MORTEN WIEROD, CEO | TIMO IHAMUOTILA, CFO

CAPITAL MARKETS DAY 2025

ABB Group

ENGINEERED TO OUTRUN

Important notices

This presentation includes forward-looking information and statements including statements concerning the outlook for our businesses.

These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for ABB Ltd.

These expectations, estimates and projections are generally identifiable by statements containing words such as "expects," "believes," "estimates," "targets," "guidance", "plans," "outlook," "on track," "framework" or similar expressions.

There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. **The important factors that could cause such differences include, among others:**

- Business risks associated with the volatile global economic environment and political conditions
- Costs associated with compliance activities
- Market acceptance of new products and services
- Changes in governmental regulations and currency exchange rates

Although ABB Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, **it can give no assurance that those expectations will be achieved.**

This presentation contains alternative performance measures. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in "Supplemental Reconciliations and Definitions" within our Q3 2025 financial information booklet and under the Additional material section on our website at https://global.abb/group/en/investors/strategy-events

HIGH SAY/DO RATIO DELIVERING ON HIGHER TARGETS

ABB Way operating model

- **Accountability, Transparency, Speed**
- **High performance & High integrity**
- **Performance management system**
- **Continuous improvements**

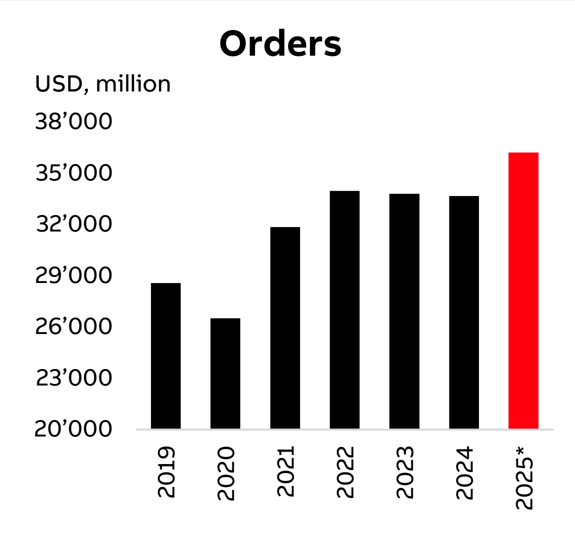
Strong market exposure

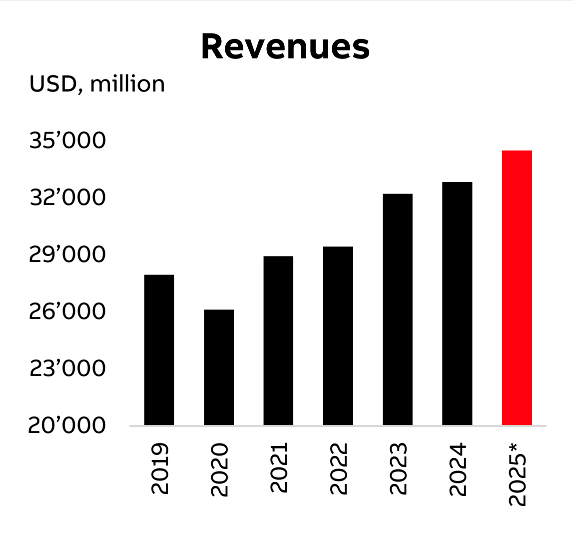
Active portfolio management

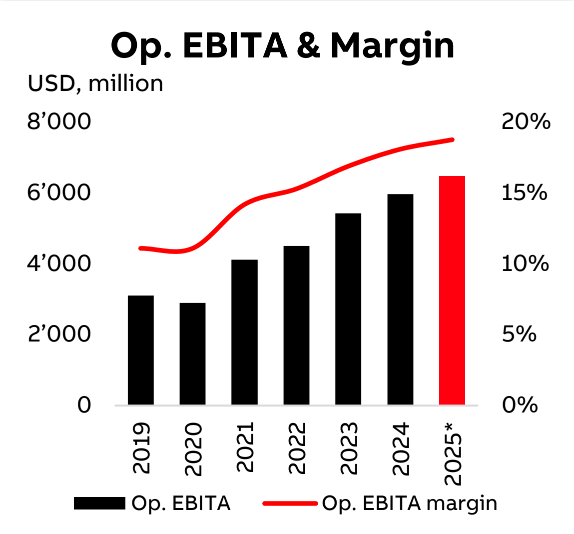
	Actual	Target
Comparable revenue growth	**6%** avg 2019 – 2025[1]	**5-7%** avg through cycle
Acquired growth	**0.6%** avg 2019 – 2025[2]	**1-2%** avg through cycle
Op. EBITA margin	**18.8%** 2025 Q3 LTM	**16-19%**
EPS growth basic	**8%** avg 2022 – 2025[1]	**at least high single digit** avg through cycle
EPS growth excl. divisional exits	**17%** avg 2022 – 2025[1] mgmt estimate	
ROCE	**23.3%** Q3 2025	**>18%**
FCF conversion	**101%**	**~100%**

