

February 15, 2024

Glaston revised strategic targets

glaston
seeing it through®

Glaston Corporation REVISED STRATEGIC TARGETS

February 15, 2024



Megatrends accelerating Glaston's business



Urbanization & rise of megacities

Regulation
Circular economy
Energy efficiency



Climate change & resource scarcity

Environmental
awareness
Carbon footprint
Safety



Economical & political reality

China economy
Geopolitical
tension



Embedded technology

Automation
Robotics
New
technologies

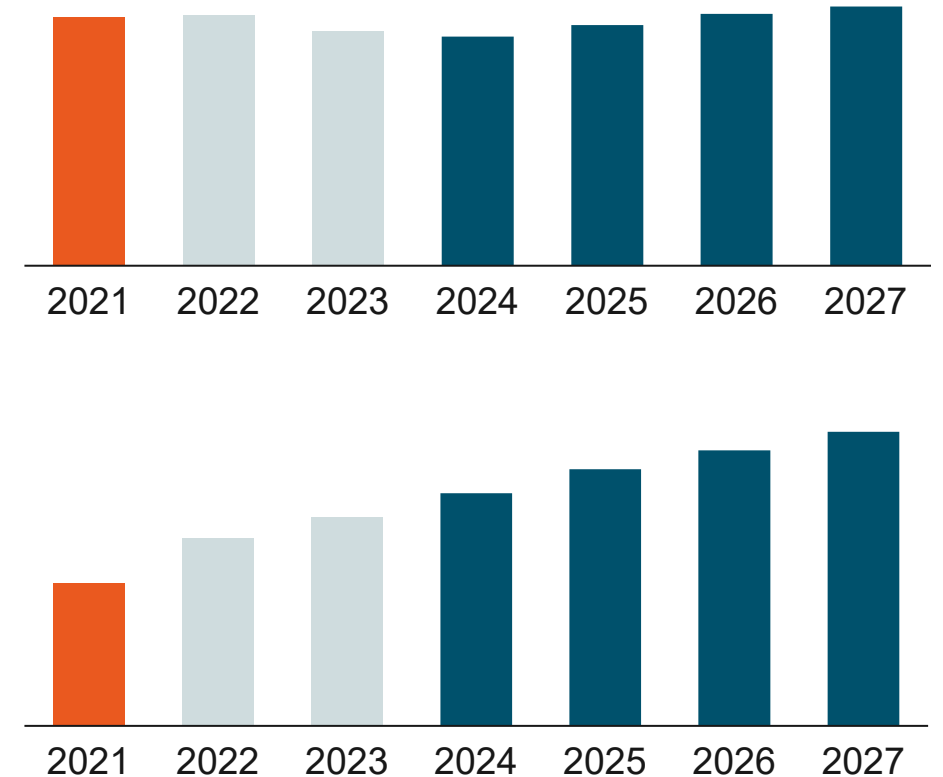


Social sustainability

Human rights
Responsibility
Safety at work
Talent shortage

Glaston's addressable equipment market*

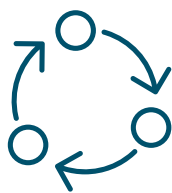
- The architectural glass processing equipment market is expected to gradually recover from -6 % in 2023 back to approximately 5% during 2025-2026
- The mobility, display and solar glass processing equipment market is expected to grow more than 5% each year



Glaston’s medium-term strategic targets*



NET SALES
Annual average exceeding
the addressable equipment
markets growth



Comparable
EBITA
10%



Comparable
ROCE
> 16%

Net Promoter
Score
> 40

Lost Time
Accidents
0

Employee
Engagement
> 75

GHG
Emissions
-50%
Absolute scope 1 and 2
reduction by 2032, from
2022 level

GHG
Emissions
-58%
Scope 3 intensity per square
meter of sold glass processing
capacity by 2032, from 2022
level

Business Area-specific Must-win initiatives

Architecture

Mobility, Display & Solar

Services

Glaston-wide Cornerstone initiatives

*) Medium-term (3-5 years), emission targets by 2032. For more details, see 15 February 2024 Stock Exchange Release

