

# CIRA TV 2025

## *Capital Markets Days in Europe at Times of Unprecedented Uncertainty?*

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Vienna, 3 December 2025

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**Kirkow**  
CONSULTING GmbH & Co KG



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# List of Contents

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Setting the Scene

Strategy

Outlook

Main Observations

Recommendations

## Setting the Scene

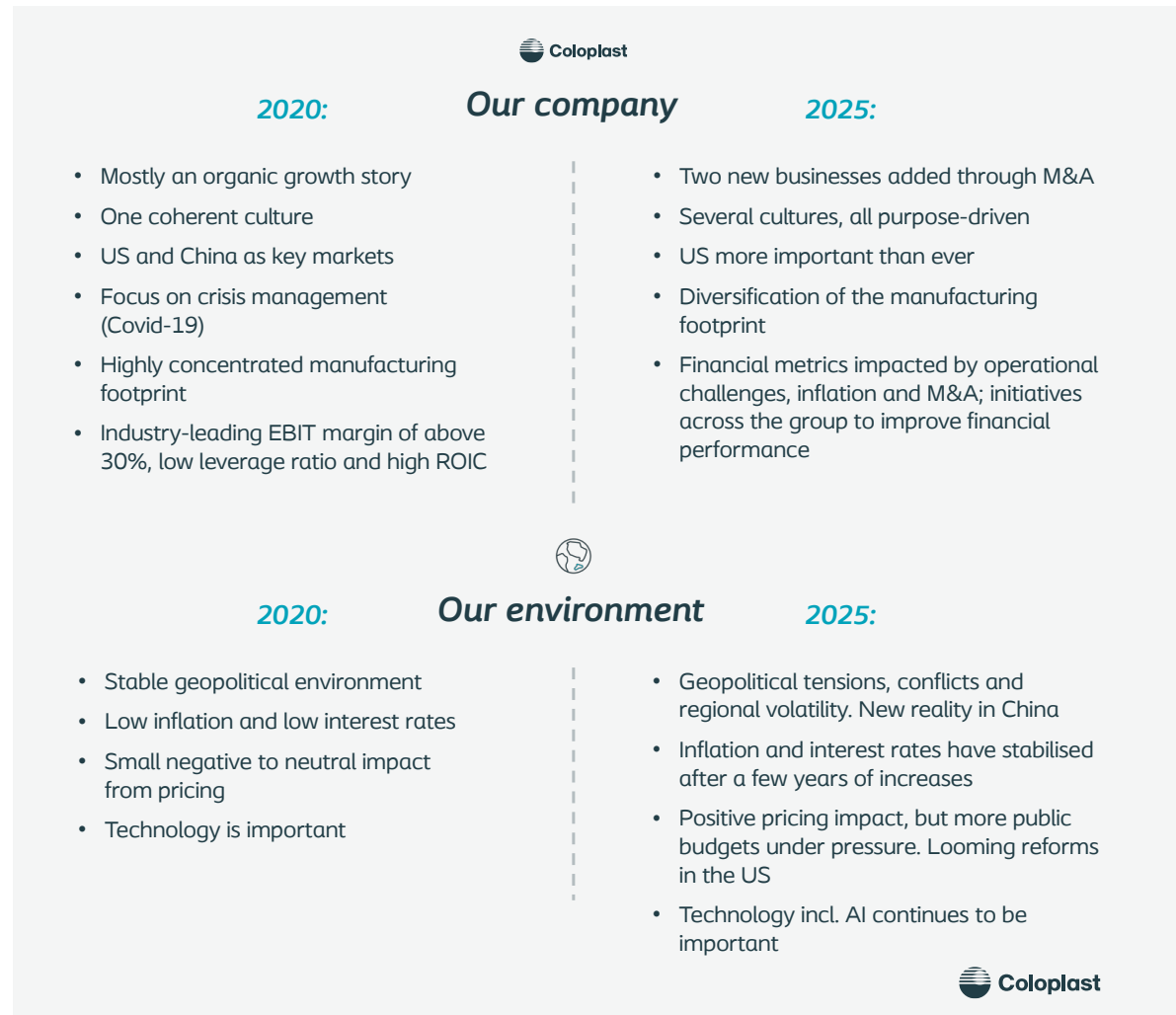
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- Followed about 40 CMDs in Europe since early September 2025
  - Across different sectors and size by market cap, various locations
  - Taking a NEUTRAL stance: difficult to track idiosyncracies, mostly in English
- Very different formats
  - CMD/Investor Day, Capital Markets Update, Strategy Update, Deep Dive, etc.
  - Ranging from brief CEO Update to two-days' event with site visit
  - Often live webcast but some kept tight-lipped in closed-door event
- Wide range of strategy outlook (2027/28-2030) and financial KPIs
  - Often in conjunction with senior management changes, new business structure and/or M&A activity
- Our key interest
  - How much substance are companies really prepared to provide right now?
  - What are the key underlying (secular, structural) changes in strategy outline?

# Setting the Scene

## Coloplast CMD Strategy

Our company and external environment have both become more complex; we must evolve to stay ahead





# Setting the Scene

## Telenor CMD Strategy

Telenor Group

### Facing forward – for a future-fit Telenor

2017-2020

Modernisation,  
efficiency and  
pivot to Finland

2020-2022

Pandemic  
headwinds and  
changes in Asia

2022-2025

A reshaped  
Telenor

2025-2030

A future-fit Telenor

1. Growth through customer excellence
2. Technology-led transformation
3. Tapering opex and capex to sales
4. Shareholder value creation

