

04 Unlocking productivity gains through Business Excellence



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Magdalena Wojtowicz

Senior Vice President, Tail Lifts

2015

Senior Sourcing
Manager,
Kalmar

2020

SVP Services,
Kalmar Automation
Solutions

2017

VP Service Operations &
Supply Chain,
Kalmar

2022

SVP Tail Lifts,
Hiab



Productivity gains unlocked through decentralised business model

Case examples

DECENTRALISED OPERATING MODEL

Commercial Excellence

Customer engagement
Value-selling tools
Data-driven

Sourcing Excellence

Supplier collaboration
Leveraged spend
Design to cost

Manufacturing Excellence

Faster
Flexible
Efficient



1.5%
OF SALES

Productivity gain
per year for
investments and
profitability
improvement

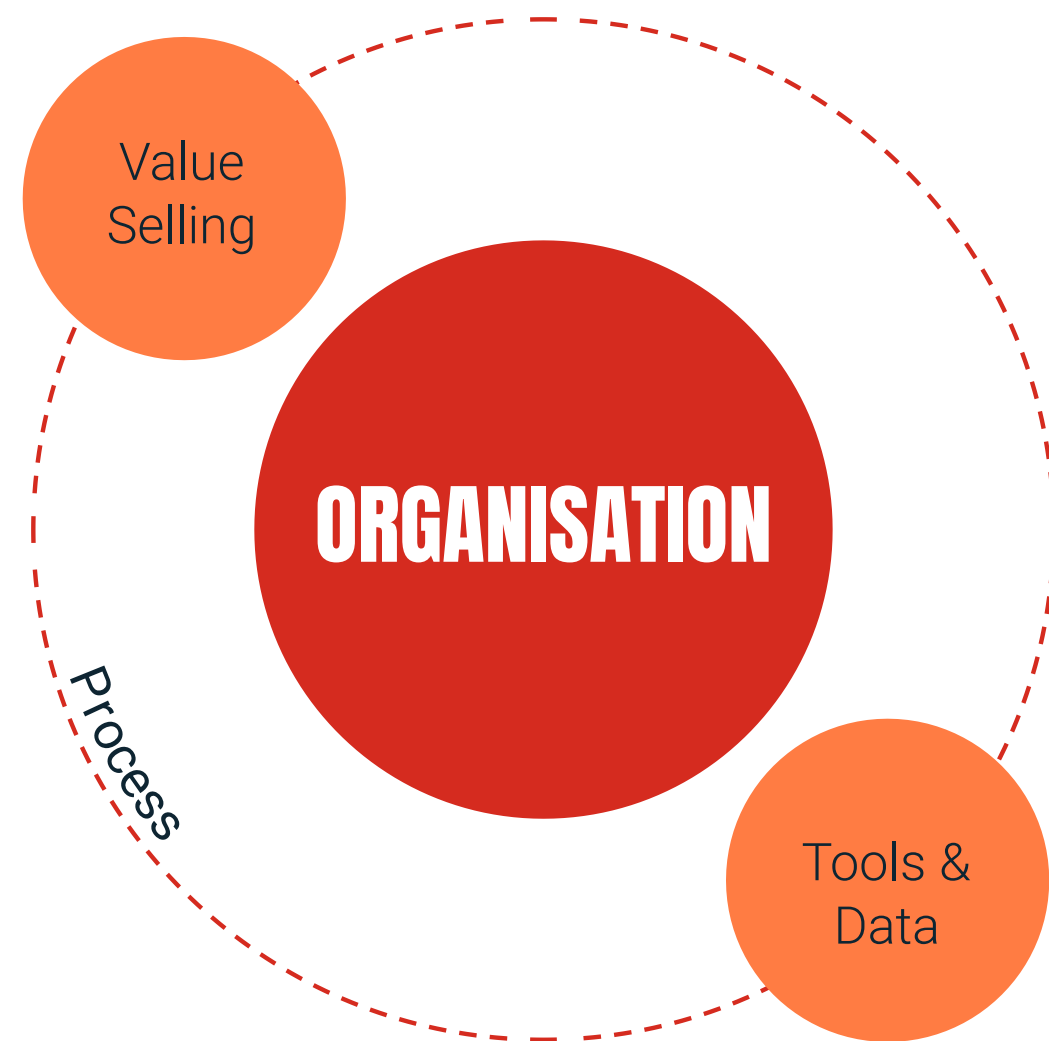
Tail Lifts profitability transformation

Driving best in class
customer service

Truck Mounted Forklifts transformation

Outstanding E2E Sales
realisation & cycle time
reduction

Commercial Excellence driving value for customers and sales efficiency



Improved Customer experience through a combination of **integrated data analytics, competences and best practice sharing.**

Value Selling

- Customer requirements translated to the product development
- Offering enabling customers to win more business
- Pricing aligned with customer value - add

Organisation

- Global rollout of common sales playbook
- Sales and product value training for 70% of the team
- Best practice sharing through regular sales cadence

Tools & Data

- Data-driven tools enabling margin improvement
- Customer and market insights by segment & geography
- Use of systems and analytic for higher conversion and win ratio

Focus on Sourcing Excellence to address 70% of COGS

From capacity assurance....

...to a true growth enabler

Post-Covid Recovery 2021–2023

Supply chain disturbances mitigation

Cost inflation control

Segmentation of costs and suppliers for strategy differentiation

Current Strategic Priorities 2024–2026

Balanced scorecard - improved Quality
Delivery Cost

Design to cost programs

Supplier development unlocking technology and sustainability benefits

Our ambition 2027–2028

E2E supply flexibility and integration

Significant product cost reductions through product rationalisation