Strategy focus areas

Glaston strategic initiatives

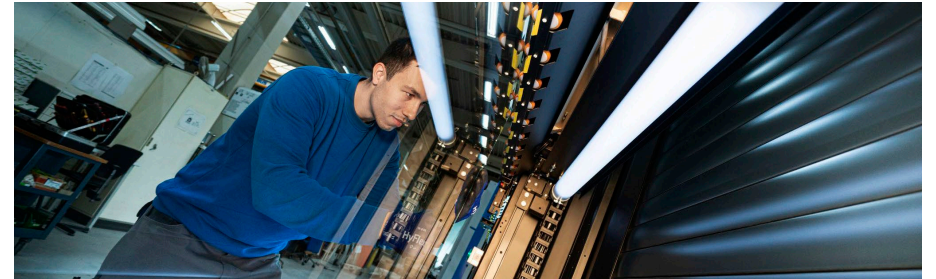
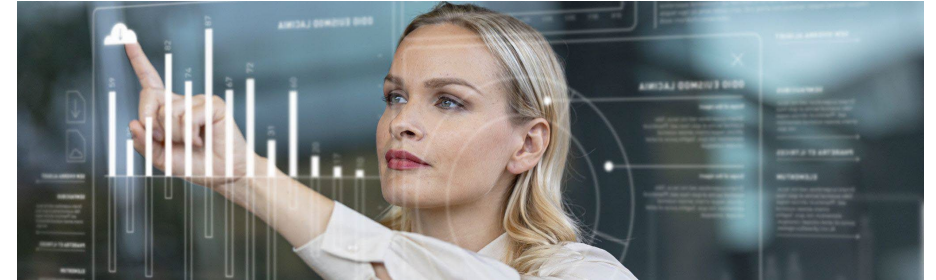
- Strengthening commercial excellence within technology leadership
- Glaston plans to continue to invest in product development at similar levels as in 2023 (4.2 % of net sales)
- Review the need to expand the production capacity of Insulating Glass lines

Lifecycle thinking

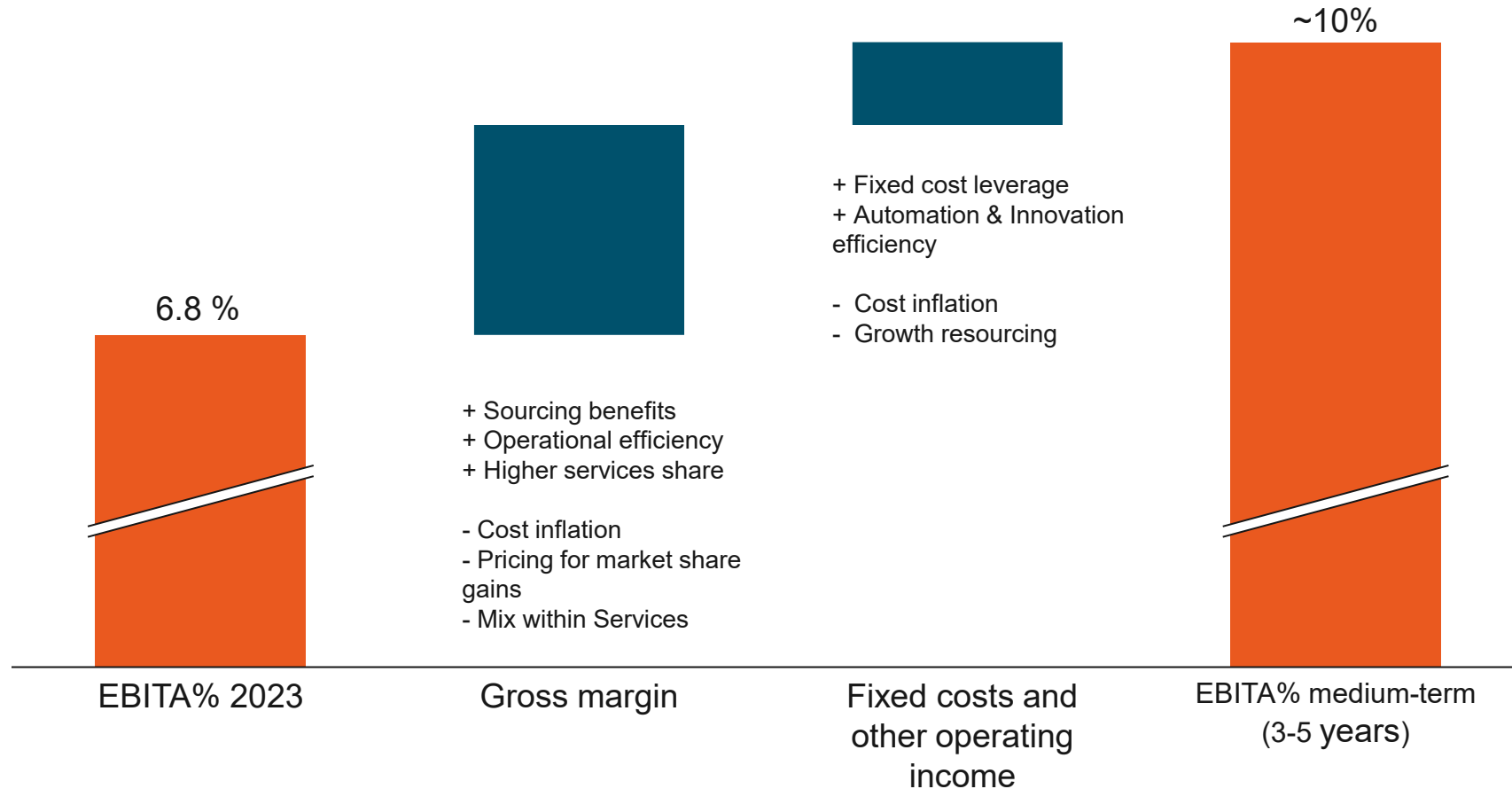
- Expanding the approach from machine lifecycle into customer lifecycle, including customer focus from offering development to serving installed base