11

# Setting the Scene

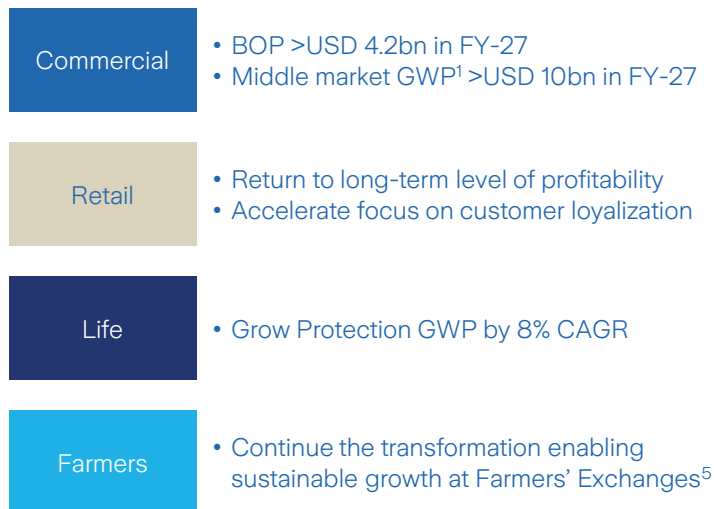
## Zurich Investor Update

Group update

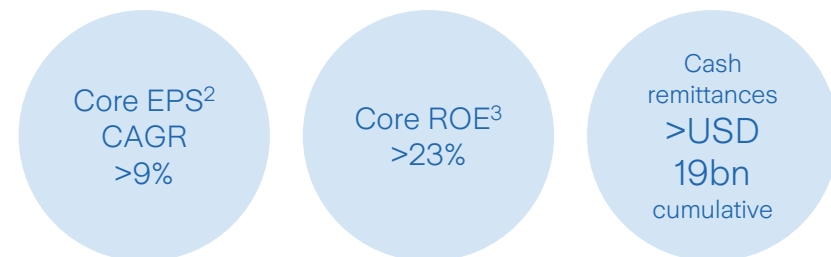
Executing on our 2025-2027 priorities



### Business targets



### Financial targets



Subject to an SST ratio<sup>4</sup> floor of **160%**

<sup>1</sup> Middle Market business includes North America Program business, Excess & Surplus and Middle Market business sourced through other business units.

<sup>2</sup> Core Earnings per Share (EPS) in USD based on business operating profit after tax (BOPAT).

<sup>3</sup> Business operating profit after tax (BOPAT) divided by average shareholders' equity excluding unrealized gains and losses.

<sup>4</sup> Estimated Swiss Solvency Test (SST), calculated based on the Group's internal model approved by the Swiss Financial Market Supervisory Authority (FINMA). The SST ratio as of December 31 has to be filed with FINMA by end of April in the subsequent year and is subject to review by FINMA.

<sup>5</sup> For all references to Farmers Exchanges see the disclaimer and cautionary statement.

November 18, 2025

Zurich Insights



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# Setting the Scene



## Macro hypothesis 2024/25-2028 vs. CMD 24

**Trade uncertainty persists despite recent agreements**  
**Rising fiscal deficits may cause sticky inflation, lower growth, and higher interest rates**

### Inflation

- ✓ **Slightly higher inflation** due to tariffs
- ✓ Mitigated in the Eurozone by EUR appreciation and lower energy prices

### Interest Rates

- ✓ **Higher interest rates scenario reduces 2028e Net Profit by ~EUR 186 M**
  - ✓ **Short-term rates higher**, except in the Eurozone
  - ✓ **Long-term rates higher** due to debt sustainability concerns and European defense and infrastructure plans

### Growth

- ✓ **Slightly lower** due to trade tensions, geopolitics and macro uncertainty

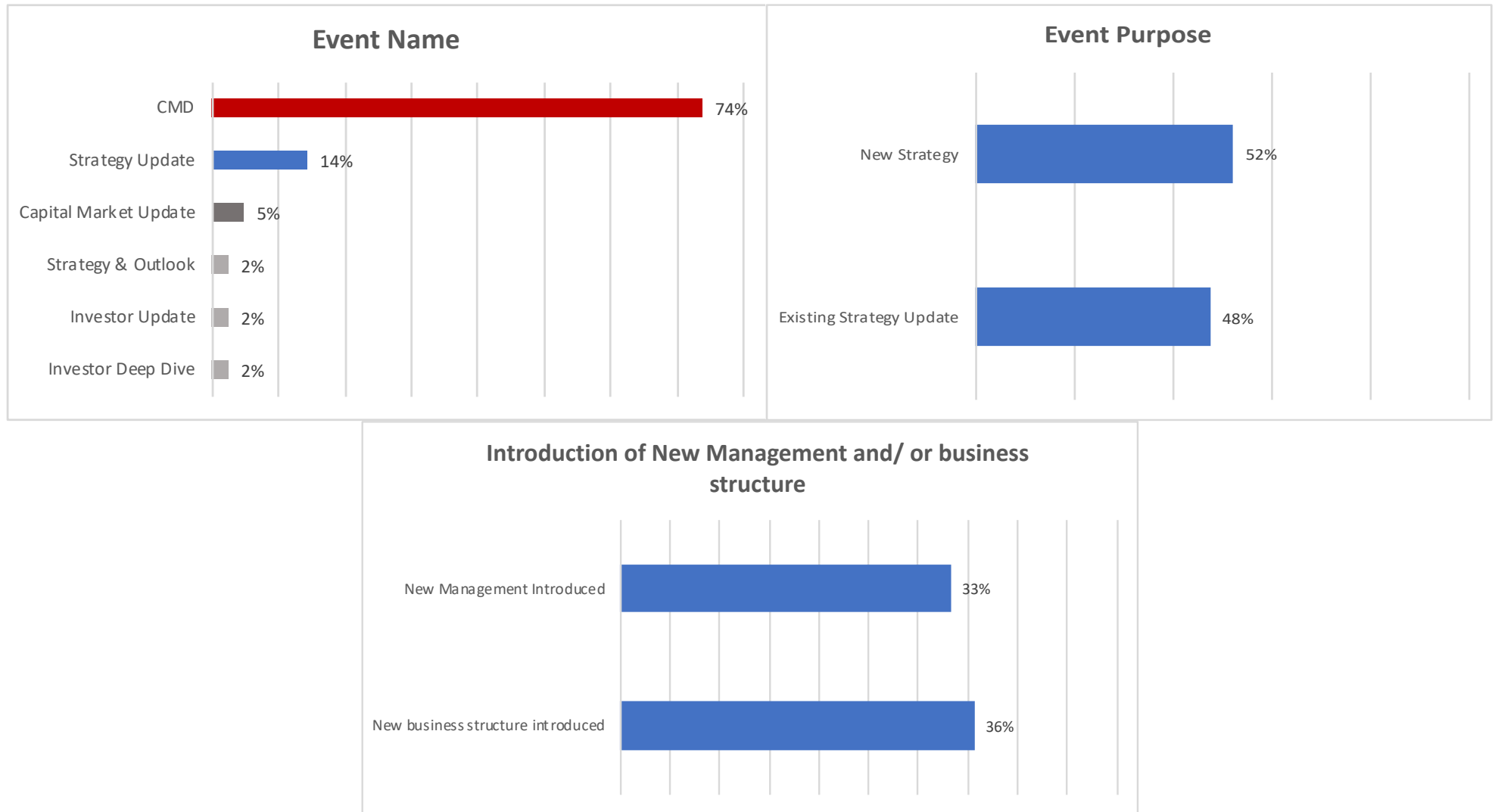
### FX

- ✓ **Worse FX scenario reduces 2028e Net Profit by ~EUR 160M**
  - ✓ **USD depreciated** due to US economic policy
  - ✓ **GBP appreciated** due to persistent inflation and favorable rate differential
  - ✓ **BRL depreciated** on concerns about higher fiscal deficit

