

SANDVIK CELEBRATES 150 YEARS OF GLOBAL BUSINESS

Global high technology engineering group Sandvik is celebrating its 150-year anniversary in 2012.

Sandvik was founded in Sandviken, Sweden, in 1862 by Goran Fredrik Goransson (1819 - 1900). The company was originally a steel producer named Sandvik Jernverk AB. Even in the early stages of its development, the company tended to be innovative – Sandvik plant was the first to employ H. Bessemer's method of melting high quality steel that significantly increased output.

The company grew rapidly and by the end of the 1860's opened international offices in Britain, Germany, Denmark, Norway, Russia and France. Today Sandvik is an industrial group with advanced products and world-leading positions. At the end of 2011 the Group employed about 50 000 people and had offices in 130 countries, with annual sales of more than SEK 94-billion. Sandvik continues to evolve and adapt to the constantly changing market.

Africa

Sandvik Jernverk entered Africa through the development of rock drills and its partnership with Atlas Copco in the 1940s. A production facility was established in South Africa as early as 1948. The company established operations in the then South Rhodesia in 1963 and almost concurrently in the then North Rhodesia. Sandvik has also expanded considerably in Nigeria and, by the beginning of 2010, operations in its Africa/Middle East region were larger than those in South America. The market segment's sales accounted for 10% of the group's invoiced sales.

New business strategy

On January 01, 2012 the group adopted a new business strategy in which three business areas were expanded to five — Sandvik Mining, Sandvik Machining Solutions, Sandvik Material Technology, Sandvik Construction and Sandvik Venture.

Group President and CEO Olof Faxander says, "It is essential that we adopt strategies to meet a rapidly changing global market, where the ability to act and react fast is crucial for long-term success. The new organisation means a clear and strong focus on four business areas where our targets are both market leadership and world-class profitability".

"Our employees — our closest contact to the market and the customer — will be given more responsibility and freedom to act within a new, simplified organisational structure. This will not only serve to empower our people, but also increase the speed of decision-making within the organisation.

"A strengthened people strategy includes a focus on safety, diversity and inclusion, empowered employees, a culture of innovation, talent management and the development of excellent leaders," he continues. "For me personally, providing a safe working environment and putting safety first, is the number one priority. Zero work-related injuries in my foremost goal.

"In order to become a truly reliable partner for its customers for over 150 years Sandvik has developed and continually improved its equipment and client services. Our business model stands on Sandvik unique knowledge in the field of mining, metal processing and other materials. The new strategy will further strengthen the company's core competences and attractiveness to customers, shareholders and employees alike."

Advanced technology

Alice Ward, Sandvik marketing communications manager – Africa, adds: "Sandvik has always worked with the most advanced technology of its time. The group's cluster of expertise has grown stronger over the decades and today we have patents, drawings and expertise pertaining to hundreds of thousands of advanced products in alloyed steel, titanium, cemented carbide and ceramics. It's this core expertise in metals and materials that is the root of our global success".

"A combination of materials know-how, process engineering and quality control has propelled Sandvik into a leading position in several areas. Few, if any other company in the

world, can boast such a broad, accumulated knowledge of tools and equipment and how to put them to best practical use," she says.

To mark its 150 year milestone anniversary, Sandvik has published a commemorative book entitled, "The Sandvik Journey — the first 150 years".