

# SSEU

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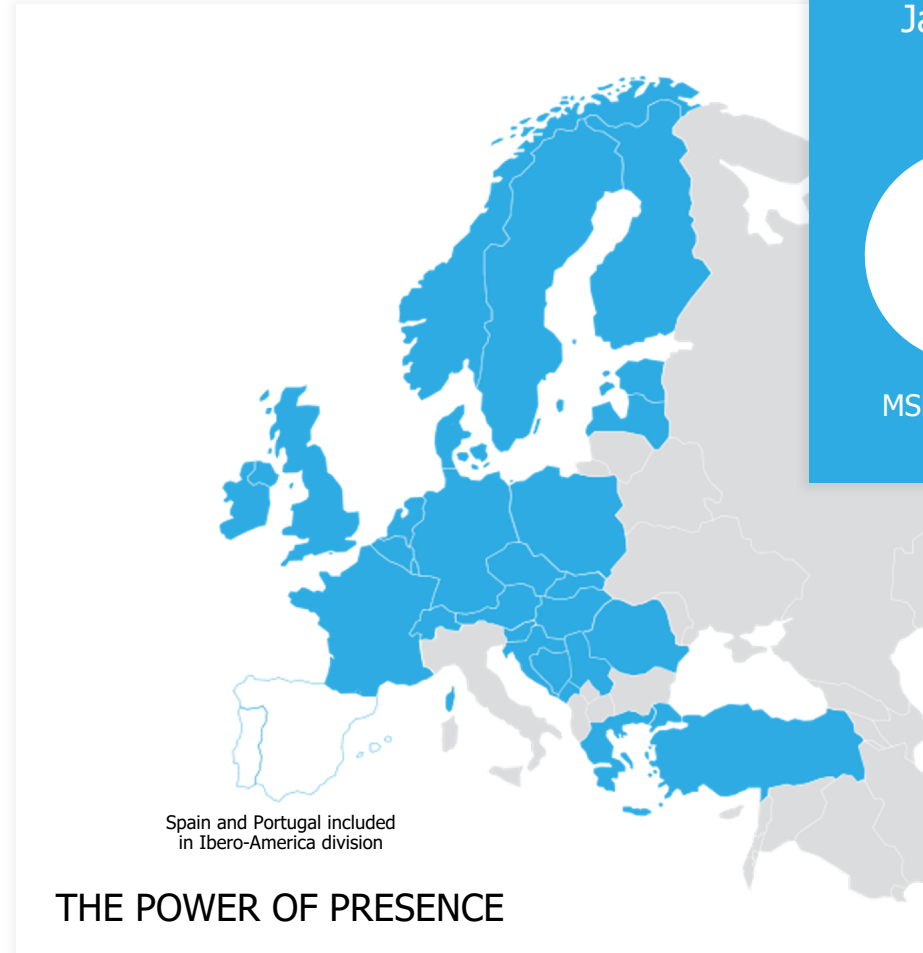


# A strong European footprint

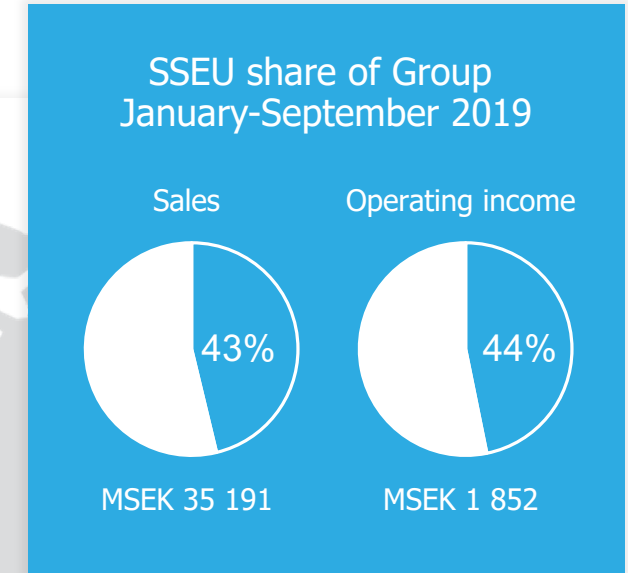
- Security Services Europe offers protective services in 28 countries, and airport services in 15 countries
- 128 000 employees, 770 branch managers
- Security solutions and electronic security sales were 22% of SSEU sales in 9M 2019

# #1

Market position



THE POWER OF PRESENCE



# Europe has a strong foundation but also some challenges to address



## **We have a solid foundation to build on for the future ...**

- Our brand is strong and we are recognized for quality among our customers
- We have a differentiated value proposition with solutions, mobile, monitoring, fire and safety and more
- Great people and lots of passion for our company
- Strong P&L ownership and care of the business ... several countries perform very well
- Cost savings program implemented according to plan