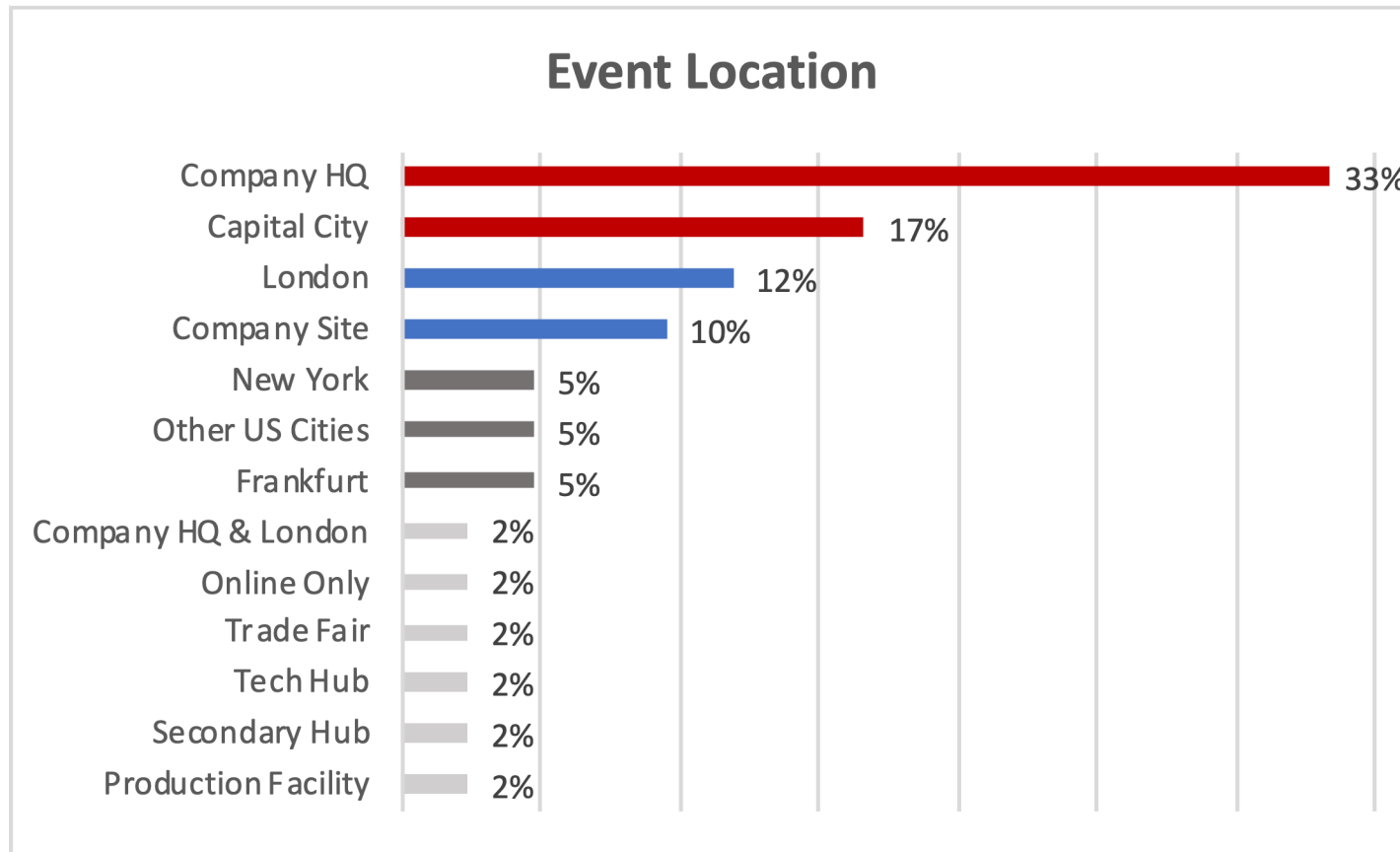


[www.iberdrola.com](http://www.iberdrola.com) | 15

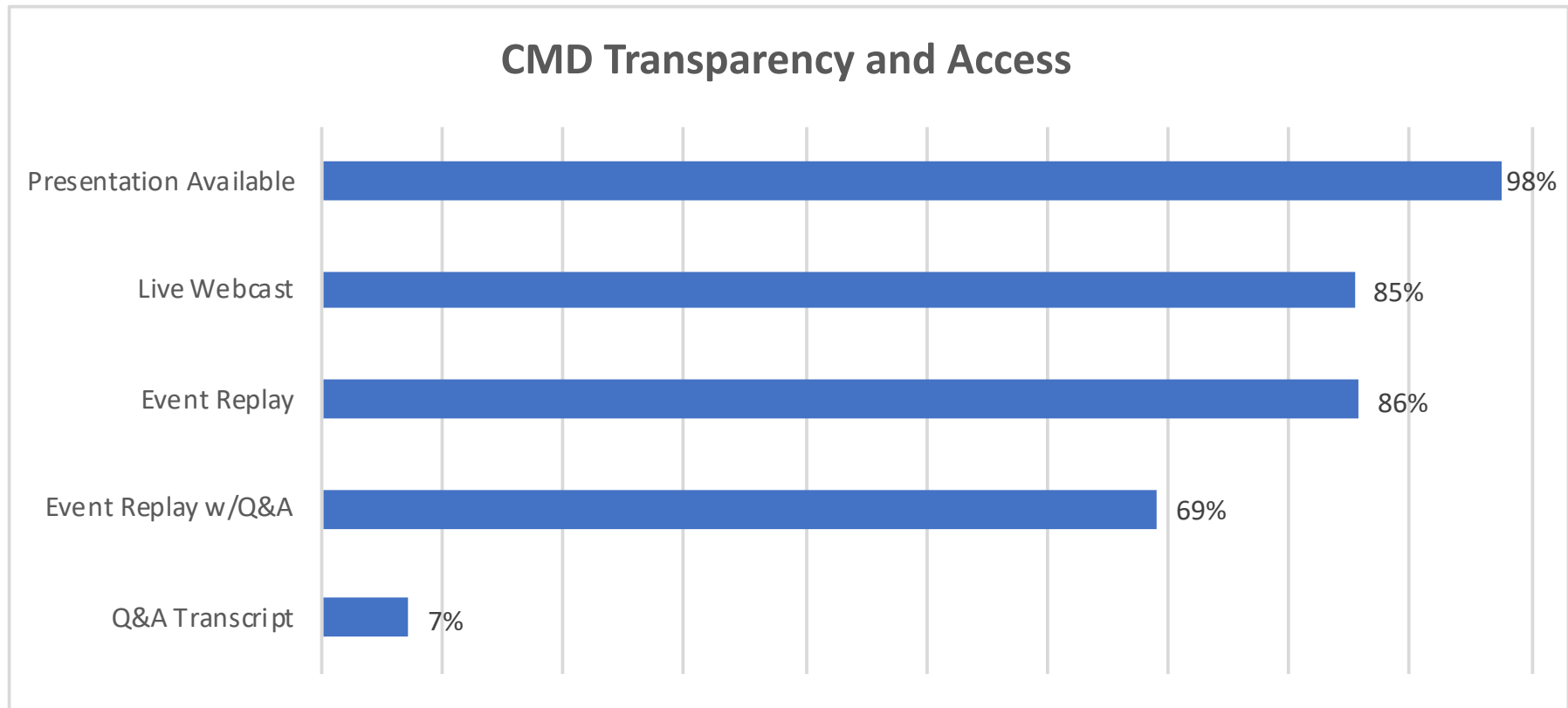
# Setting the Scene



# Setting the Scene



# Setting the Scene



# Strategy

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- Megatrends impacting business
  - New: regionalisation, European sovereignty (digital, Capital Markets Union), Security & Defence, significant FTE reduction
- Operational and structural adjustments
  - Supply chains, short/long cycles, regional procurement, energy, raw materials, technology – automation, AI, robotics vs manpower
- Common themes
  - Customer Centricity
  - Growth – Profitability – Capital
  - People & Culture/Performance (Teamwork - Team Nokia, ABB Way)
  - „Sustainability with broad ambition to more impactful delivery” (Marguerite Bérard, CEO of ABN AMRO)
- Strategic ambition and long-term vision (less purpose & values)

## Adapting to a world in transition



### Redefined globalization

Increasing regionalization reshaping trade flows and supply chains

### Demographic change

Wealth and private pension accumulation driven by aging population

### Geopolitical uncertainty

Geopolitical realignment resulting in volatility and shifts in economic order

### Europe as a capital destination

Stability, structural reforms and fiscal measures enhancing Europe's investment appeal

### Technology and AI adoption

AI redefining client demands, operating models and labor dynamics

### Elevated event risks

Higher frequency of high-impact events: natural, technological, political

Clients need a reliable & trusted partner with global reach, extensive capabilities & financial resilience