Extended focus on profitability and operational excellence

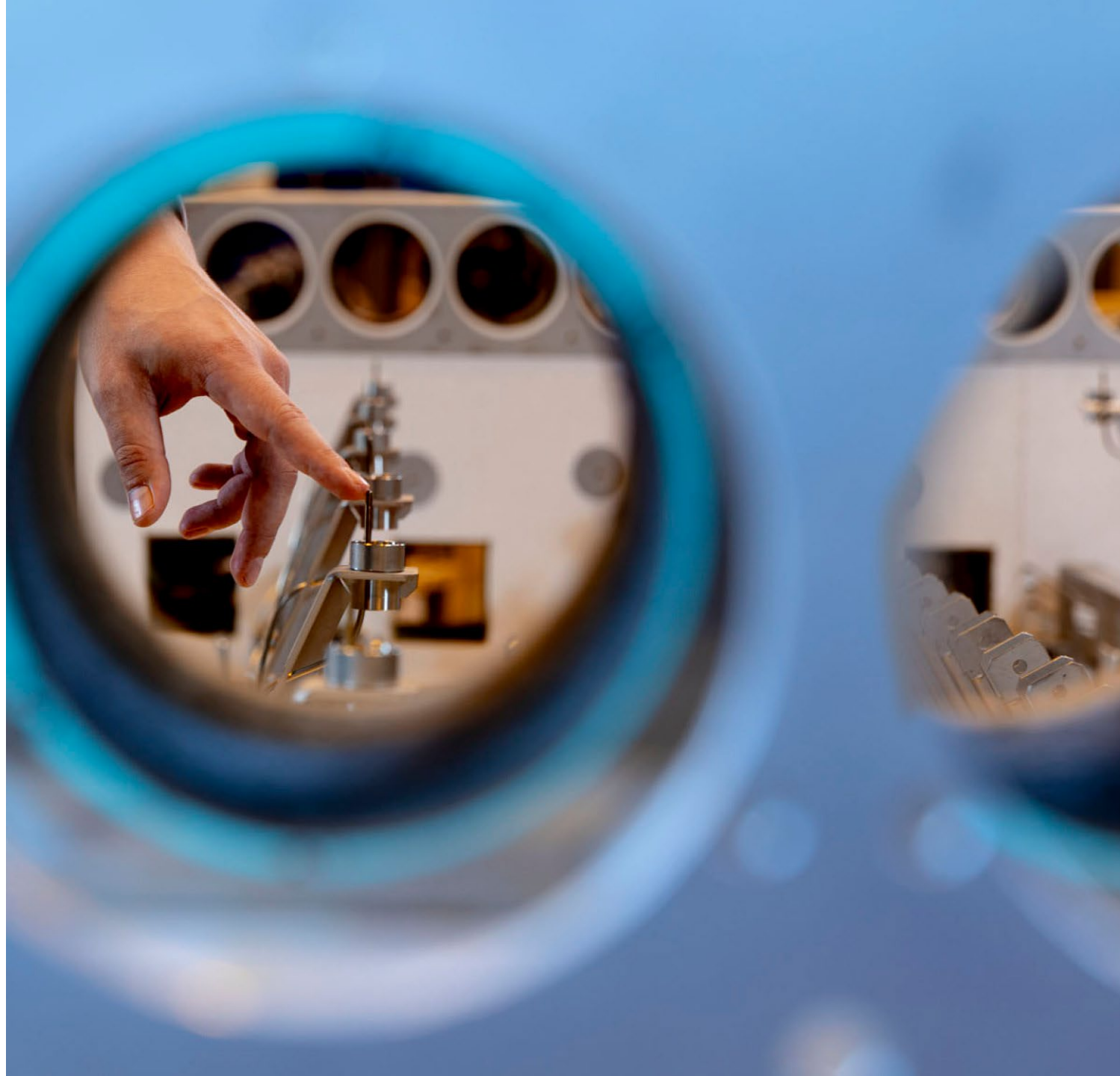
- Focused innovation portfolio management
- Utilize Glaston's global reach in sourcing and supply chain management to improve profitability