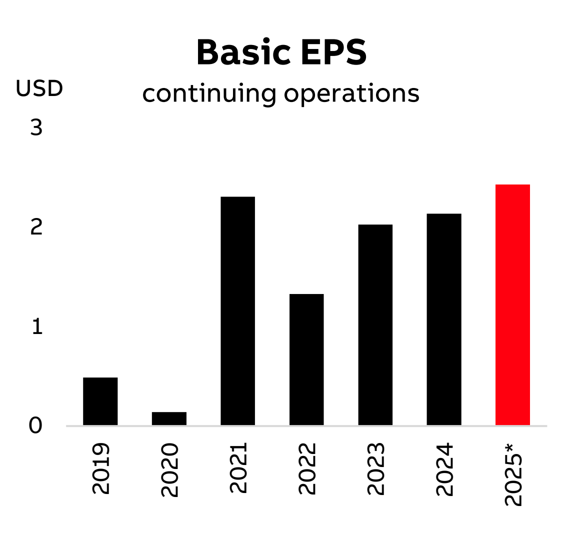
1. 2025 Q3 LTM 2. Per target definition

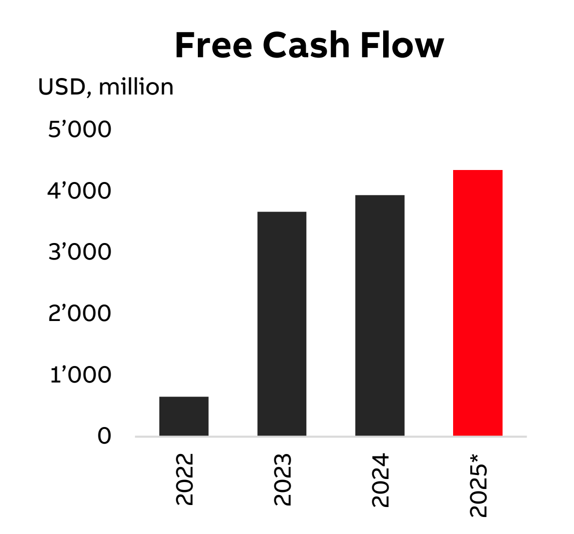
ABB moving in the right direction

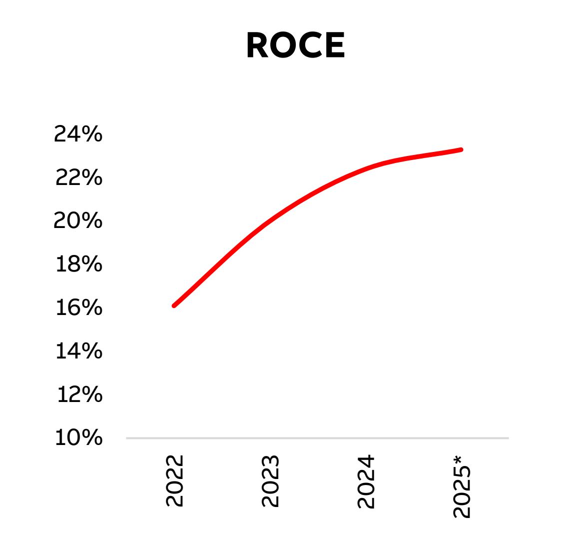






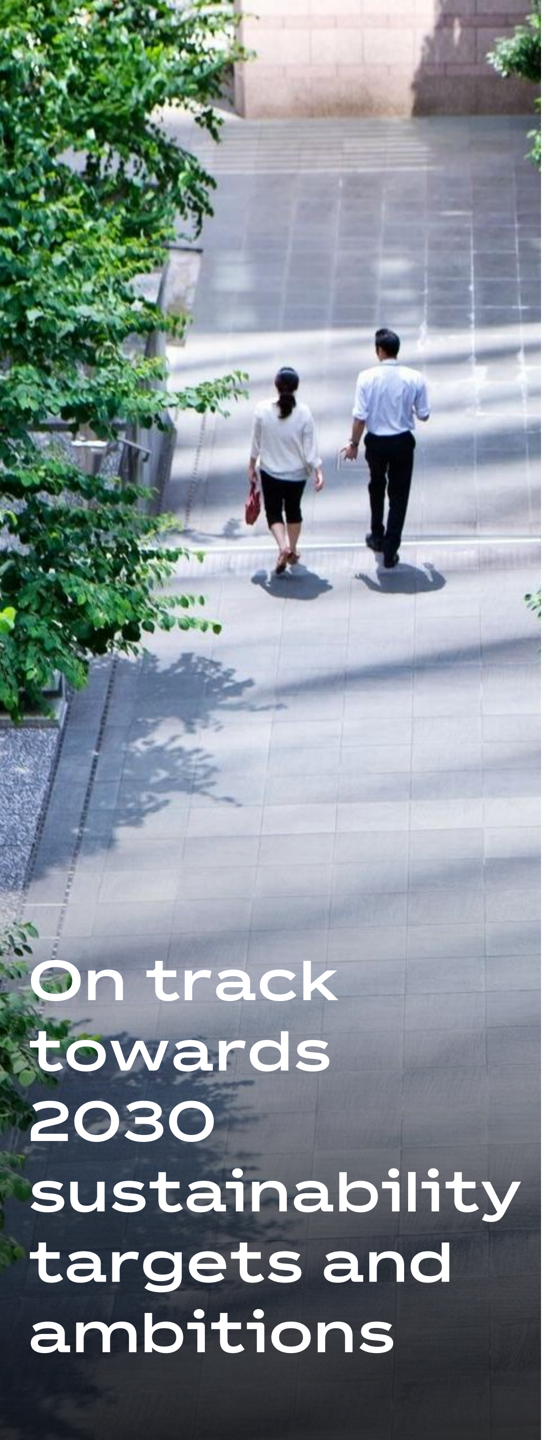






* Q3 LTM

achieving new ALL-TIME-HIGHS



On track towards 2030 sustainability targets and ambitions

ENABLING A LOW-CARBON SOCIETY

Reduce own scope 1 and 2 CO_2e emissions by 80% by 2030

Reduce scope 3 CO_2e emissions by 25% by 2030

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

PRESERVING RESOURCES

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

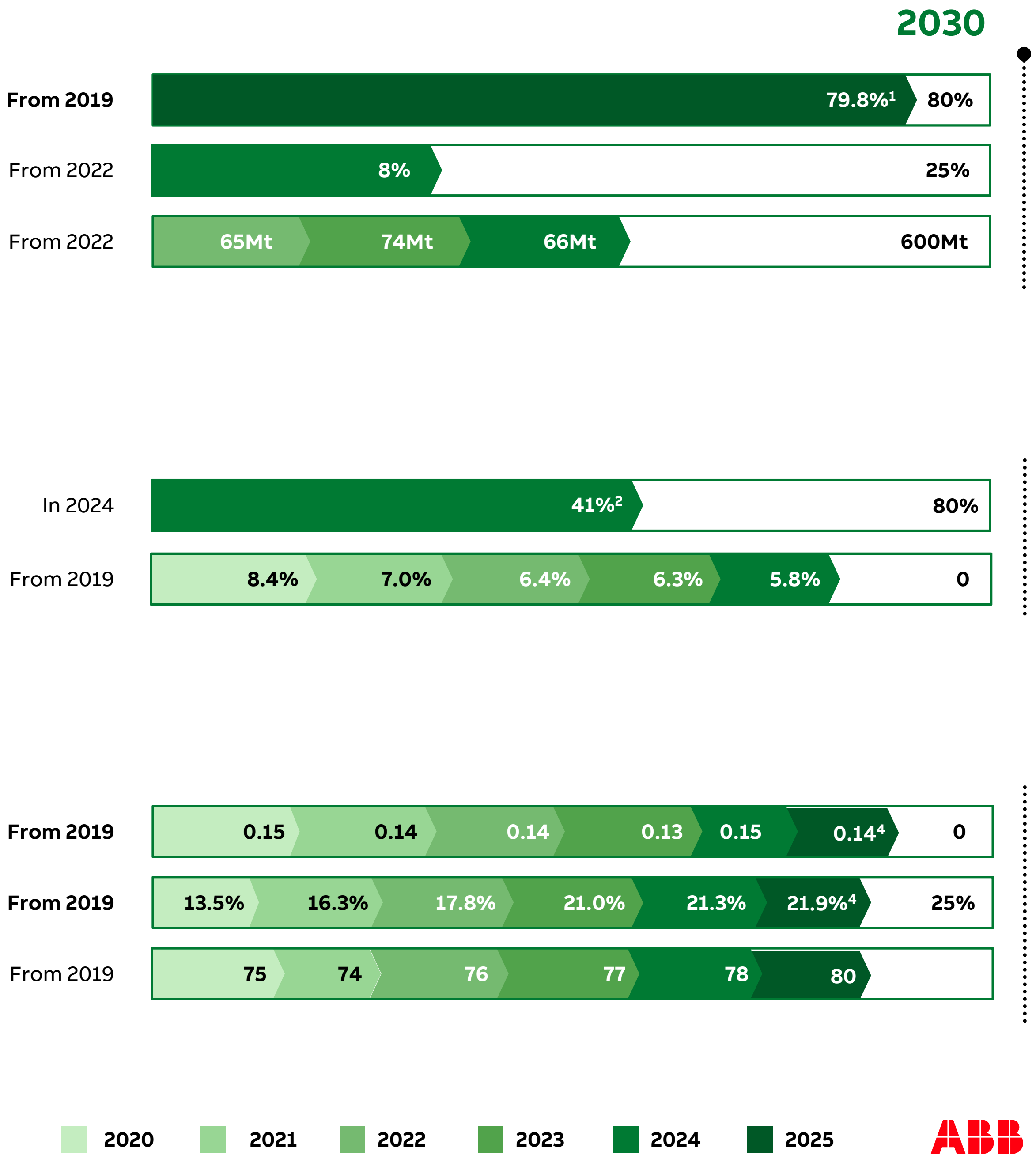
Send zero waste to landfill while reducing waste generation by 2030