## A holistic perspective on performance and company value creation

### Skanska's values guide how we conduct our business

#### Commit to customers

Having a customer  
-first mindset

#### Care for life

Protecting people  
and planet

**Act ethically  
and transparently**  
Being a role model

**Be better  
together**  
Teaming up



SKANSKA

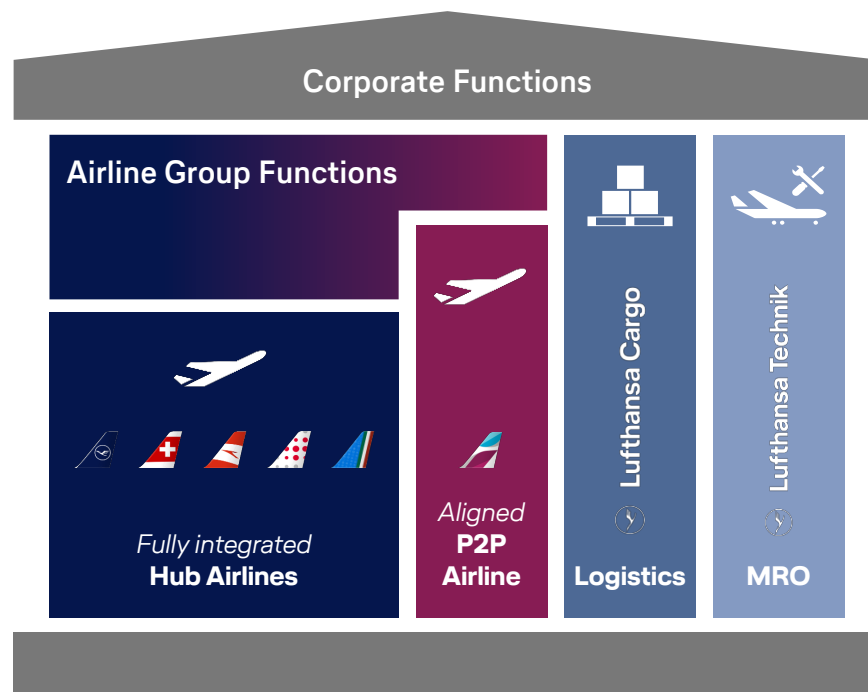
November 18, 2025

Capital Markets Day

38

# Strategy

From a group of airlines to ONE Airline Group: Streamlined and synergetic operating model



## Cornerstones of Lufthansa Group's operating model

### Clear ownership

Group focused on **customer**, airlines focused on **passenger**

### Empowered decision making

Faster decision-making process with **higher decision thresholds**

### Strong financial discipline

Increased **P&L responsibility** and disciplined **financial oversight**

### Fast execution

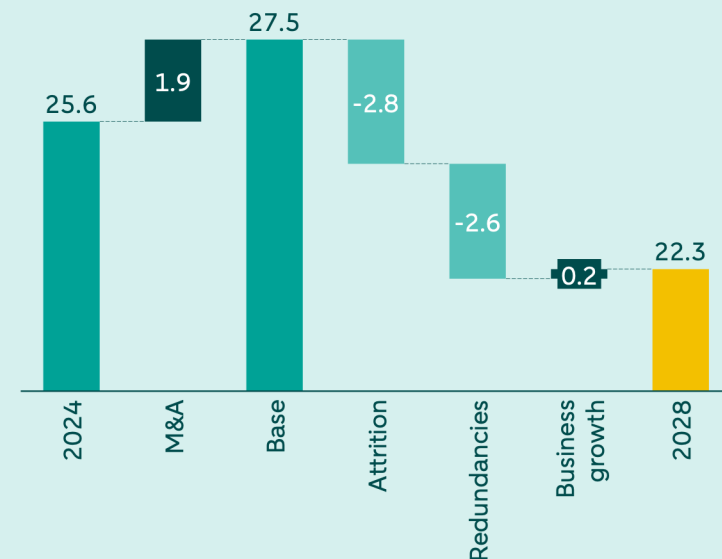
Leaner, more **agile** ways of working with strong **end-to-end responsibility**

## ► Right-size cost base

### FTEs expected to reduce significantly

- Actively managing resources across the organisation drives internal efficiencies
- Total net FTE reduction of around 5,200 including synergies from M&A
- Around 50% of FTE reduction from attrition, including hiring controls
- In total c.€400m restructuring provisions towards 2028
- Limited net increase for business growth, allocating FTEs from regulatory and foundation programmes to business growth

FTE development, #'000 <sup>1)</sup>





## Customer needs in focus for business development and R&D

### Customer needs and material trends

- Lighter and stronger materials
- Higher temperature
- More corrosive environments
- Tighter tolerances
- Increased fatigue resistance
- Advanced surface coatings



