

#### Our purpose







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







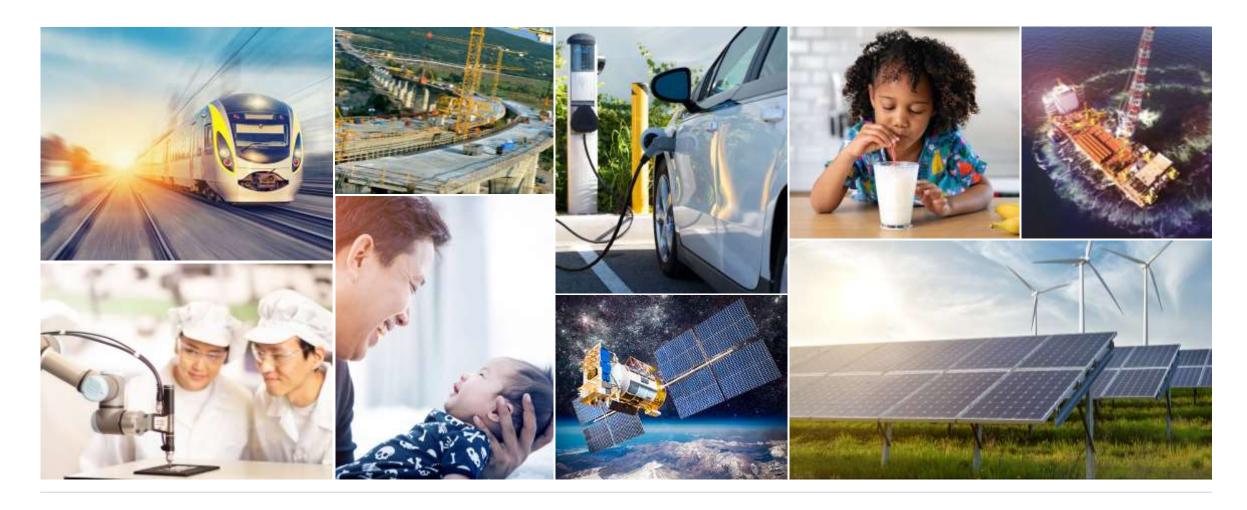


# Our **purpose**





# Adding value to people everywhere





# The world needs food and medicine























Renewable energy for a sustainable future













Innovative products require innovative processes

















Sustainable cities connected by safe transport systems













# **Protecting** marine **wildlife**















# This is Atlas Copco



Customers in **184** countries



40 000 employees in 71 countries



Established in **1873** Stockholm, Sweden



Turnover of nearly **100** BSEK / **10** BEUR



Operating margin of 19.2%



# Atlas Copco in 2020

Revenues
100 BSEK / 10 BEUR

Operating margin 19.2%

Return on capital employed **23%** 

# Orders received and revenues



# Return on capital employed and operating margin



<sup>\*</sup> Figures for 2017 are restated for IFRS 15 and refer to continuing operations after the distribution of Epiroc in 2018.



# Orders received by region





# A very global presence





#### A portfolio of strong brands



















































































































### A decentralized Group

#### **BOARD OF DIRECTORS**

#### **PRESIDENT AND CEO**

#### **GROUP MANAGEMENT**



#### COMPRESSOR TECHNIQUE

- Compressor Technique Service
- Industrial Air
- Oil-free Air
- Professional Air
- Gas and Process
- Medical Gas Solutions
- Airtec



#### VACUUM TECHNIQUE

- Vacuum Technique Service
- Semiconductor Service
- Semiconductor
- Semiconductor Chamber Solutions
- Scientific Vacuum
- Industrial Vacuum



# INDUSTRIAL TECHNIQUE

- Industrial Technique Service
- MVI Tools and Assembly Systems
- General Industry Tools and Assembly Systems
- Chicago Pneumatic Tools
- Industrial Assembly Solutions
- Machine Vision Solutions