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[3]

Achieve a top-tier employee engagement score

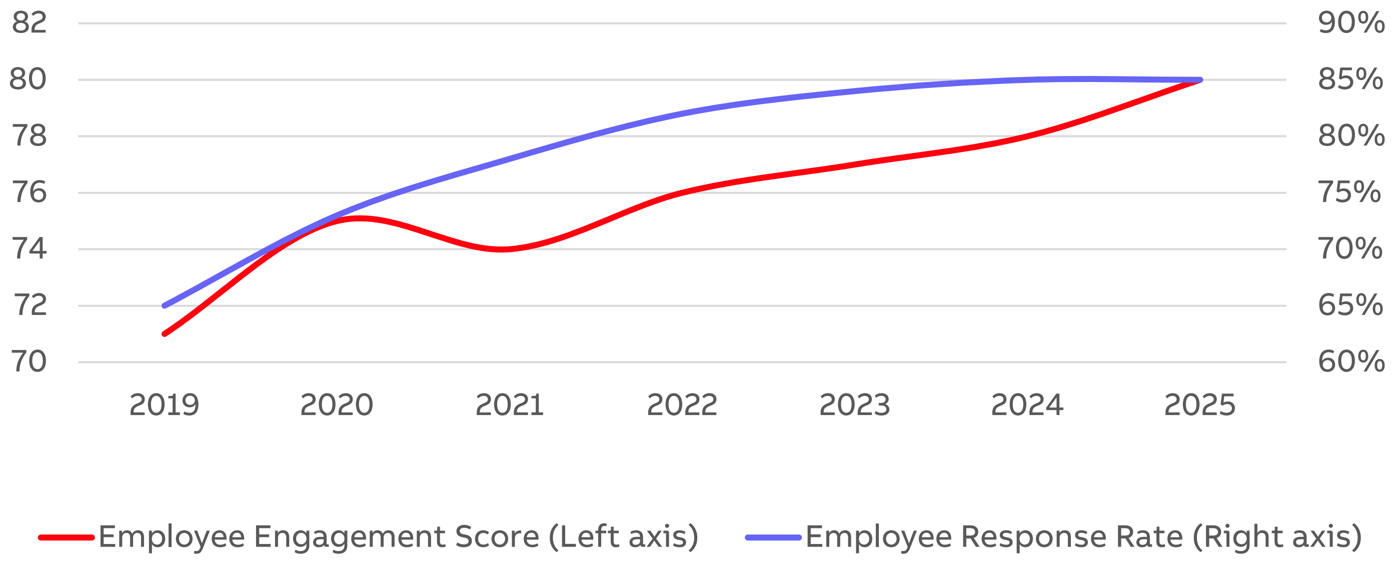


1. Management estimate based on 12m rolling as per Q2 2025
2. Part of portfolio assessed through Circularity Approach
3. The above disclosure relates to countries where policies legally permit and to the extent that it does not conflict with any applicable local laws, where ABB operates
4. As per YTD end of Q3 2025

CHANGE IN OPERATIONAL CULTURE

- accountability
- transparency
- speed

Strong improvement in Employee Engagement Score



I am proud of **WHAT** the ABB team has accomplished, and **HOW** the team stepped up to the challenge of significant change in our ways of working.

We have come a long way and can still do even better.

Morten Wierod
CEO

ABB

> We have come a long way in improving our operational performance for growth, profitability and returns.
> I strongly believe we can still do even better.

Morten Wierod
CEO

WE CAN DO BETTER

- **The beauty of mix** – stricter focus on performance delivery by mandate
- **Next wave in the ABB Way** operating model – increasing operational accountability and transparency
- Sustained focus on **continuous improvements** and annual **5% internal gross profit productivity target**
- **The power of ABB** – three Business Areas with sales and technology synergies
- **Operational leverage** on expected **growth in robust external markets**
- **M&A** bolt-ons **part of ABB Way performance culture**

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Stricter focus on delivery by mandate

“Beauty of mix” to further improve group performance

STABILITY

2%

of divisional revenues[1,2]

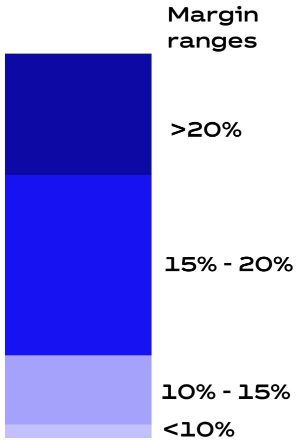
Machine Automation

PROFITABILITY

18%

of divisional revenues[1,2]

Share of revenues by Op. EBITA margin[1] range



GROWTH

79%

of divisional revenues[1,2]

All Electrification divisions in growth mode

Mixed mandates in Motion and Automation

1. Q3 2025 LTM, excl. ABB Robotics division 2. % not adding to 100 due to no mandate allocated to E-mobility

Changing internal perception. Growth and Profitability equally valuable to optimize Group performance

More transparent mandate framework. Always growth AND profitability improvement but at different rates

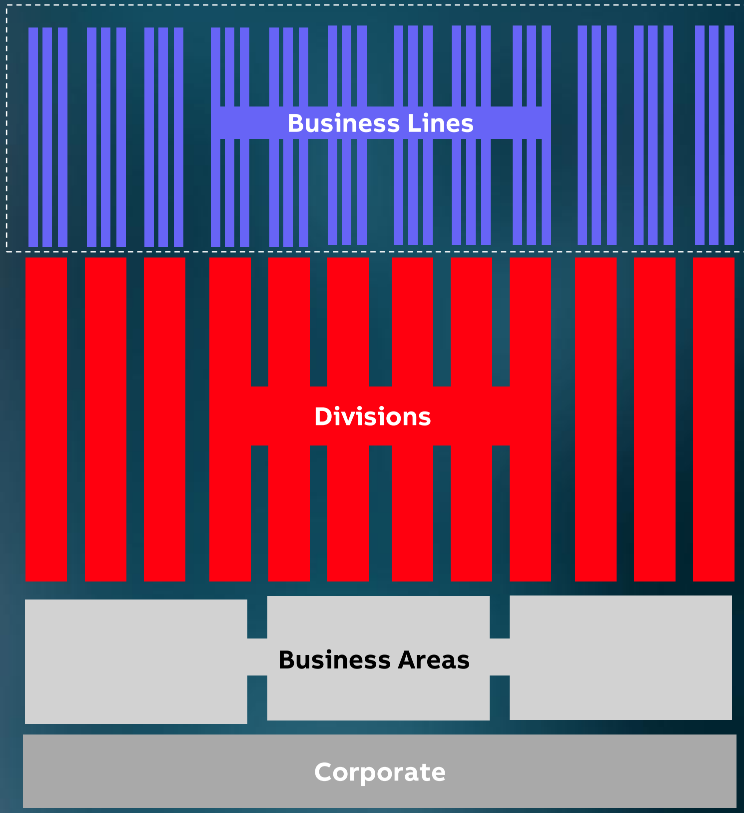
ABB Way operating model pushed further down in the organization with mandates by Business Line

Even sharper link between weighting of remuneration KPIs and strategic mandate

NEXT WAVE

on the journey of ABB Way operating model

Decentralized business model pushed deeper in the organization for further increased Accountability, Transparency and Speed



- Reached full implementation of ABB Way performance accountability & strategic mandate for Business Lines after summer 2025
- ~75 Business Lines
- Majority of Divisions has a mix of Business Line mandates; majority in growth some on profitability and minority in stability
- Business Line performance management owned by Business Areas & Divisions