### Innovation through customer collaboration

Co-development

Product feedback

Performance data



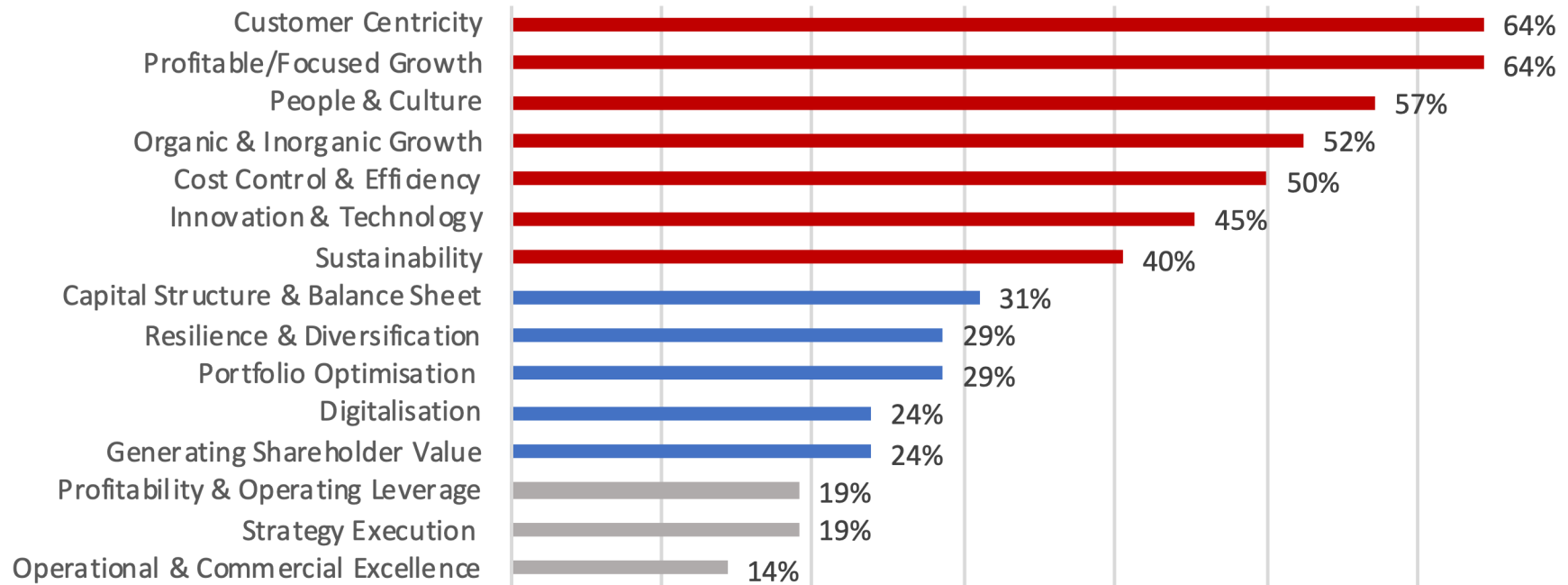
### Developing existing business...

- Ni-based portfolio
- Next generation super duplex
- Advanced nuclear reactors

### ...and new innovations

- Glucose monitoring
- Advanced heart monitoring
- Next generation umbilicals
- Flow heaters

## Key Strategic Themes at CMDs 2025



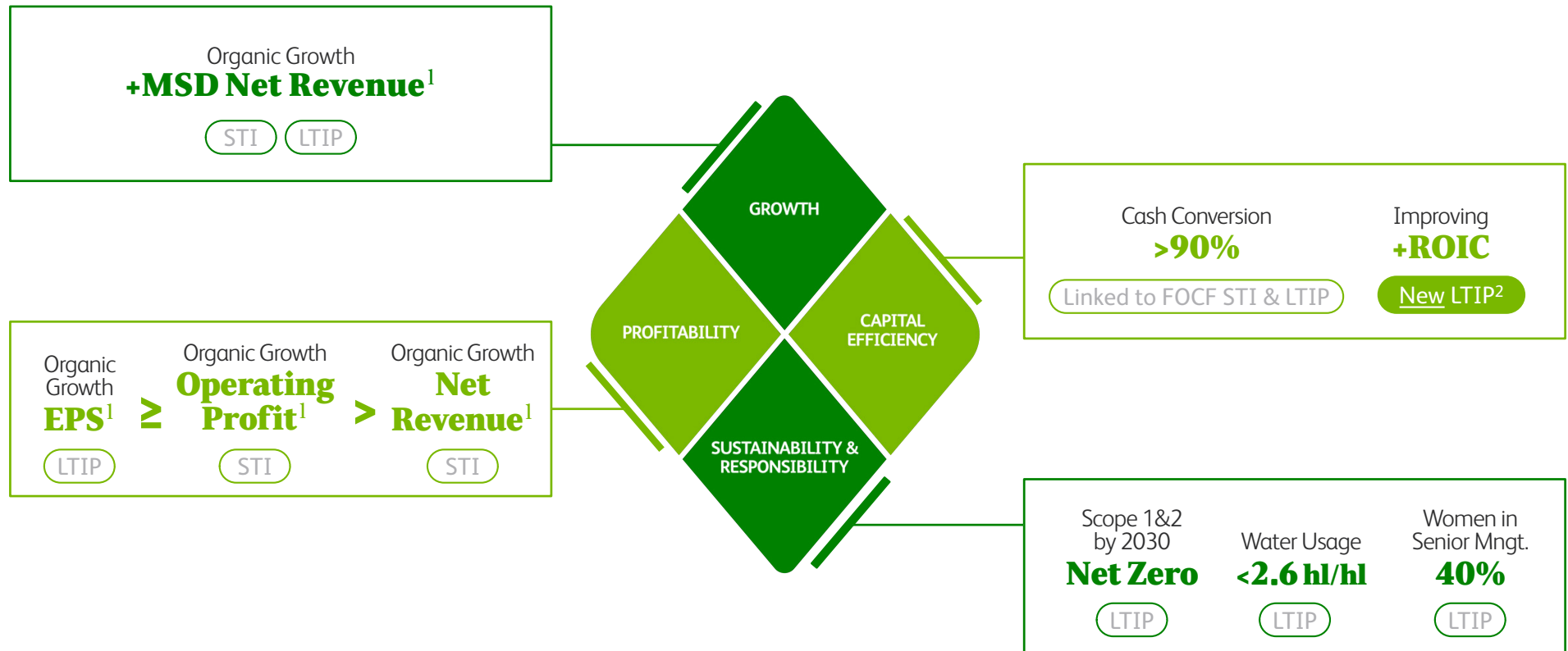
## Outlook

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- Aligned with strategic focus on Growth – Profitability - Capital
- Special PERK: upgraded dividend policy
- Sometimes 2025-27 targets PUSHED OUT to later period (2028-30)
- Cash flow and returns figure prominently
- Less focus on previous ESG targets
- Non-financial targets predominantly on SOCIAL factors
  - Employment engagement surveys
  - Attract and develop talent (training, higher qualification)
  - Fast-track Next Gen Leadership
  - Sharpen performance culture