# POWER TECHNIQUE

- Power Technique Service
- Specialty Rental
- Portable Air
- Power and Flow



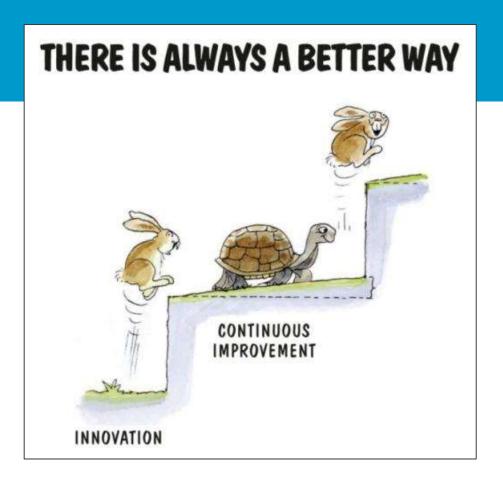
# Atlas Copco Airpower Belgium





#### < 2011

#### **World Class Manufacturing**



- Assemble—to-order
- Short lead times
- Kanban
- JIT
- Material at the line (no warehouse)
- Quality at the source
- Line balancering



#### 2011

#### **Lean Basics**

#### A clear difference of the production layout can be recognized



#### LEAN als concept

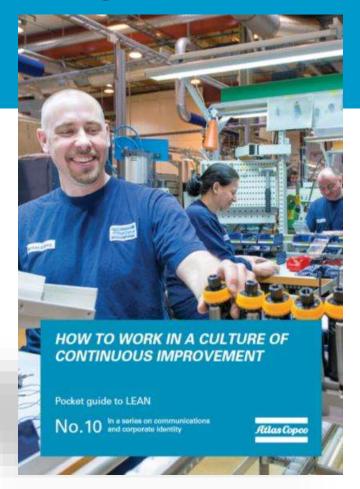
- Flow
- Takt
- Pull
- Zero Defect
- LEAN projects
  - Shorten Throughput time
  - Eliminate waste
  - Split Assembly from Logistics
- Countering dogmas