Make M&A part of our ABB Way performance culture

Strategic fit and future value creation is key

Scoring system with ~20 KPIs

Aiming for:

- Strong gross margin potential
- Solid track record for comparable growth
- No EPC business
- Filling technology and geographical gaps
- Economies of scale
- Adjacent markets and segments

Small- to mid-size M&A led by Divisions Large deals led by Corporate and Business Areas

All M&A to be in line with:

- ABB Purpose
- ABB Way operating model
- Embedded software and AI
- Maintain strong investment grade rating

Corporate / Business Area	• Lead large deals or adding new Division • Support due diligence
Division	• Lead bolt-on deals within Divisions • Build and maintain bolt-on deal pipeline • Lead due diligence and transactions for bolt-on deals • Responsible for integration

Bolt-on deals to add revenues of 1%-2%, average through cycle

Make M&A part of the ABB Way performance culture

The power of ABB

Three Business Areas with sales and technology synergies

Even Better Together

- Access ABB's full offering directly through each Business Area and/or one point of contact through project management
- ~$900 million of pull-through revenues
- Technology sharing between business areas, e.g.
    - Electrification's SACE Air Circuit Breaker in Motion's market leading drives
    - Motion's electrical motor in Azipods from Automation

Smart People Collaborate

- Utilize full ABB scope to solve customers' problem
- Account management with one lead point of contact, when customer wants it
- Revenue split by Business Area contribution to the specific contract
- Scale benefits for parts of sourcing
- Selected R&D projects
- Internal collaboration by improved access to "communities of practice"

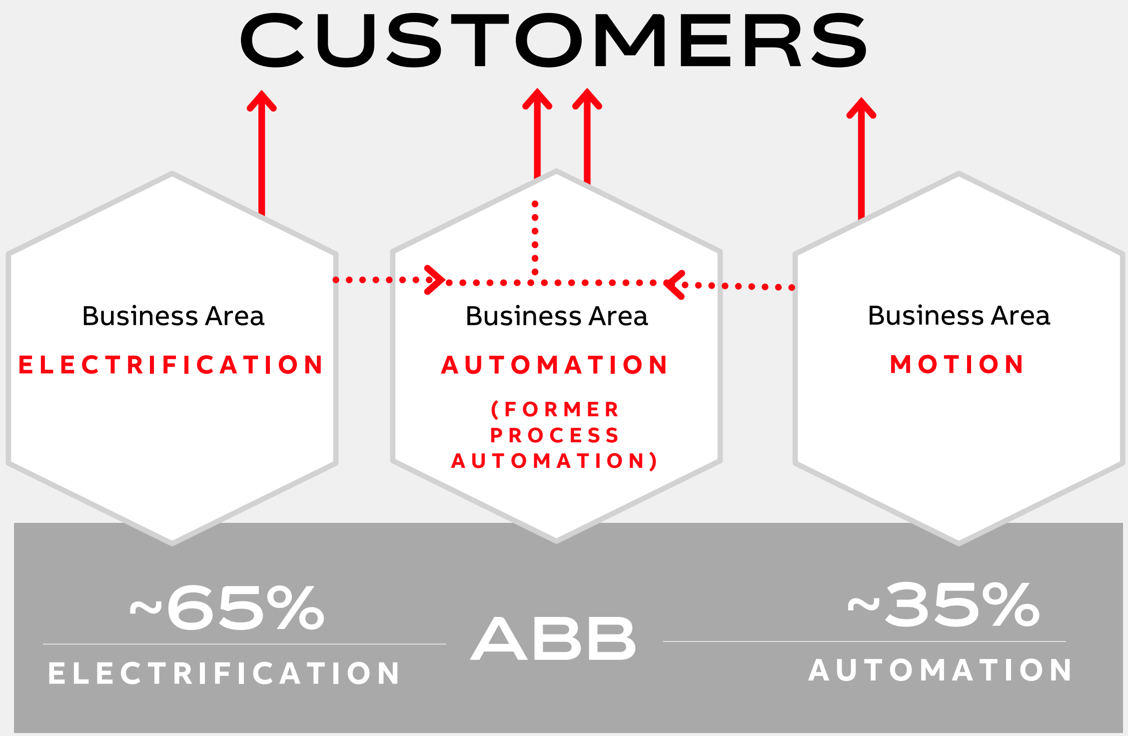
Local-for-Local*

- Legacy of manufacturing close to customers
- Investing to further increase local-for-local set-up; e.g. US, India

Europe	USA	China
~95%	~75-80%	~85%
rest from	rest from	rest from
~3% AMEA ~2% Americas	~15% Europe ~5-10% rest of Amcas ~2% AMEA	~12% Europe ~1% Americas ~1% rest of AMEA

* Management estimates and % based on 2024 3rd party revenues

STAND-OUT VALUE PROPOSITION OF COMBINED ELECTRIFICATION & AUTOMATION



The power of ABB combined offering creates customer value

~$70M PROJECT

DIRECT

Fossil-free mini mill construction for SSAB steel in Luleå, Sweden

ABB SOLUTIONS

DIRECT

- **ELECTRIFICATION** – full electrical design services, supply of MV & LV equipment, UPS Systems, DC distribution and backup power systems
- **AUTOMATION** – automation power control & monitoring systems

INDIRECT

- **MOTION** – MV drives, HV motors, Advanced Auxiliary Controls

CUSTOMER OUTCOMES

- Contributing to reducing Sweden's CO_2 emissions by 7%
- 90% less emissions vs current operations
- Lower costs
- Production stability

"ABB's early involvement and ability to combine global expertise with a strong local presence were key factors in our decision. With the new technology, we can achieve lower costs, shorter lead times and a better ability to handle variations in demand. "

CARL ORRLING, Chief Technology Officer and Head of Transformation Office, SSAB

ABB HELPS INDUSTRIES OUTRUN LEANER AND CLEANER

ABB customer value proposition built on:

Technology leadership

- Leading electrical and automation engineering know-how
- Embedded software
- Applied AI in products and solutions

Domain expertise

- Know the industry at least as well as customer
- 140 years of legacy
- Strong distribution network
- Local-for-local footprint

Sustainability is our business...

...and fully integrated in our ways of working

We help industries outrun leaner & cleaner

LEANER

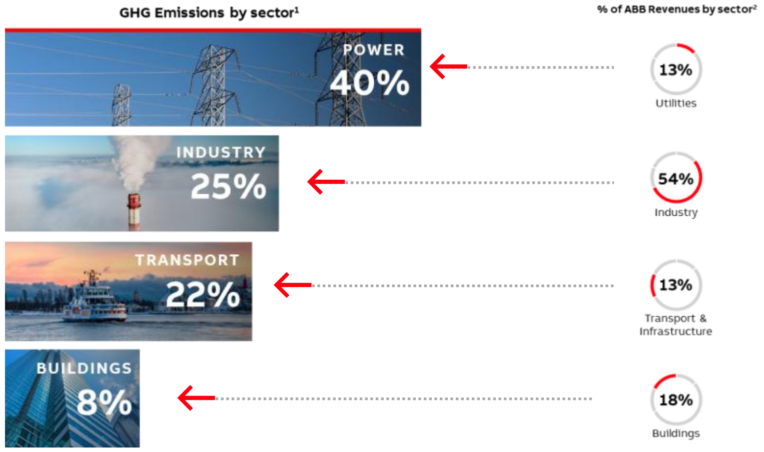
Our leading automation technologies are helping to improve the productivity and efficiency of every industry's critical day-to-day operations.

CLEANER

Our leading electrification technologies are helping to decarbonize the world's most essential industries.