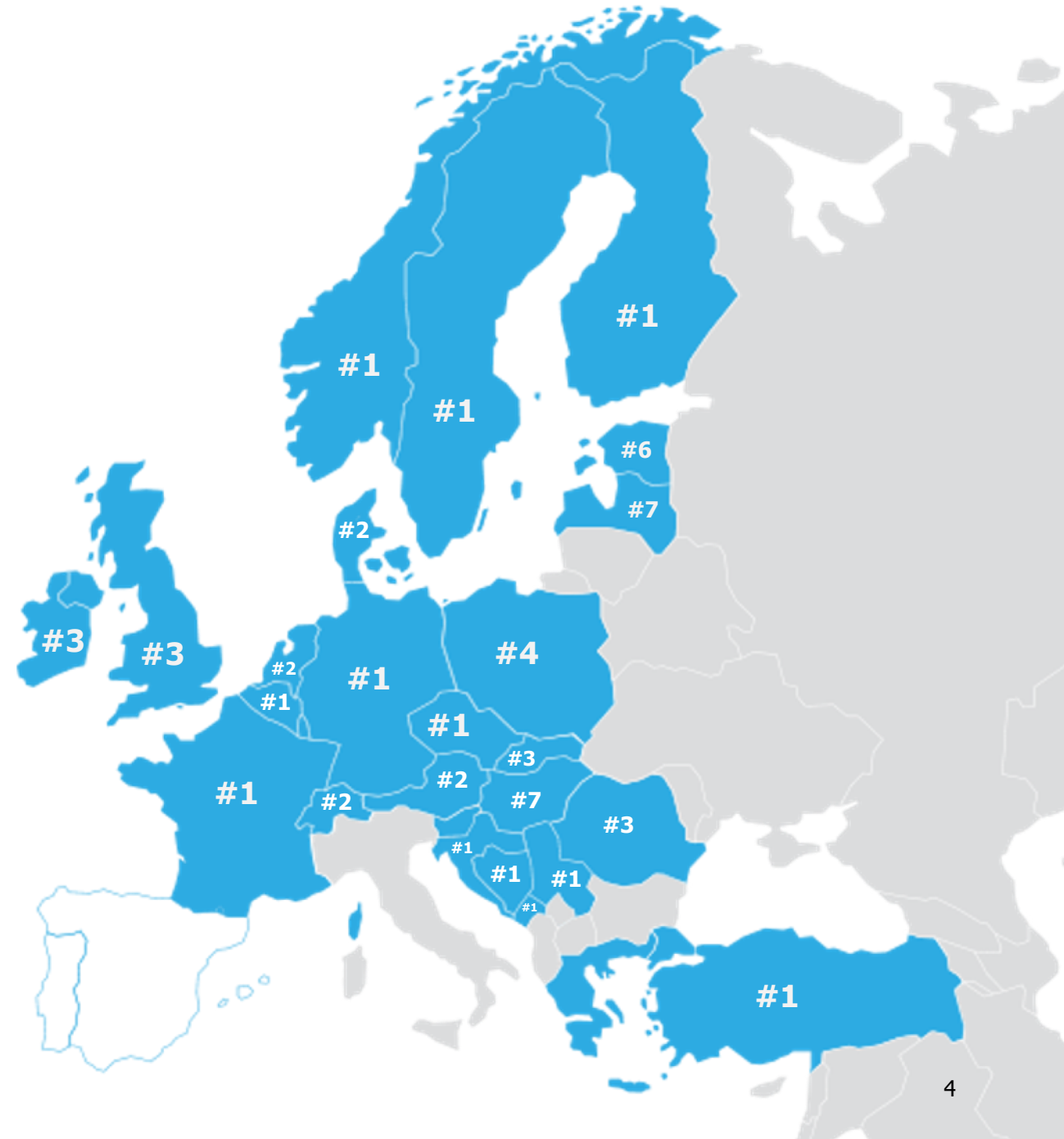


## **... but we have more work to do to fully benefit from our position**

- Operating margin flat to declining last 5 years and financially uneven progress across countries
- Short-term challenges with large contract losses (FR, UK, SW) and price/wage imbalances (NL, FR)
- Some countries are slower than others in transforming business mix (security solutions, ES etc)
- Different organizations across Europe and fragmented and subscale in key functions (IT, HR, Finance)

# The power of presence – a strong position for the future

- 128 000 employees
- 770 branch managers
- > 3 000 Mobile cars
- > 6 000 employees in fire and safety
- > 100 000 clients (excl monitoring)
- > 600 000 monitoring connections
- > 20 000 solution contracts



