How we deliver lasting value

Our industrial ideas empower our customers to grow and drive society forward. This is how we create a better tomorrow.

Focus area

Revenue growth measured over a business cycle

- Sustained high return on capital employed by constantly striving for operational excellence and generating growth

Earnings as dividends to shareholders

- Target: 8% per annum

Financial

<table>
<thead>
<tr>
<th>Annual revenue growth rate, average</th>
<th>Capital employed and return</th>
<th>Dividend/earnings per share, average</th>
</tr>
</thead>
<tbody>
<tr>
<td>%</td>
<td>%</td>
<td>%</td>
</tr>
<tr>
<td>10 years</td>
<td>8</td>
<td>Goal</td>
</tr>
<tr>
<td>5 years</td>
<td>8</td>
<td>Goal</td>
</tr>
<tr>
<td>3 years</td>
<td>8</td>
<td>Goal</td>
</tr>
</tbody>
</table>

- Figures for the years between 2012 and 2017 are best estimated numbers, as the effects of the distribution of Epiroc and restatements for IFRS 15 are not fully reconciled.

Targets

People

- The degree to which employees agree there is opportunity to learn and grow should be above the global benchmark and continuously increase

- The degree to which employees agree we have a work culture of respect, fairness and openness should be above the global benchmark and continuously increase

- Share of female employees (year end). Goal by 2030

Ethics

- Employees sign the Business Code of Practice
- Employees are trained in the Business Code of Practice
- Managers in risk countries lead trainings in the Business Code of Practice
- Significant suppliers sign the Business Code of Practice
- Significant distributors sign the Business Code of Practice

Products & service

- Projects for new or redesigned products with goals for reduced environmental impact by 2021

- Projects for new or redesigned products that will achieve a significantly reduced environmental impact, i.e. 5% or lower carbon footprint over the product’s life cycle

Safety & well-being

- The degree to which employees agree that the company takes a genuine interest in their well-being should continuously increase

- Balanced safety pyramid, meaning that more near misses than minor injuries, and more minor injuries than recordable injuries are reported

Climate & environment

- CO₂ emissions from energy in operations and transport (tonnes) in relation to cost of sales. Goal by 2030. Base year: 2018
- Waste (kg) in relation to cost of sales
- Water consumption (m³) in relation to cost of sales
- Significant direct suppliers with an approved environmental management system

* For more information about the sustainability focus areas, targets, and processes, see pages 34–46 and the sustainability notes on pages 128–142.

** In 2018 (the base year), CO₂ emissions from energy in operations and transport (tonnes) in relation to cost of sales was 3.3.