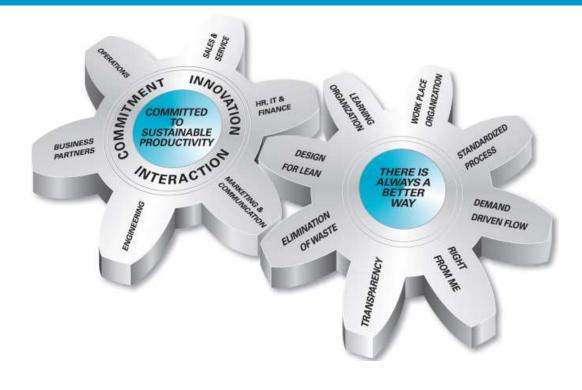




#### 2014

#### **Pocket guide to LEAN**

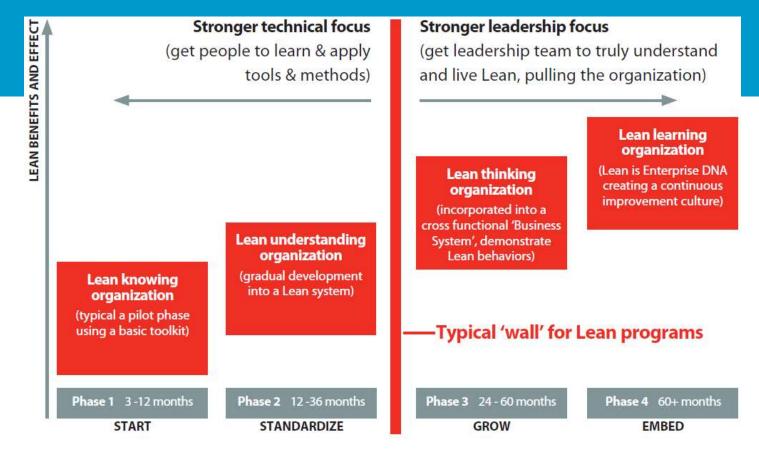






#### The wall

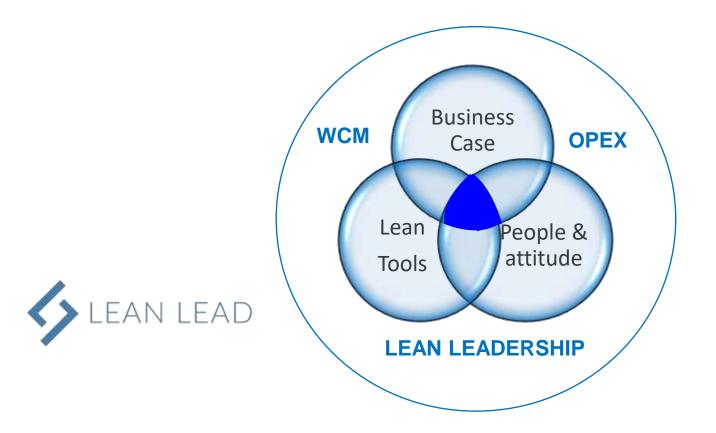
#### From LEAN projects, to a sustainable LEAN organisation



Hitachi Consulting's Lean Leadership Maturity Model ™



#### 'Word lean.. samen met uw medewerkers'





# **Uitdaging:**

Medewerkers gaan samen voor hun toekomst!

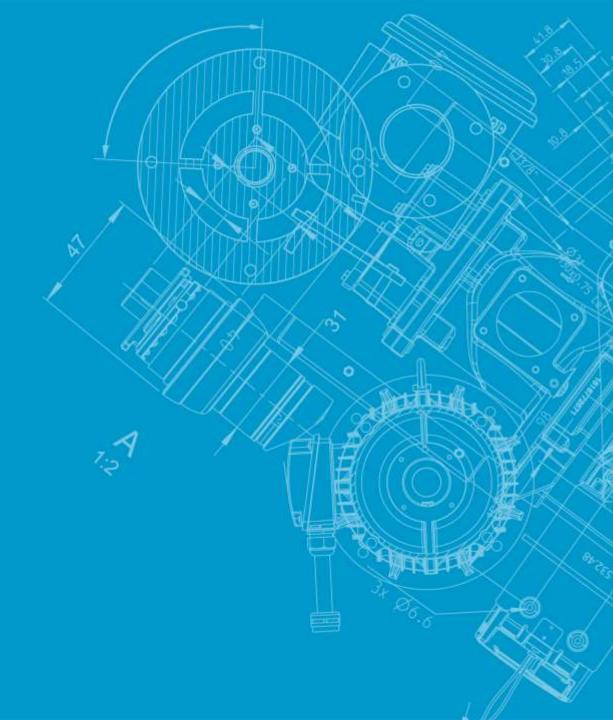
# **LEANLEAD** kick off

#### **Learn from a humble position**

| FIRMA       | ACTIVITEIT   | STERK VOOR ANDEREN   | LEREN VAN ANDEREN  |
|-------------|--|--|--|
|             | Productie en montage van schokdempers & Componenten  | Cel concept Process design problem solving Coaching /share knowledge   | Teamleader development   |
|             |  |  |  |
| Atlas Copco | Productie en montage van compressoren  | Assemblagetechnieken Planning systeem en methodewerk   | Cultuurimplementatie Target setting  |
|             | Projectie, Displays (LED & LCD)<br>en Connectiviteit (netwerk &<br>collaboratie oplossingen) | Operator betrokkenheid door focus 8ste W<br>Kaizen methodiek vertrekkende vanuit 7 W<br>Verschillende 5S realisaties en<br>Visualisaties | Transformatie naar Factory of the Future Lean in een technologische omgeving (lean industrialiseren & industrialisatie van een lean proces) VSM voor top down continu verbeteren |
|             | Performance polymers & Teflon<br>Coatings (Vespel Paris)                                     | Dupont production system : Management deployment Mindset, behavior & coaching Ideeënproces (bottom up)                                   | Digitaliseren VPM ipv borden<br>SMED<br>Shiftoverdrachten  |
|             | Metaalbewerking en montage-<br>werk  | Factory of the future  QRM (quick response MFG)  Digital POLCA (planning)  | Theorie -> praktijkconcepten-> volgende stappen  |