# We are working with some of the most prestigious clients



**Berlin airport**

- Significant contract in size and importance
- Complex transition
- Awarded on quality advantages



**Global technology companies**

- Global/European partnerships
- Focused on quality, price and joint innovation
- Growing with some of the largest companies in the world

# Fantastic opportunity to change the industry – Vasakronan case








## Vasakronan and innovation partnerships

- Developing intelligent security offers in leading markets with leading players
- Leveraging privileged data to help with insights and services not possible before
- Promising early response, focus is now to expand to more markets and scale successes

# Significant opportunities in widening our protective services footprint



# Significant opportunities in widening our protective services footprint

Area	% sales	Priority
 On-site guarding	65%	<ul style="list-style-type: none"> <li>• Improve efficiency in operation</li> <li>• Digitize our workforce</li> </ul>
 Mobile guarding	10%	<ul style="list-style-type: none"> <li>• Further build our European network</li> <li>• Accelerate mobile solutions</li> </ul>
 Security solutions	12%	<ul style="list-style-type: none"> <li>• Invest to get on the next s-curve of growth</li> <li>• Train our branch managers to successfully sell</li> </ul>
 Electronic security	10%	<ul style="list-style-type: none"> <li>• Align our European business</li> <li>• Further grow organically and acquire</li> </ul>
 Fire and safety	3%	<ul style="list-style-type: none"> <li>• Evaluate best approach for growth</li> <li>• Likely accelerate progress</li> </ul>

**Growth and margin expansion**

**Opportunity to shift portfolio to higher margin areas while maintaining a healthy growth**



# Key focus areas for Europe



## Best place to work

- Employee value proposition
- Recruitment/retention
- Leading planning tools



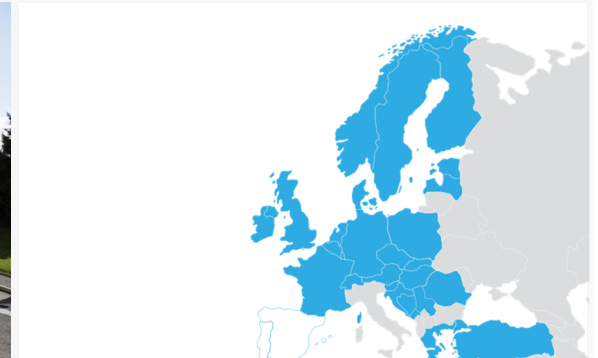
## Commercial excellence

- Cross country clients
- CRM implementation
- Price/wage balance



## Security solutions and electronic security acceleration

- Large and SME solutions
- Organization
- Partners

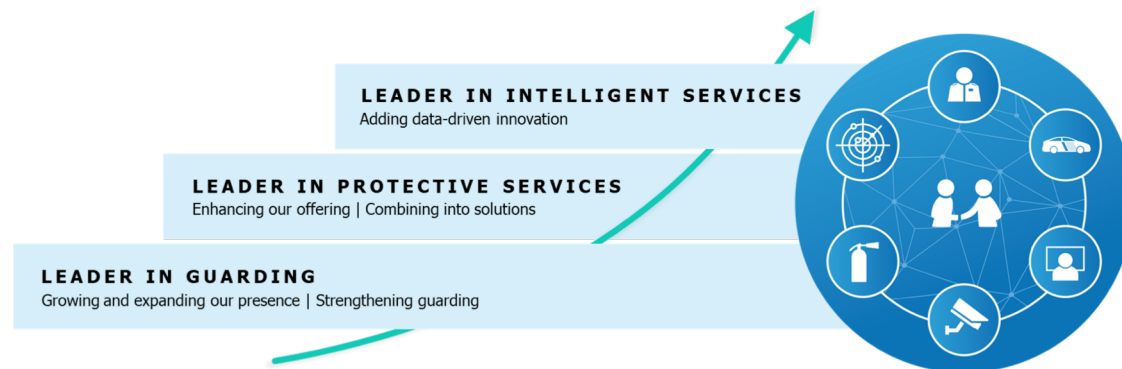


## Leveraging scale

- Country target model
- Leading processes
- Evaluating transformation approach

← Digitizing our business →

# What success looks like in Europe



- Further developing our brand, position and attractiveness as employer
- Transforming our business towards higher margin business
- ... while driving efficiencies in on-site guarding to protect margins and improve competitiveness
- Continue to grow organically and complement with strategic acquisitions



# **POSITIONING SECURITAS AS THE INTELLIGENT PROTECTIVE SERVICES PARTNER**

Investor Day, 5 December 2019

