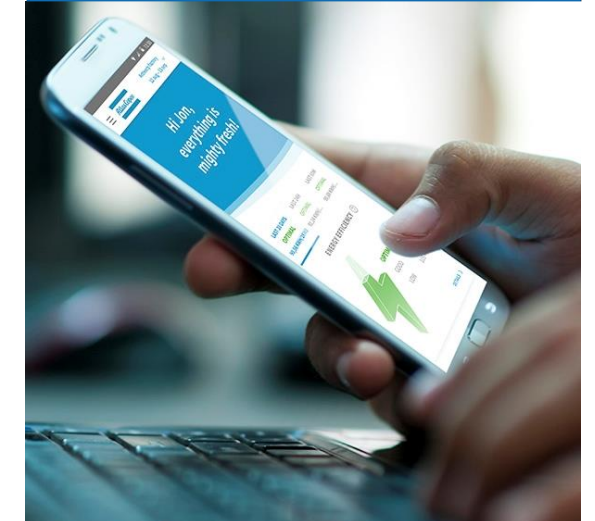
Comprehensive report
identifying potential
energy savings

SAVINGS



Central Controllers
Product Upgrades
Energy Recovery

FOLLOW UP



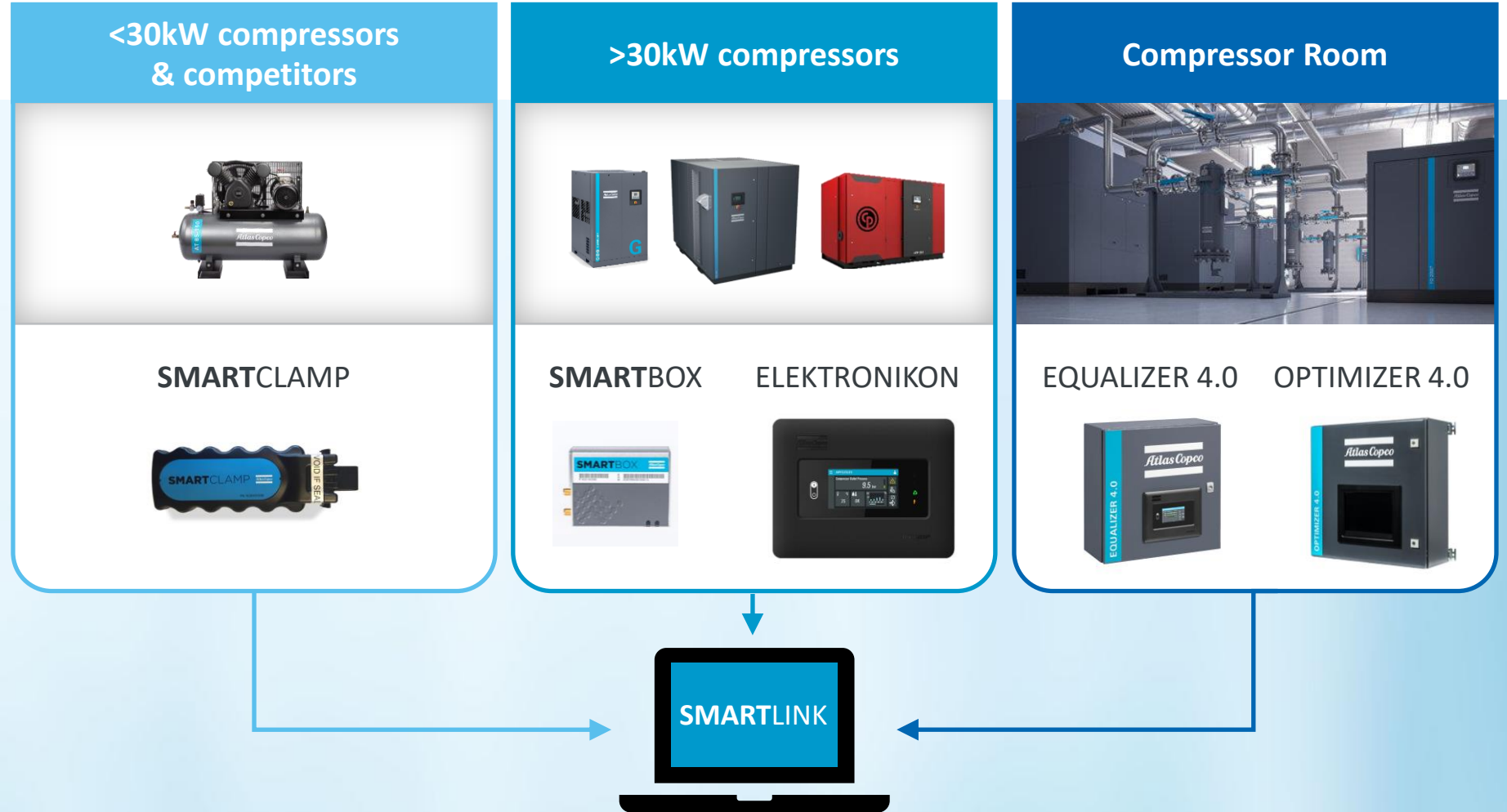
Monitor the savings
On-line recommendations