From LEAN Tools to continuous improvement



### 3 level meeting structure **SMQPDI**

**Daily communications** meeting **Shopfloor meeting** 

**Toolbox meeting** 

Prod mgr & Team coaches

9u00

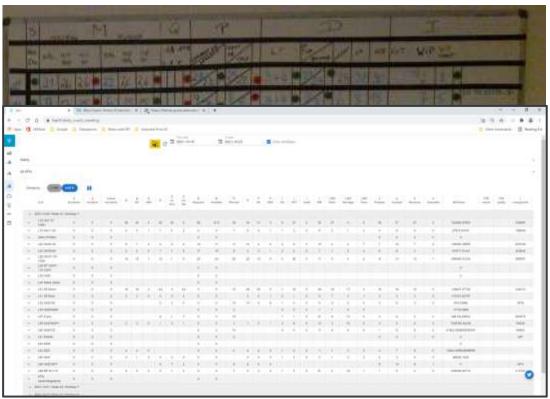
Team coach & Flow team

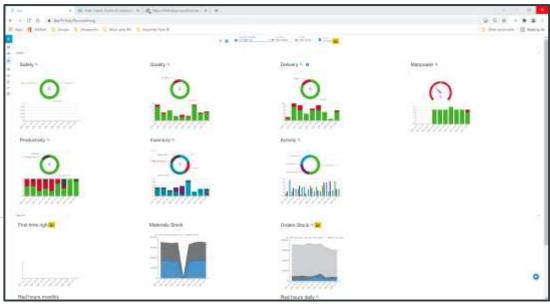
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Foreman & operators

7u15

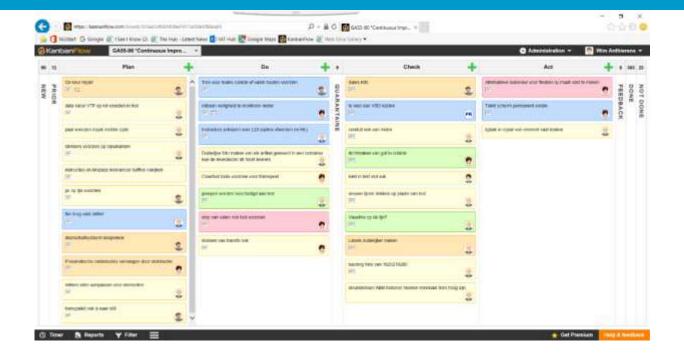






# PDCA follow up of ideas in C.I.







# Monitors, our drivers in C.I.

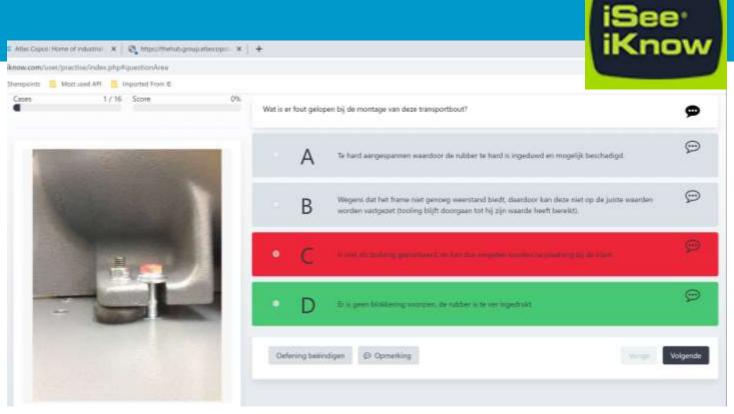
- Most experienced operators
- Main tasks
  - Drive continuous improvement by implementing the ideas from and with the operators
  - Train and qualify new operators
  - Build Prototypes to give early feedback to design
  - Replace foreman
- Learn from each other