## Our EverGreen 2030 Medium-Term Ambition

Deliver Superior & Balanced Growth with attractive shareholder returns



## In a nutshell, this is how we will deliver attractive value creation going forward

### PROFIT GROWTH



### CASH FLOW IMPROVEMENT



### SHAREHOLDER ATTRACTIVENESS





# Outlook

## Sustainable value creation for shareholders

Strong capitalisation provides improved flexibility to finance growth and increase capital return



**261%**

SII ratio 1H/2025

**AA-**

Standard & Poor's

**A+**

A.M. Best

### Strong capitalisation and financial flexibility

Very strong capitalisation according  
to all capital models

Strong ability to absorb and  
manage volatility

Sustainable ability to finance  
continued organic growth

Further strengthened German GAAP  
balance sheet



**Strongest balance sheet  
in history**

- Continued capital deployment at **attractive RoE**
- Commitment to pay **reliable and growing dividends** to shareholders



### Updated dividend policy

**Dividend per share  $\geq$  prior year**



**Increase in payout ratio to ~55%**



**Use of special dividend**  
only as extraordinary tool

## Outlook

# Strengthen Leadership & Performance Culture

Driving major transformation & shaping a Winning Organisation



### Attract & Develop Talent

- New Global Graduate Programme to hire **1,000 in 10 years**
- **35,000** applicants in year 1
- Next Gen Talent promoted **2.5x** faster than peers

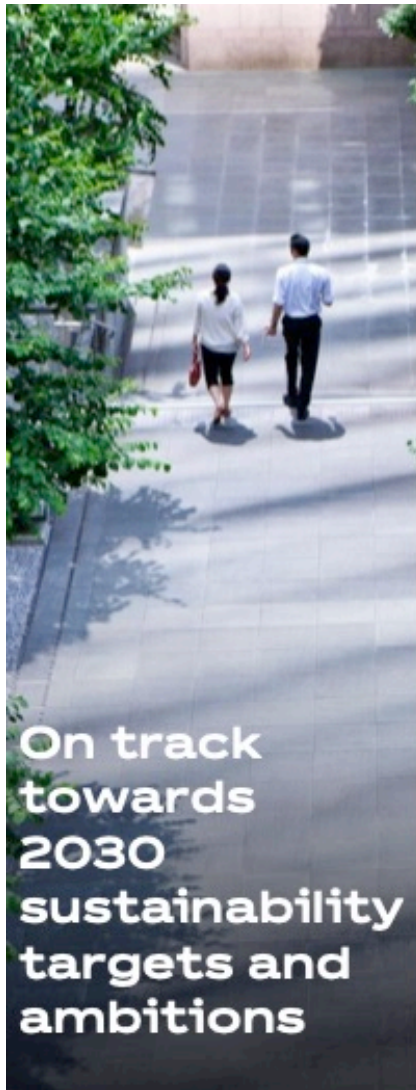
### Fast-track Next Gen Leadership

- **Executive Team Renewed** - 7 internal promotions & 3 external hires
- **29 first-time General Managers** since 2022
- **35% of Top 150 leaders** newly appointed since 2022

### Sharpen Performance Culture

- **Leadership incentives** realigned to EverGreen 2030
- **Reset performance expectations** - greater operational intensity
- **Reward Outperformance & address underperformance** decisively

# Outlook



## ENABLING A LOW-CARBON SOCIETY

Reduce own scope 1 and 2 CO<sub>2</sub>e emissions by 80% by 2030

Reduce scope 3 CO<sub>2</sub>e emissions by 25% by 2030

Ambition to avoid emissions throughout lifetime of products sold between 2022 and 2030

From 2019



From 2022



From 2022



## PRESERVING RESOURCES

Cover at least 80% of ABB's portfolio of products and solutions with our Circularity Approach by 2030

Send zero waste to landfill while reducing waste generation by 2030

In 2024



From 2019



## PROMOTING SOCIAL PROGRESS

Zero harm to our people and contractors – we aim for a gradual reduction in lost time from incidents

Increase proportion of women in senior management roles to 25% by 2030<sup>3</sup>

Achieve a top-tier employee engagement score

From 2019



From 2019



From 2019



1. Management estimate based on 12m rolling as per Q2 2025

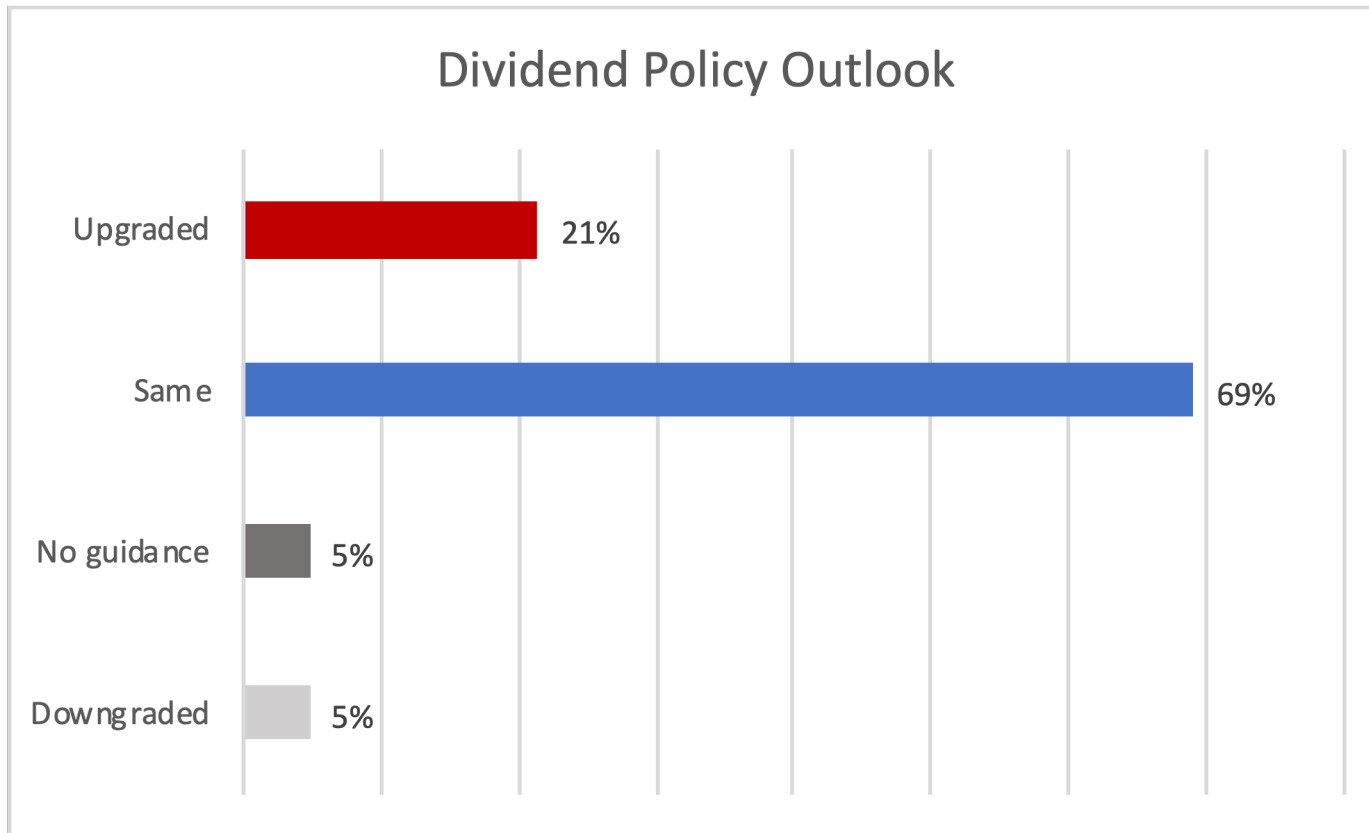
2. Part of portfolio assessed through Circularity Approach