Supplier ecosystem as source of innovation and value

Delivering value for customers through Manufacturing Excellence

Faster

Optimised Processes

- Automated order handling
- Data-driven material planning
- Data transparency across production chain
- Process integration

BEST-IN-CLASS

Order Fulfillment Time

More flexible

Lean Factory Model

- Common performance management across all sites
- Volume and price mix flexibility across sites
- Lower footprint complexity
- Lean manufacturing

50% UPSIDE

In Manufacturing flexibility within 3-6 months

More efficient

Continuous Cost Improvement

- Competence build-up
- Accountability at the site-level
- Systematic cost outs

PRODUCTION COST

Improvements

Creating profitable growth for the Tail Lifts division

IMPROVEMENT AREAS

Commercial focus

Product efficiencies

Organisation and accountability

CHANGE DRIVERS

- Product mix management
 - Lead time reduction and flexibility
 - Innovation and co-creation with the key accounts
-

- SKU (Stock Keeping Unit) rationalisation
 - Manufacturing outsourcing
 - Design to cost
-

- Employee First culture
- Excellent collaboration; Operations, Sales and Product Management

RESULTS '23 V '22

Enabled customers to win new business

Best Performing Supplier Award from Penske and Morgan

Sales grew by over 40% and gross margin improved by 980 Bps



Successfully solving supply chain challenges in Truck Mounted Forklifts

IMPROVEMENT AREAS

Supply chain planning

Lean Six Sigma implementation

Product efficiencies

CHANGE DRIVERS

- Optimal capacity utilisation
- Supplier management
- Lead time reduction

- Value Stream Mapping
- New factory lay-out
- Cycle-times reduced, waste elimination, improved quality

- Supply chain nearshoring
- Design to Cost
- Product standardisation

RESULTS '23 V '22

- Productivity improvement by over 20%
- Lead time improvement from 60 to 15 weeks
- Sales grew by over 70%



Summary

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- 1** Scalable business model built on accountability and transparency

 - 2** Business excellence drives productivity gains annually of 1.5% of sales

 - 3** Repeatable success stories of amplifying operational efficiency



BUILT TO PERFORM

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