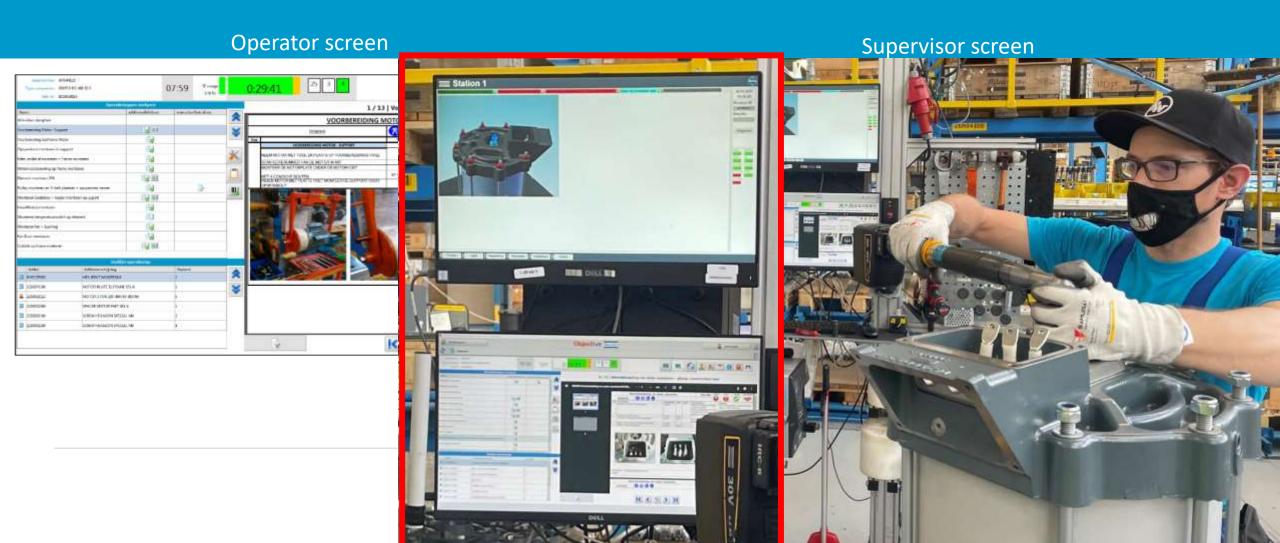
# Training: Gurukul, on the job & ISeelKnow