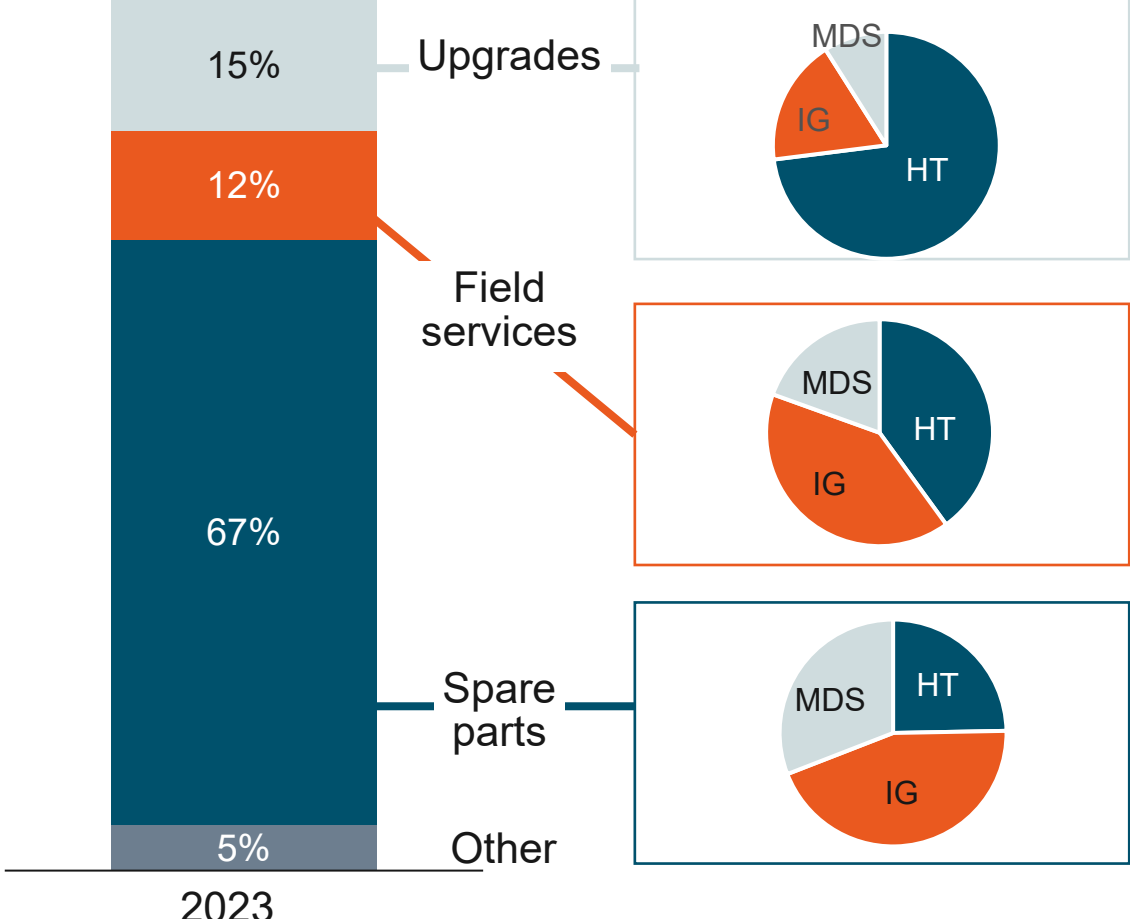
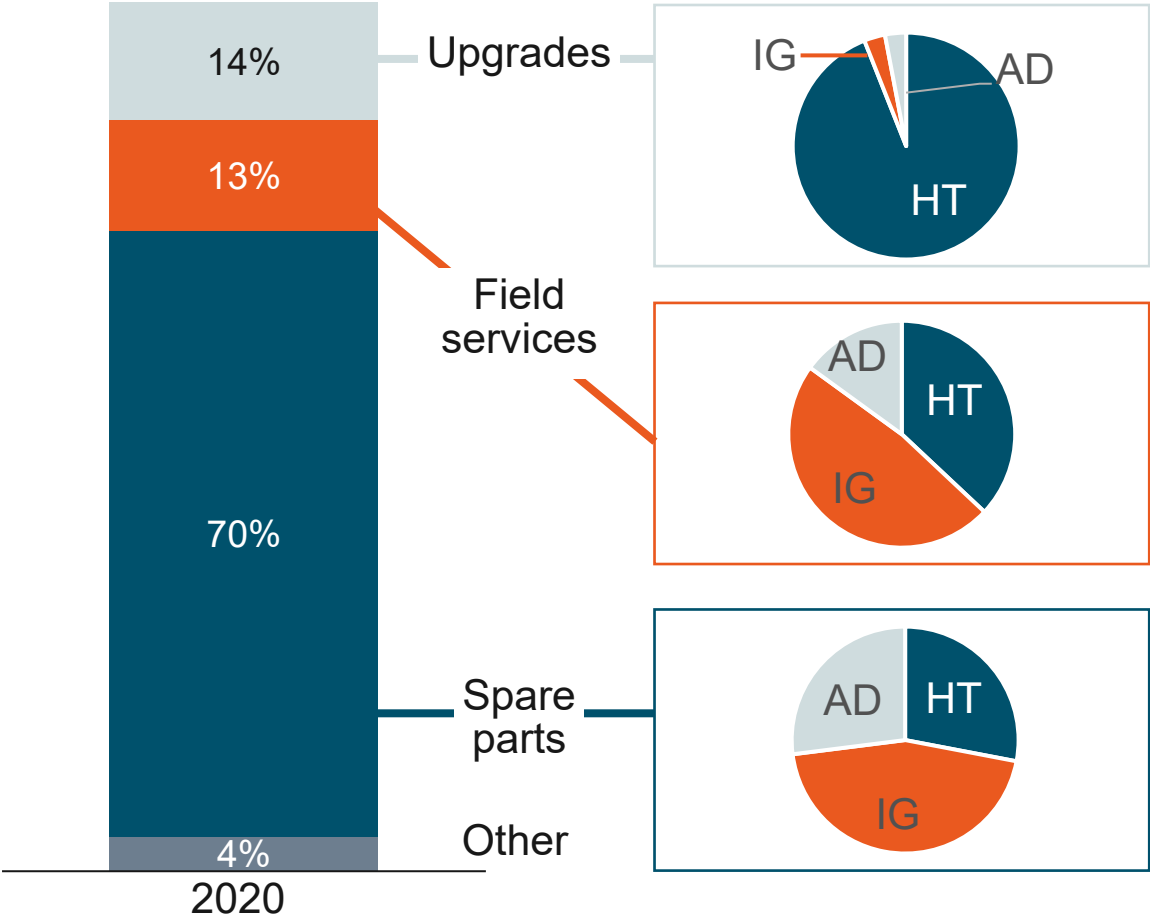
Comparable EBITA drivers in medium-term (3-5 years)