Connectivity

SMARTLINK



>200.000
CONNECTIONS



Connectivity

Benefits



CUSTOMER

Transparency on
compressor operation

Recommendations
(efficiency improvements)

ATLAS COPCO

Operational Efficiency

Sales Leads

Increased number of
Service Contracts

- ➔ Data enabled service offering (Performance Guaranteed)
- ➔ Remote Diagnostics
- ➔ Improved machine design and reliability



Operational Efficiency

Smart Factories –
Industry Connect





People Development

Talent & Acquisition pipeline

Diversity & Inclusion network
target: 30% women by 2030

Master in Marketing & Sales

Leadership

Talent pipeline for future
Presidents and Managers

Coaching for performance



Learning Organization

Digital learning to reduce
time to competence

Never Stop Learning

Employee Engagement

Performance enablement

Employee **well-being** is priority
Safety comes first



Summary – Compressor Technique

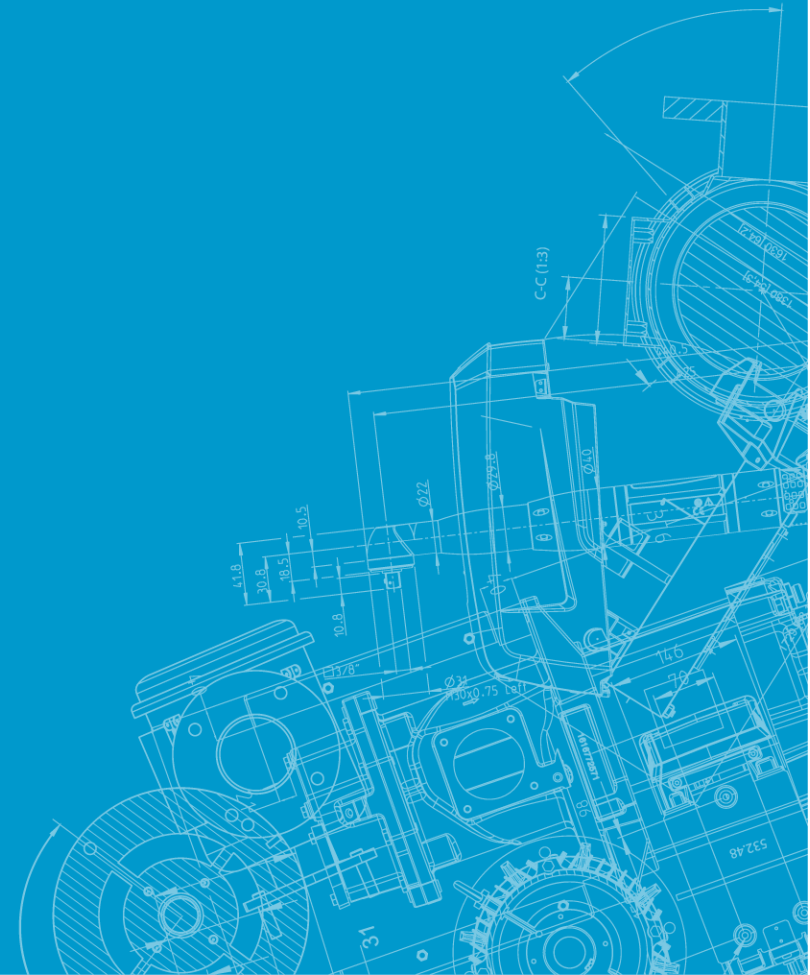
- Diversified market place
- Growing number of applications
- Broad product portfolio
- Focus on innovation
- Complete solution provider
- People are key



Atlas Copco

Atlas Copco

atlas-copco.com



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.”