3. The above disclosure relates to countries where policies legally permit and to the extent that it does not conflict with any applicable local laws, where ABB operates

4. As per YTD end of Q3 2025

2020 2021 2022 2023 2024 2025

ABB



## Main Observations

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- Heavy impact from strategy/management consultants
  - Customer centricity
  - Resilience & Diversification
  - Performance culture
- AI impact needs to be explained and quantified in detail
- Remaining grey areas between new strategy timeframe & targets
- Often not clear about mgmt contract expiry and remuneration
- Extensive use of videos, case studies and deep dives (ABB, Skanska)
- Interactive presentation between CEO & CFO (Merck KGaA, Zurich)



# Main Observations

**Investors cite return, growth, and profitability as the most crucial long-term strategy metrics.**

**Metrics preferred by investors for anchoring of companies' long-term strategies,<sup>1</sup> % of respondents**

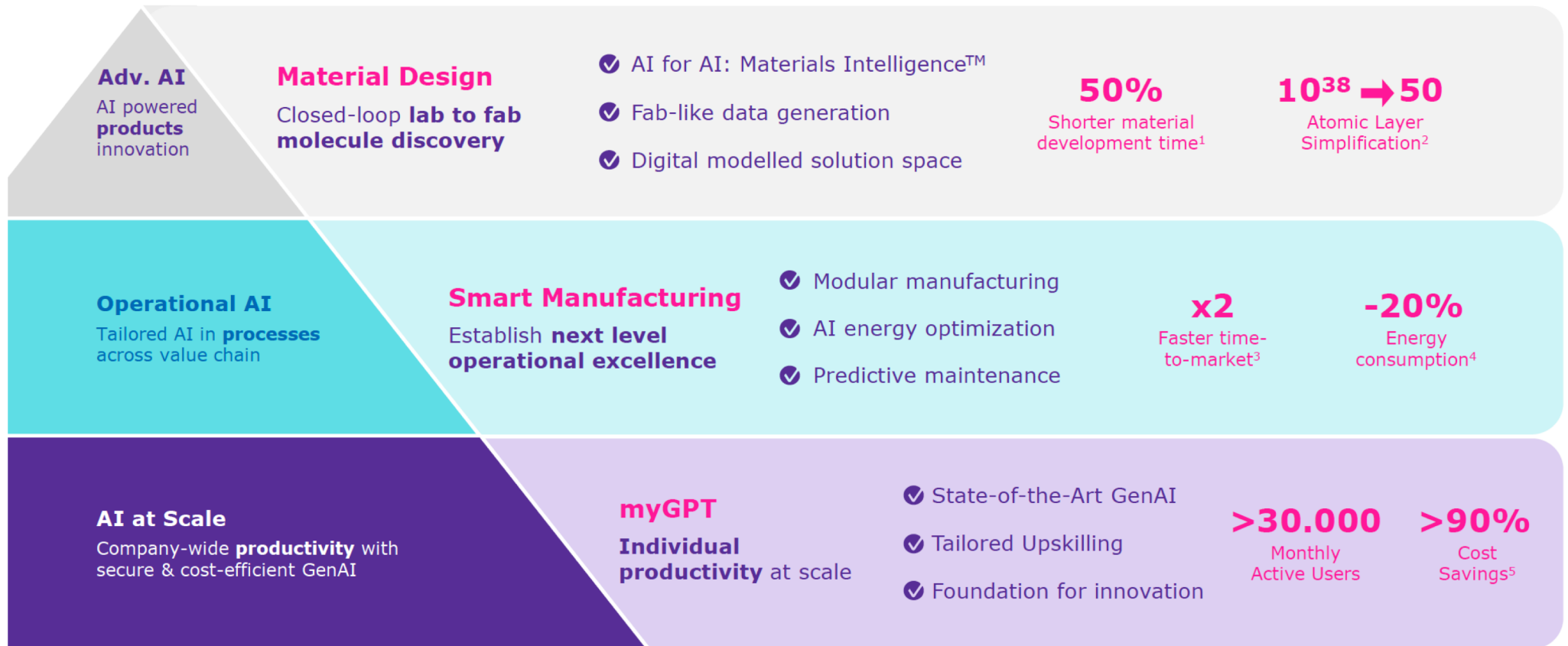
Metric type		Most cited within metric type
Return	62	ROIC, ROE, ROI, IRR, ARR <sup>2</sup>
Growth	43	Revenue growth, EBITDA growth, EPS growth and other margin growth
Profitability	30	EBITDA, EBIT, EBITDA margin, NOPAT <sup>3</sup>
Cash flow	11	Free cash flow, free cash flow margin, cash conversion
Leverage	5	D/E <sup>4</sup> ratio or other leverage ratios, net debt, credit rating
Market	2	Market share
Efficiency	2	Cost efficiency, usage
Customer	2	Client numbers, customer satisfaction score, retention
Valuation	1	EV/EBITDA, MOIC, <sup>5</sup> P/E
Sustainability	1	ESG <sup>6</sup> score and other sustainability metrics
Management	1	Outstanding management
Other	1	Performance vs benchmark, distribution