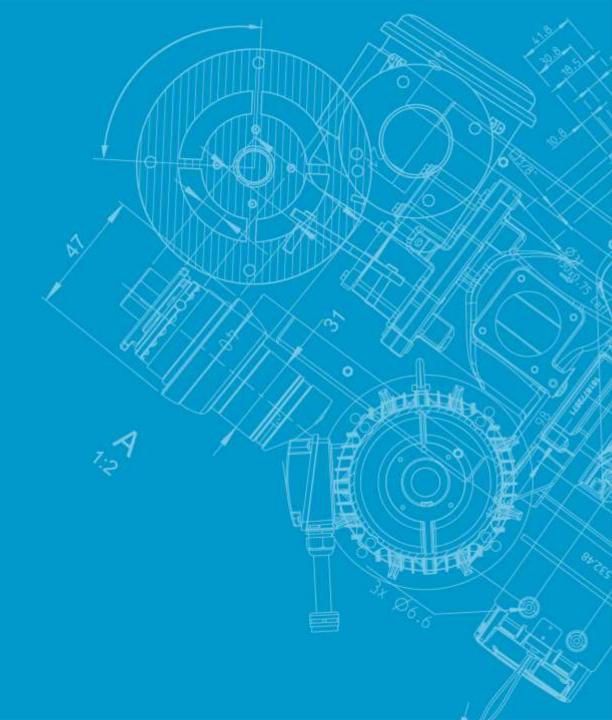




# MOMS / MES Manufacturing execution system



From LEAN Tools to continuous improvement to operational excellence



### Learn from LEANLEAD

#### **Gemba TIPS**

- > 5S is van verschillend niveau (schaduwborden oa borstels)
- Aandacht voor 5S in de voorbereidingszone naast de lijn
- Gebruik foto's voor en na : geven duidelijk de grote verandering op korte termijn weer
- Onderwaardering van de logistieke sterkte /kracht bij Atlas copco
- Teveel kit-karren (tijd over ?)
- Performance management niet up to date
- > Niet starten zonder dat alle onderdelen binnen zijn
- Standaard voor werkposten einde shift herbekijken
- > Gebruik een materiaal wisselsysteem met IN en UIT boven elkaar voor plaats te besparen
- Non Q-cost tgv leverancier opvolgen
- Aandacht voor afvalsortering en ophaling
- Takt nu op aantal units en niet op arbeidsinhoud
- Positie van de werklocatie visueel maken
- > Aandacht voor impact van de leverancier op jullie systeem , ga voor 1 component leverancier systeem
- > Testing trachten eerder in de lijn te integreren om repair en gevolg kosten te verminderen



### Februari 2018: Walk the Talk

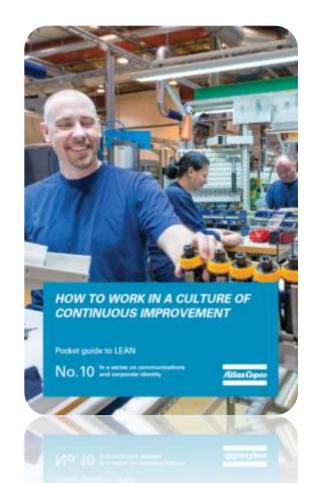
### Uit presentatie voor middle management seminar 2018

- CI LEAN 1pFLOW
- Better = easier, better quality, faster, cheaper
- Samen
  - Betrek alle operatoren
- Opleiding on the job
  - Proactief problemen vermijden (veiligheid, kwaliteit)
  - En kweken van experts die tot verbeteringen komen
- Eigenaarschap (van een zone, proces,...)
  - Betrokkenheid
  - Verantwoordelijkheid
  - Kans om te groeien en je te bewijzen
- Leiderschap:
  - train,
  - support,
  - follow up,
  - challenge

**Operational Excellence** 

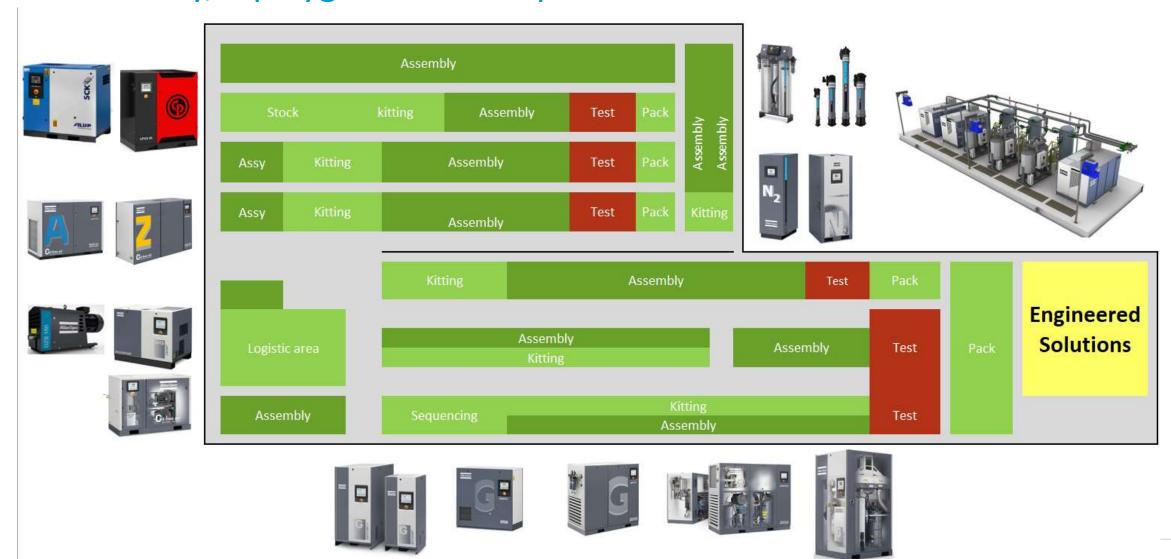
C.I.