Appendix



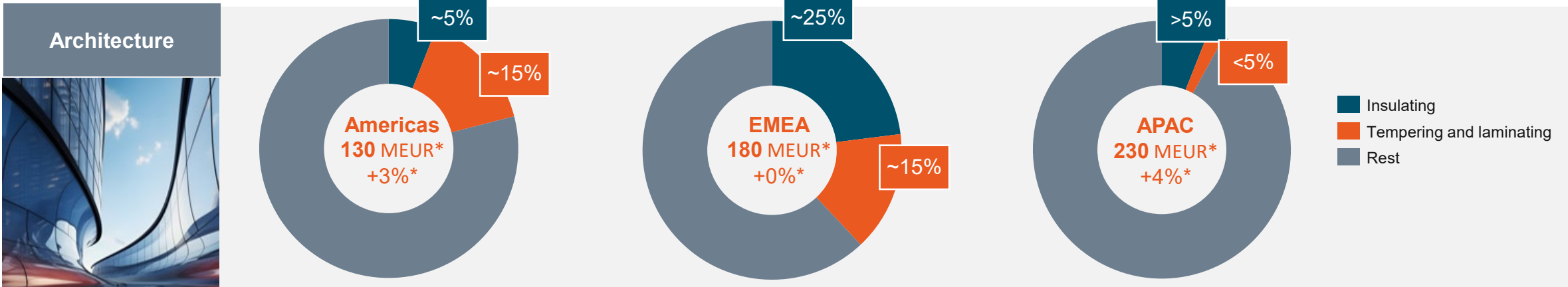
Glaston Services portfolios



Note: 2020 and 2023 not comparable: Glaston reporting segments changed on 1 October 2023 from Insulating Glass, Heat Treatment and Automotive & Display into Architecture and Mobility, Display & Solar, HT Automotive moved to MDS HT. 'Other' includes internal Services sales and 3rd party handling equipment sales. 2023 HT = Tempering and Laminating Services

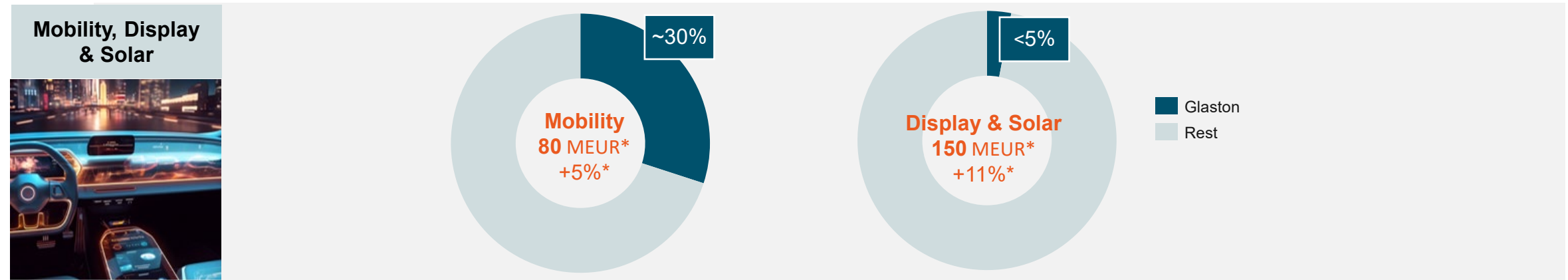
Equipment market view

Architectural Market – Regional view



Market size 2022*, Growth % 2023-2027*, Market share 2022**

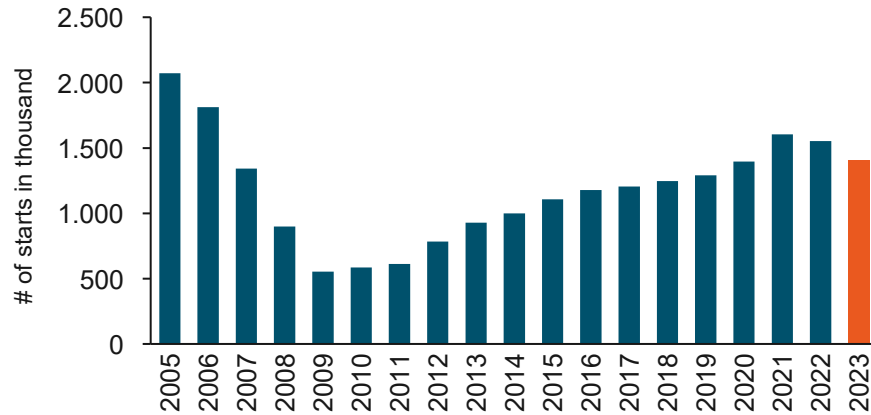
Mobility, Display & Solar Market – Global view