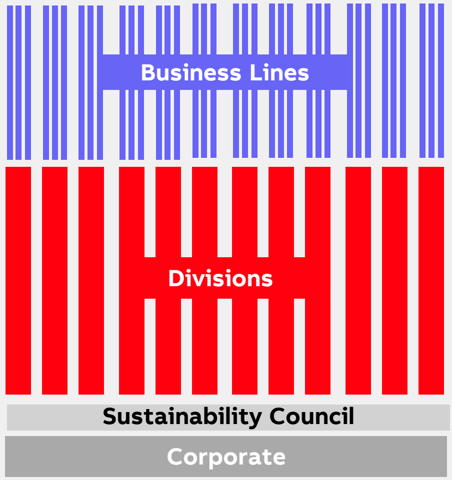
ABB Climate Transition Plan

- Reflects how ABB plans to achieve its emission reduction targets leveraging our long-term performance planning process
- Maps transition risks and opportunities to decarbonization measures that ABB takes
- Identifies business opportunities from the growing demand for offerings for the energy transition and cost savings from resource-efficient practices



1. Source: International Energy Agency; 2. Management estimate based on FY 2024 Revenues. Due to rounding, numbers presented may not add to 100.

Sustainability is part of ABB Way operating model

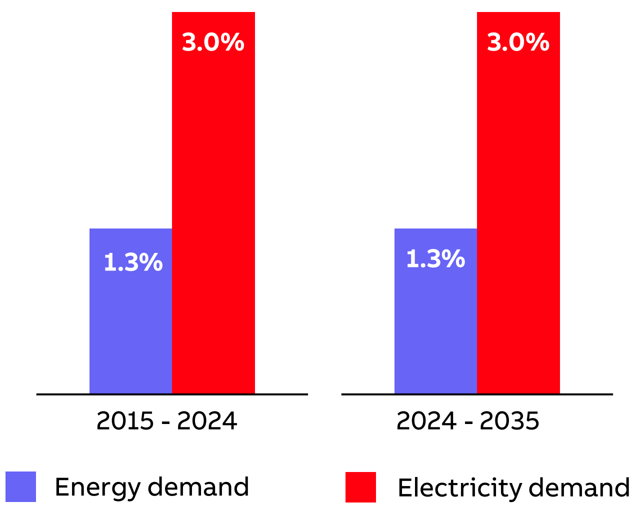


- Governance at Board and Corporate level
- Business accountable for performance
- Part of quarterly/ annual performance management reviews and executive compensation
- MSCI AAA
- Most Sustainable Companies by TIME Magazine and Statista
- Top 25 Europe's Climate Leaders by FT

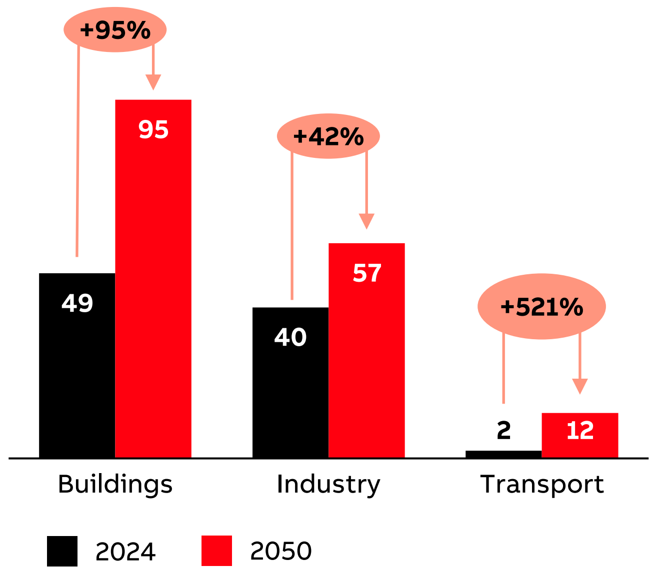
Electricity

The power of the future

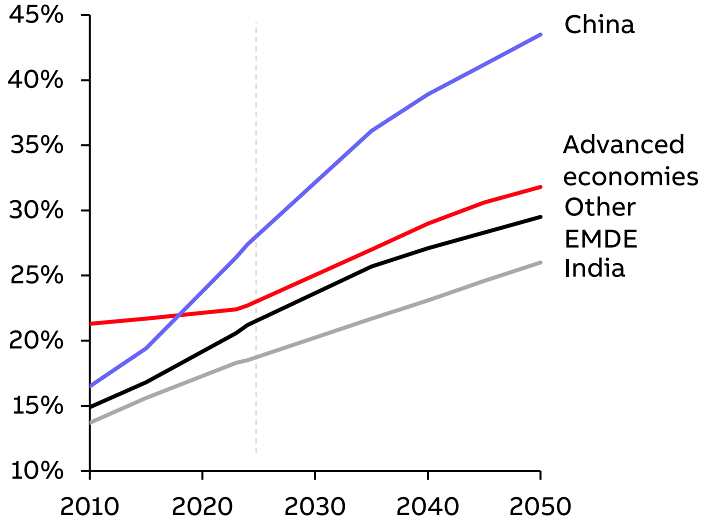
Global electricity demand outpacing energy demand (CAGR in %, IEA CPS)



Global electricity demand in selected industries (EJ^2, IEA CPS)



Share of electricity in final energy consumption across regions (%, IEA CPS)



ELECTRICITY

WE NEED MORE
ENERGY EXPANSION

Regardless of the energy source the demand for electricity is expected to double by 2050