<sup>1</sup>Question: What are the 3 to 5 key metrics you prefer companies to anchor their long-term strategy to (eg, ROIC, revenue growth, etc)? Respondents could provide up to 5 metrics in a free-text field; some count variation may occur given interpretation of free-text responses. <sup>2</sup>Annual recurring revenue. <sup>3</sup>Net operating profit after tax. <sup>4</sup>Debt to equity. <sup>5</sup>Multiple on invested capital. <sup>6</sup>Environmental, social, and governance.  
Source: McKinsey Investor Survey, Dec 9–17, 2024 (n = 81)

# Main Observations

Group

## Leveraging AI to Maximize Business Value and Improve Efficiency



23 1) Based on internal data; 2) Significantly reducing atomic layers cuts complexity, cost, and energy while improving yield; 3) Go-To-Market time estimation from modular plant concept enabled by Modular Type Package; 4) Based on AI energy savings project at Nantong site (Life Science & Healthcare) that is currently rolled out at additional sites; 5) Compared to M365 Copilot and ChatGPT Enterprise unnegotiated list price



# Main Observations

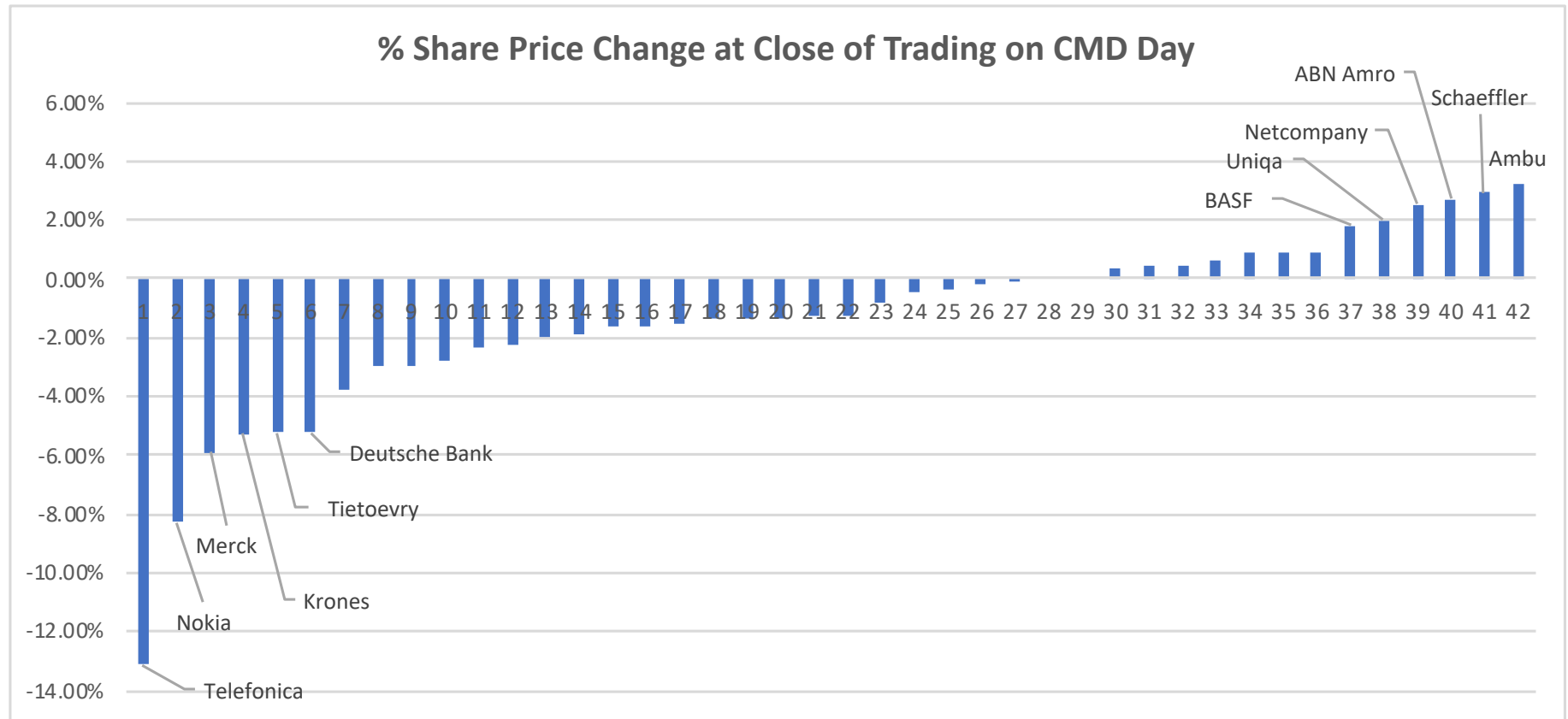
## Guidance

	MID-TERM			LONG-TERM	
	'26	'27	'28	'29	'30
<b>Revenues</b> @ constant '25FX	1.5-2.5% CAGR '25-'28			2.5-3.5% CAGR '28-'30	
<b>Adj. EBITDA<sup>1</sup></b> @ constant '25FX	1.5-2.5% CAGR '25-'28			2.5-3.5% CAGR '28-'30	
<b>CapEx / Revenues</b> @ constant '25FX	Down to ~12% '26-'28			Down to ~11% in '30	
<b>Adj. OpCFaL<sup>1</sup></b> @ constant '25FX	1.5-2.5% CAGR '25-'28			2.5-3.5% CAGR '28-'30	
<b>FCF</b>	2.9 - 3.0 B€				
	3-5% CAGR '25-'28				
<b>Leverage</b>			~2.5x in '28		
<b>Dividend<sup>2</sup></b>	0.15 €/share	40-60% of '27-'28 FCF base for dividend <sup>3</sup>			

1. Adjusted figures consider constant perimeter and derived capital gains/losses, and does not include restructuring costs, write-offs and material non-recurring impacts. 2. Dividend payable in cash in June of the following year. 3. FCF base for dividend = FCF base for guidance – Employee commitments + UK dividends.



# Main Observations



## Recommendations

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- Please think carefully what you WANT TO ACHIEVE (timing, location)
  - Adding new angle to investment proposition
  - Addressing critical issues in market perception
  - Updating on operational and/or specific market development
  - Introducing new management and/or company structure
  - Differentiating yourself from the rest of the industry
- MANAGEMENT needs to be in the driving seat (Nokia, Merck KGaA)
- Provide FREE ACCESS to documents, live webcast and Q&A
  - Keep frequent interaction with audience (Heineken, Zurich)
  - Thoroughly update on industry developments (Schaeffler, Aurubis)
  - Walk the extra mile in explaining details (Hannover Re, Telenor)
  - Follow up with investors and analysts for candid feedback and further input (ABB, Nokia)

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*Strategic Advisory. Capital Markets. Investor Relations*

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