Market size 2022*, Growth % 2023-2027*,Market share 2022**

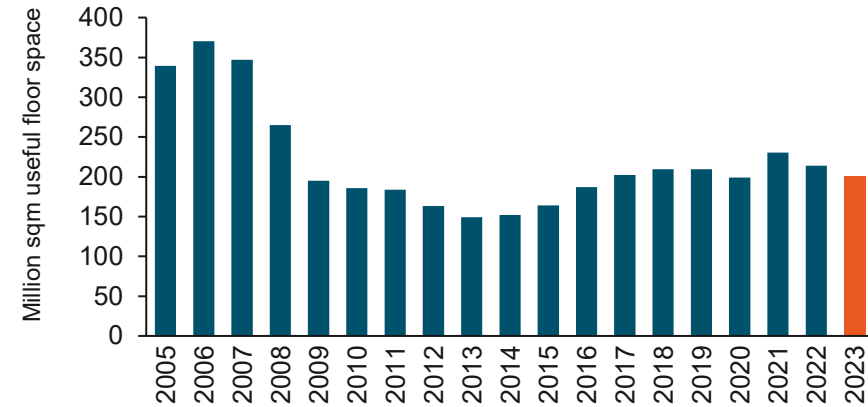
US and EU architectural end-market indicators

US housing starts



Source: FRED

EU residential building permits



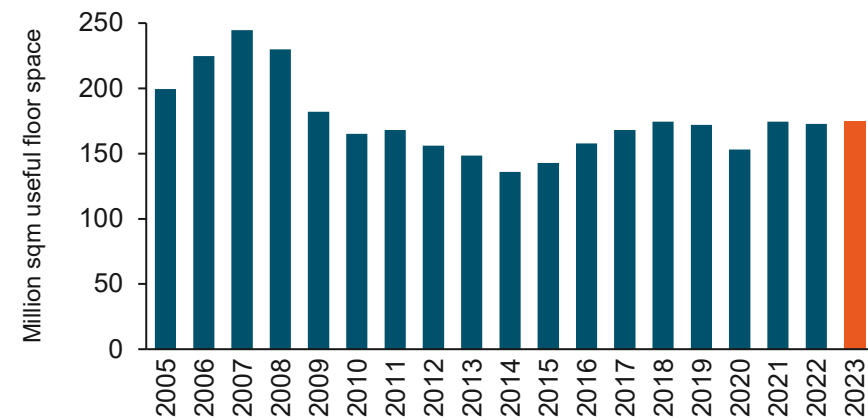
Source: Eurostat

Dodge momentum index



Source: Dodge construction network

EU non-residential building permits



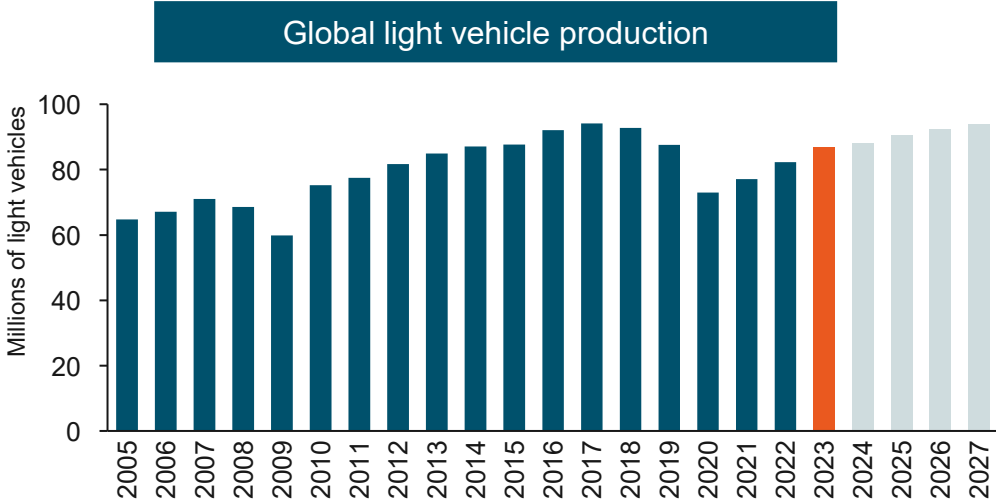
Source: Eurostat

APAC architectural end-market indicators

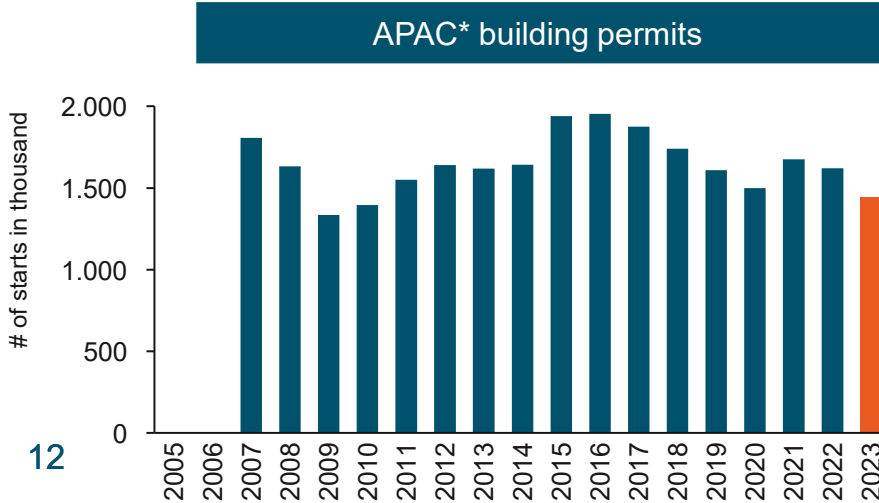


Source: China NBS

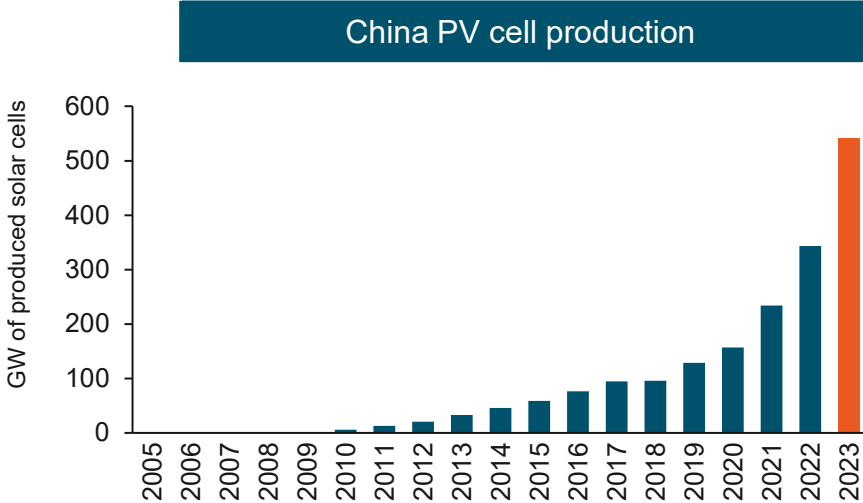
Mobility & Solar end-market indicators



Source: OICA, S&P Global July '23



Source: FRED, Kosis, 2023 estimate based on YTD performance *) Japan, Korea, New Zealand, Australia



Source: China NBS

Glaston's strategic targets

Targets medium-term (3-5 years), emission targets by 2032	2023	2022	2021
Annual average net sales exceeding the addressable equipment markets growth	+3%	+17%	+7%
Comparable EBITA 10%	6.8%	6.4%	6.1%
Comparable ROCE above 16%	12.7%	10.5%	6.1%
Net Promoter Score above 40	62	53	-
Lost Time Accidents zero, measured by LTIFR	6.3	3.9	3.3
Employee engagement rate above 75 (out of 100)	70	70	-
GHG emissions reduction targets:			
<ul style="list-style-type: none"> Reduce absolute scope 1 and 2 GHG emissions by 50% by 2032, compared to the 2022 base year 	1,238 tCO ₂ e	1,491 tCO ₂ e	2,608 tCO ₂ e
<ul style="list-style-type: none"> Reduce the scope 3 GHG emission intensity by 58% per square meter of sold processing capacity by 2032, compared to the 2022 base year 	To be disclosed in the Annual Review 2023	0.0043 tCO ₂ /m ²	