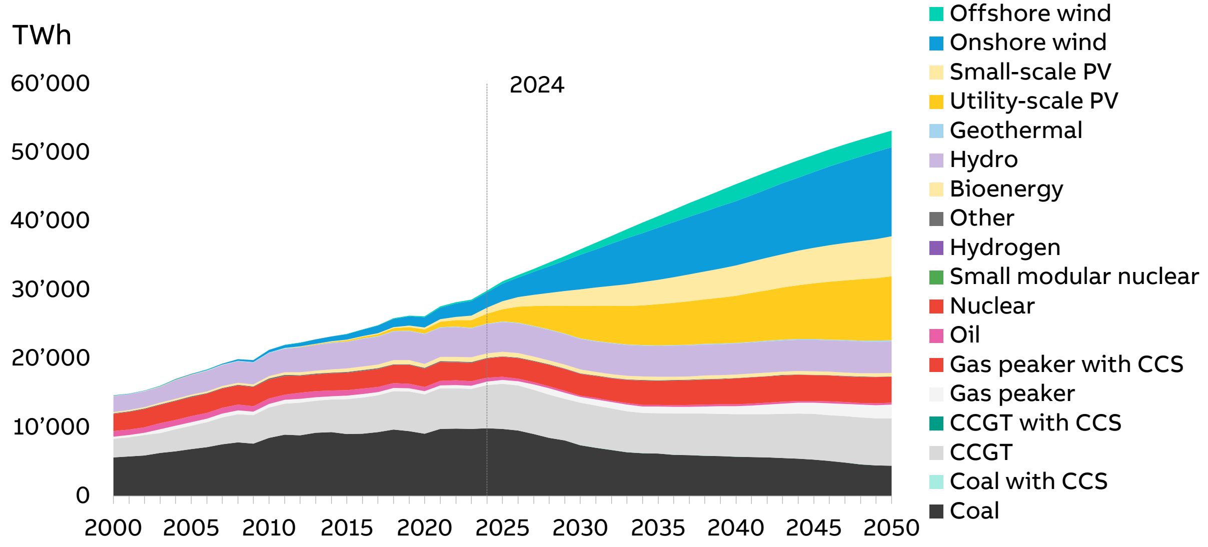
WE NEED OPTIMIZATION
ENERGY EFFICIENCY

Optimize consumption of electricity already available

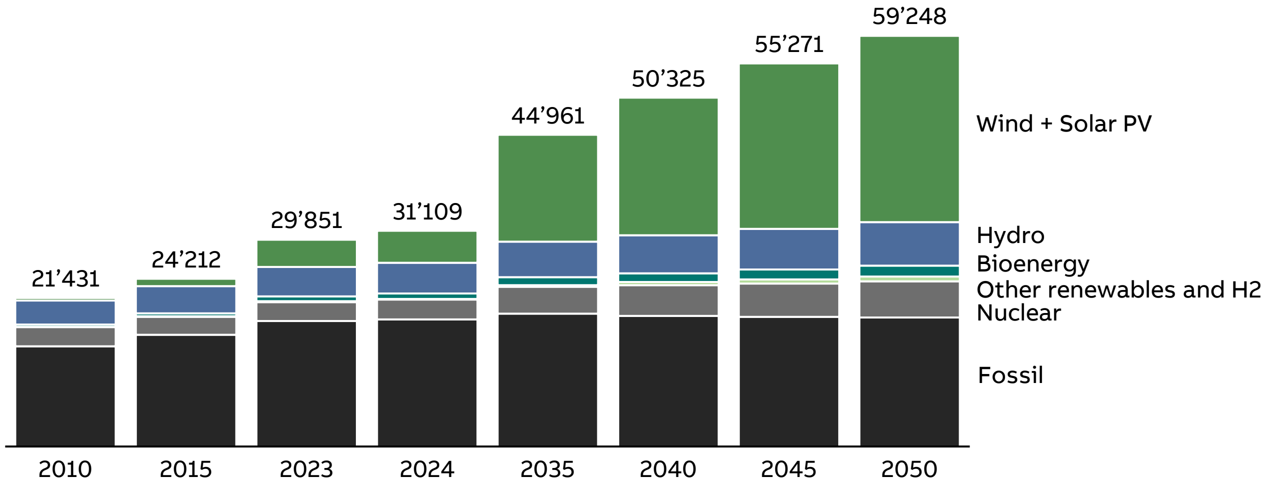
WE NEED CLEAN
ENERGY TRANSITION

The world has **not yet started to decarbonize**. Similar amount of electricity generated through fossil sources as in 2018/19

Global electricity generation – different data sources point in the same direction



Source: Bloomberg New Energy Outlook
CCS: Carbon Capture Storage; CCGT: Combined Cycle Gas Turbine



Source: IEA World Energy Outlook 2025, Current Policies Scenario

Future data centers at **4X POWER DEMAND**

2023

55 GW
data center capacity

= x 30

30 kW
peak rack density
in current architectures

x 4

200 MW
facility considered
normal today

2030

220 GW
data center capacity

= x 1,000

1 MW
AI GPU peak rack
density in 2030

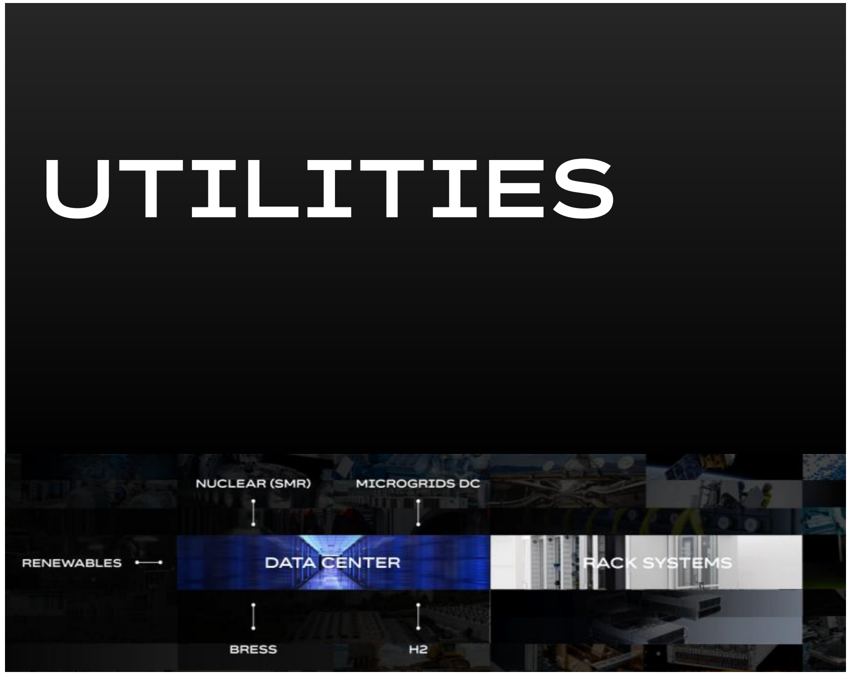
x 1
US nuclear plant

1.5 GW
AI factories
normal in 2030

Source: McKinsey, Bank of America, Morgan Stanley, Jefferies, J.P. Morgan

Strong data center build-up supports demand for electrical infrastructure in adjacent segments

- Data centers expected to have an annual need of **1 million metric tons of copper by 2030**
- Data centers anticipated to represent **~2% of global copper demand by 2030**



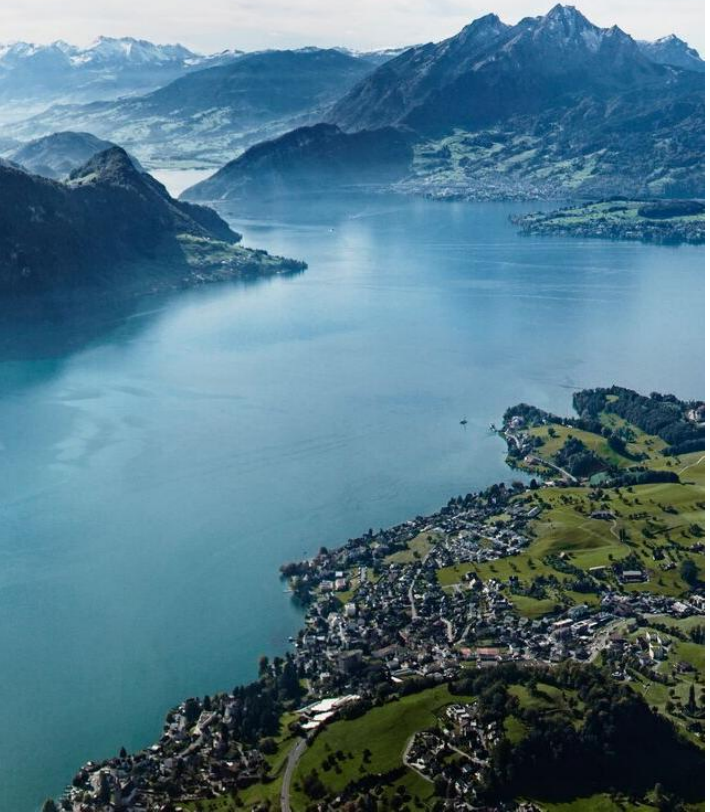
- **Data centers' consumption of electricity in the US** is expected to rise **from 4% in 2023 to 12% by 2030**…and **globally from 1.5% to 3%**
- **Major grid investments** and innovative technologies required for **power availability and fast connections**

- **12.8 million AI chips** from 1.1 million wafers expected in 2026
- **AI growth imply need for >30% additional wafer manufacturing per year** equal to 4x current capacity in 2030