**LEAN** 



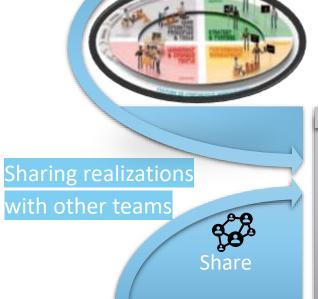


# The Factory, a playground for experiments



### C.I. For all















Coaching and Apprecation for the team



Coaching the zone owners At the station



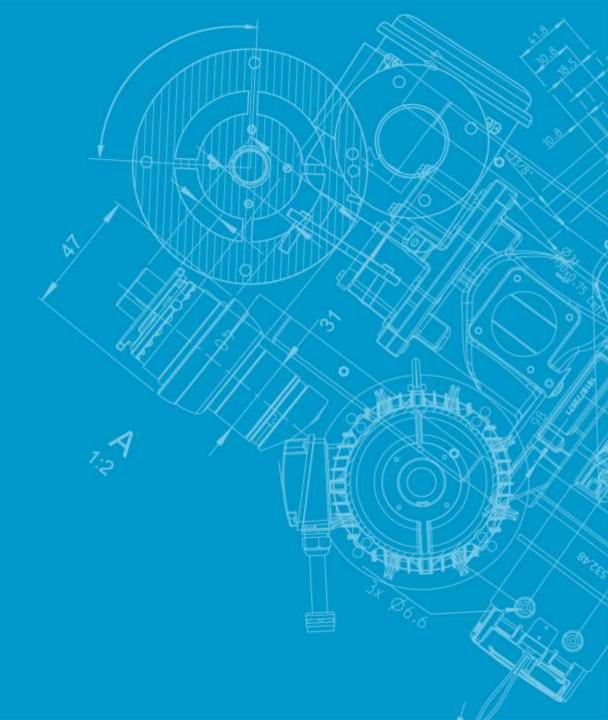
# Don't forget to celebrate!





From LEAN Tools to continuous improvement to operational excellence

**Going Global** 



## W2OX – The Program

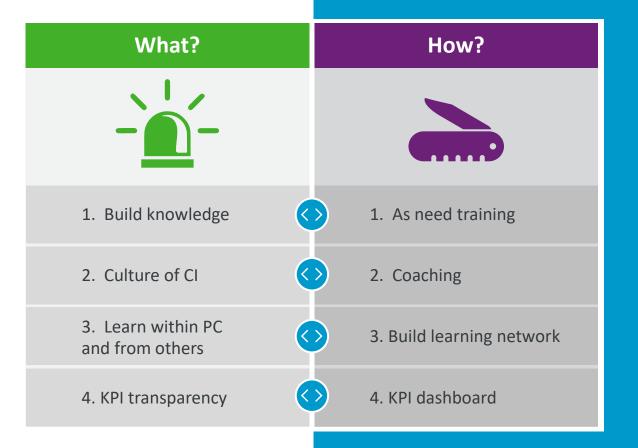
### Improve operational excellence

#### Mission

Enable IAT Product Companies to improve their level of Operational Excellence

#### Current Condition

- OpEx level differs over Product Companies
- Missing OpEx Knowledge and Experience
- Limited learning within and across Product Companies





# W2OX Kick-off and Follow-up

Coaching, coaching, ...

