May 11, 2016 Capital Markets Day 2016

Vaisala Production System

Developments Correspond with Delivery Performance

- Global Operations Founded
- Lean Started
- Lean Production Cells
- Value Stream Mapping
- Kaizen Events
- Improvements via Kaizen Events
- Process Modeling Pilot
- Vaisala-wide Process Modeling
- PDCA practices
- Standard Work Practices
- Daily Management
- Building Vaisala Production System
- On-Time-Delivery Performance

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2008 | | | | | | | | | | | | | 62%
2009 | | | | | | | | | | | | | 85%
2010 | | | | | | | | | | | | | 90%
2011 | | | | | | | | | | | | | 98%
2012 | | | | | | | | | | | | | 88%
2013 | | | | | | | | | | | | | 93%
2014 | | | | | | | | | | | | | 98%
2015 | | | | | | | | | | | | | 98%
2016 | | | | | | | | | | | | | 98%
Operations

Vision
Winning high mix – low volume supply chain and awesome place to work

Mission
We create value for our customers with reliable and flexible supply chain network

Vaisala Production System – Way to Drive Operational Excellence

Operations Strategy
Conscious choices between several alternatives with long-term commitment

Strategic Development Initiatives
- Sourcing Development
- Core Technologies
- High Performing Teams
- Life Cycle Management Processes
- Systematic Operational Excellence Improvement

Systematic Improvement
Entire organization engaged in improving our ways of working

Improvement Phases
- Harvest ideas
- Prioritize
- Execute

Standard Way of Working
Agreed, standard ways of working lay foundation for efficient operations

Our Standards Cover
- Processes
- Standardized Work
- Working environment
Make or Buy?

High IP-value
High intellectual property value = Make

Factory Footprint
2 Own Factories + 6 Partners

Boulder, USA, CO
- Processes: Assembly & test, Integration
- Products: Lightning detection, Wind energy systems, US specific aviation, US specific road
- Employees: 25

Helsinki, Finland
- Processes: Sensor chip manuf., Sensor assembly, Final assembly, Calibration, Integration
- Products: Full range
- Employees: 350

+500 Suppliers’ Network
Sourcing strategy aims for:
- Supplier base consolidation
- Long-term partnerships with main suppliers
- One-stop-shop suppliers
- Early supplier involvement to new product design
Vaisala Operations
We Deliver.

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