Source: IEA, Bloomberg, McKinsey, Morgan Stanley, JP Morgan

ABB positioned in the centre of robust markets

Help customers optimize, electrify and decarbonize



Mid-term market growth drivers

Power	Industry	Transport & Infrastructure	Buildings
• Electricity largest energy source in future • Aging grid and integration of renewables • Grid flexibility and automation	• Decarbonization, energy efficiency and energy security in industry • Increased electrification and automation of heavy industries • AI and higher power density in data centers	• Electrification and automation of transport and infrastructure	• Urbanization drives need for building solutions • Optimization of energy usage • Electrification and automation of buildings

End-market split below is not identical with ABB Factsheet and covers ~75% of Group revenues

Power	Industry	Transport & Infrastructure	Buildings
Distribution (5% - 10%)	Data Centers (>10%)	Marine & Ports (5% - 10%)	Buildings (3% - 5%)
Renewables (5% - 10%)	Oil & Gas (3% - 5%)	Rail (3% - 5%)	HVACR (3% - 5%)
Conventional Generation (3% - 5%)	Mining & Metals (5% - 10%)	Infrastructure (5% - 10%)	
	Water & Wastewater (3% - 5%)		
	Food & Beverage (5% - 10%)		

Mid-term:
- >10%
- 5% - 10%
- 3% - 5%

% of ABB Revenues by sector[1]

Utilities	Industry	Transport & Infrastructure	Buildings
13%	54%	13%	18%

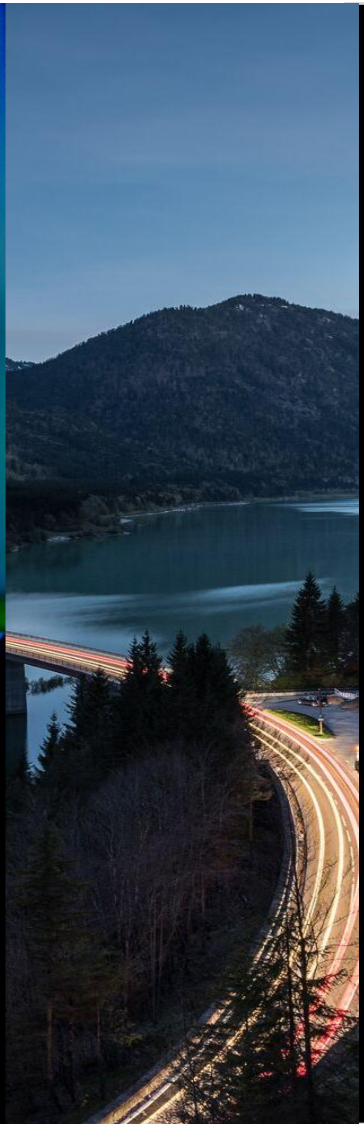
GHG Emissions by sector[2]

Power	Industry	Transport	Buildings
40%	25%	22%	8%

1. Management estimate based on FY 2024 Revenues. Due to rounding, numbers presented may not add to 100.
2. Source: International Energy Agency

ABB – the best is yet to come





Strong market exposure and technology leader in electrification and automation

ABB Way performance culture and continuous improvements

Raising margin and return targets

ABB excluding Robotics division

Growth through economic cycle

Comparable

5% - 7% avg

Excluding FX impacts, acquisitions and divestments

Acquired

1% - 2% avg

Acquired growth target is the net of acquisitions and divestments; excluding deals of full Business Area or Division or divestments larger than 3% of Group revenues

UPDATED

Op. EBITA margin annual

18% - 22%

Business Area target ranges

Electrification	22% - 26%
Motion	18% - 22%
Automation	14% - 18%

UPDATED

ROCE annual

>20%

UPDATED

FCF conversion to net income

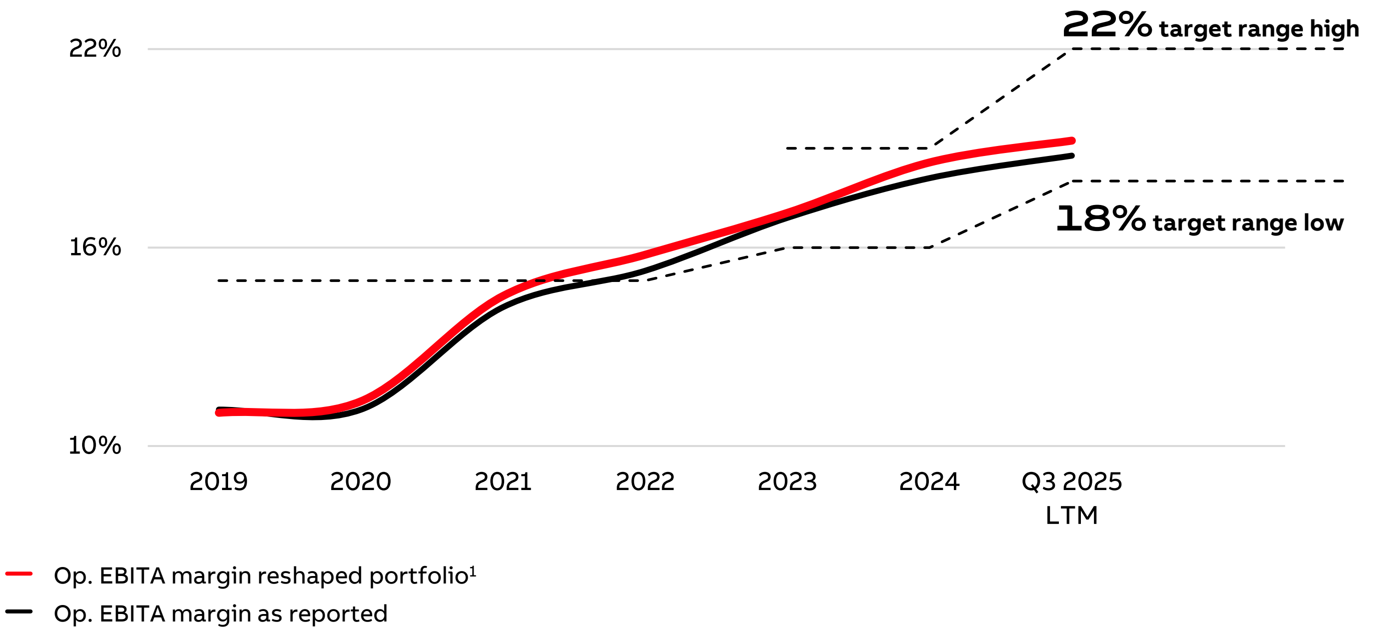
annual

>95%

EPS growth basic, avg through economic cycle

At least high single digit %

Higher long-term Operational EBITA margin range



Target is based on a bottom-up approach and future[1] group structure

Q3 2025 LTM

- Robotics dilutive **at ~45 bps**
- E-mobility dilutive **at ~80 bps**

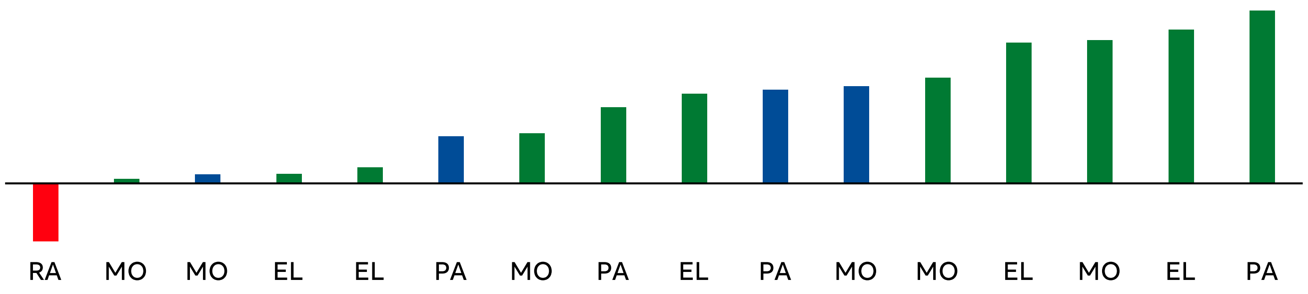
Upgraded target range leaves headroom for further operational improvements