Training and Coaching of local PC (4-5days)



- Basic training
- Coaching Improvement Kata
- Local operational ownership
- TL Cross-learning

**Remote Follow-up** 



- Min. bi-weekly
- Through CI Leader
- Next challenge
- Remote O365 collaboration
- BRM reporting

**O365 IT Structure** 



- "Teams" for Collaboration
- NeMo (Sharepoint) for knowledge
- IAT Sharepoint structure for operational follow-up

**Yearly OpEx Event** 



- Getting to know fellow IAT PC's
- Interaction
- Learning
- OpEx Innovation
- Networking



### Kaizen Event

### **Preparation and Timeline**



### **Preparation**

- Team Selection
- Choose Problem
- Set Challenge and Goals
- Data and Problem Analysis



### **Kaizen Week**

- Current and Future State
- Root Cause Analysis
- Develop Solutions
- Quick Wins and Experiments
- Implementation Draft



#### **Aftercare**

- Full Execution of implementation plan
- Evaluate Goals vs. Actual
- Document, Share and Visualize
- Celebrate Success



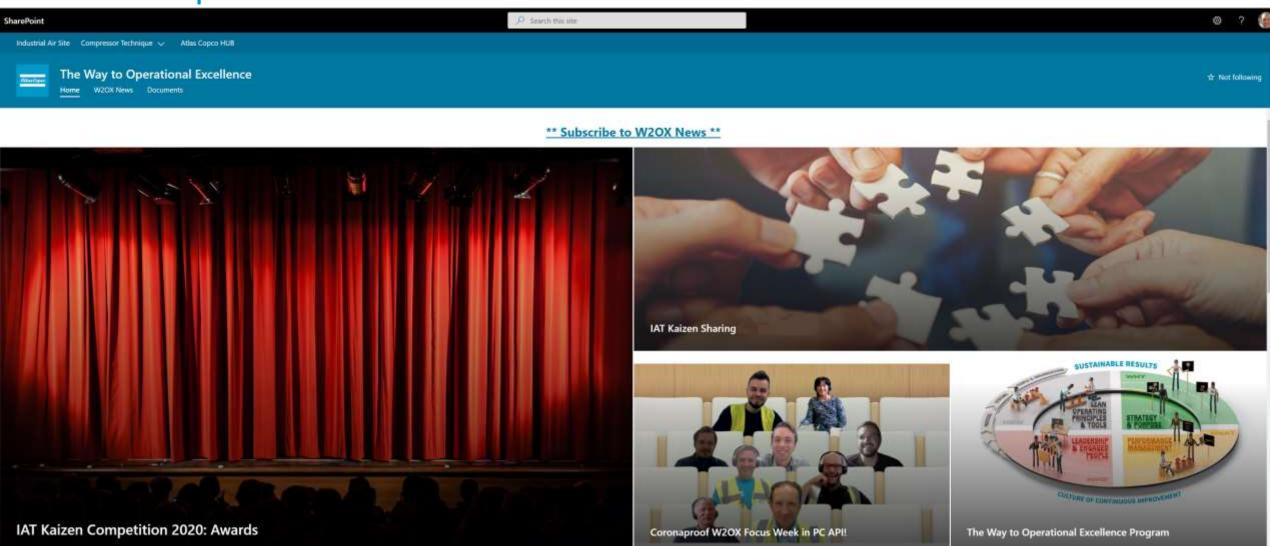
# The Way to Operational Excellence



CULTURE OF CONTINUOUS IMPROVEMENT



# Global Operational Excellence Network





# Atlas Copco



Q&A