Long-term corporate costs run-rate to remain at slimmed ~$300 million (excl. stranded costs)

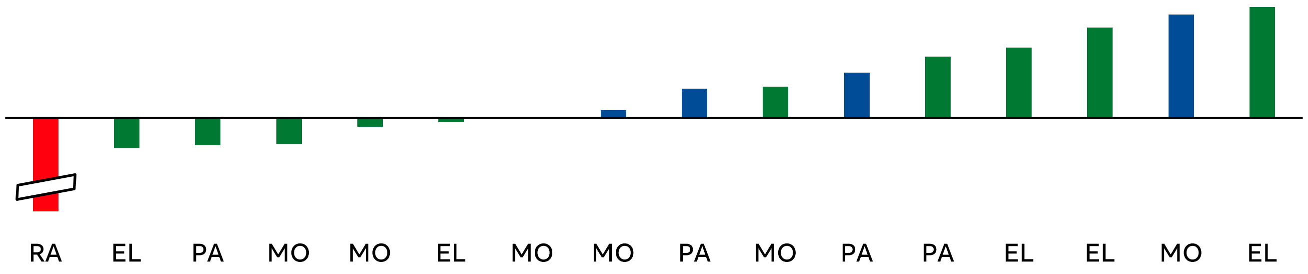
1. Excl. Robotics division

Strategic mandates drive operational focus

2023 to Q3 2025 LTM average divisional[1] revenue growth



2023 to Q3 2025 LTM divisional Op. EBITA margin delta



2025 divisional mandates

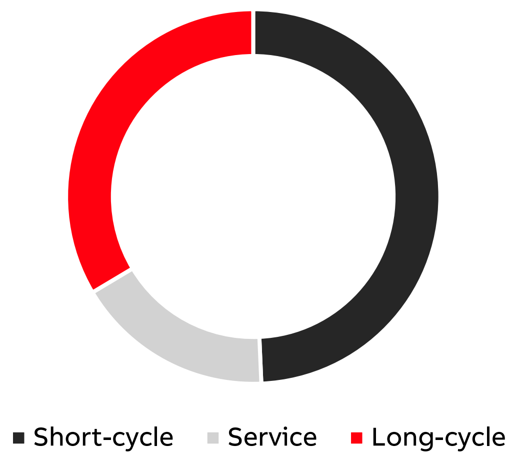
Growth mandate   Profitability mandate   Stability mandate

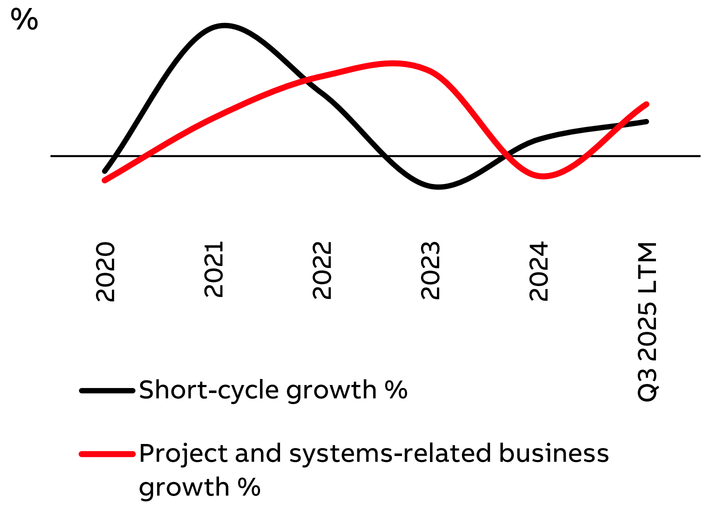
Optimize mix through stricter focus on performance delivery by mandate

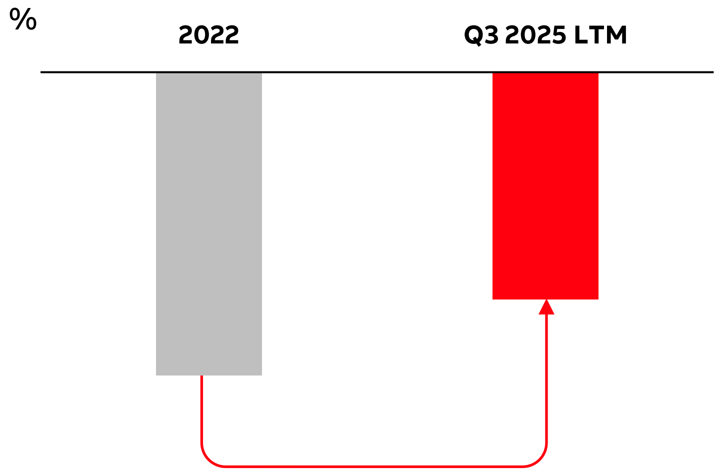
- Implemented a **transparent KPI framework** for each strategic mandate with closer alignment to remuneration
- **GROWTH** and **PROFITABILITY** mandates – both growth AND higher profitability, but at different improvement rates
- Mandates by **Business Line** to increase operational accountability
- Mandates **continuously reviewed**, valid for at least 12 months

1. Management estimates excl. impacts from FX and M&A. High Power division historical financials calculated as weighted average of former Large Motors & Generators and System Drives divisions.

Quality of revenues – diversified and well balanced







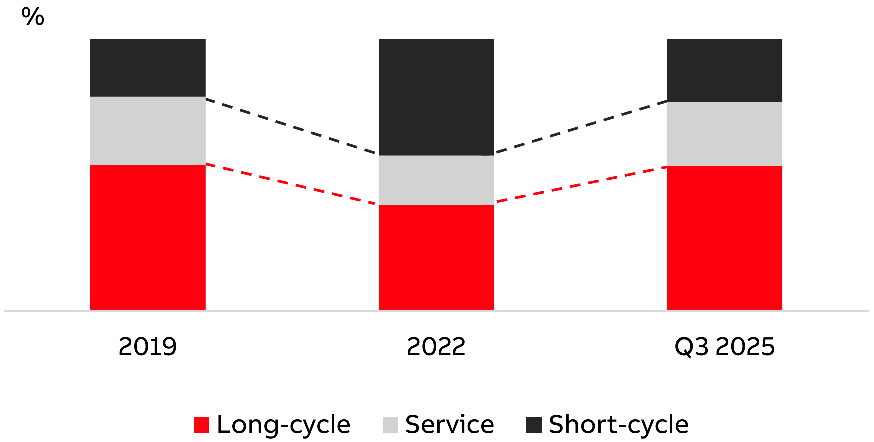
- **Short-cycle product businesses account for ~50% of group revenues[1]**

- **Project and systems-related[2] orders balanced softness in short-cycle**
- **Project and systems-related order backlog provides revenue visibility**

- **Reduced gross margin gap between project and systems-related vs group**
- **Lower earnings volatility from mix impact on improved profitability in project and systems-related businesses**

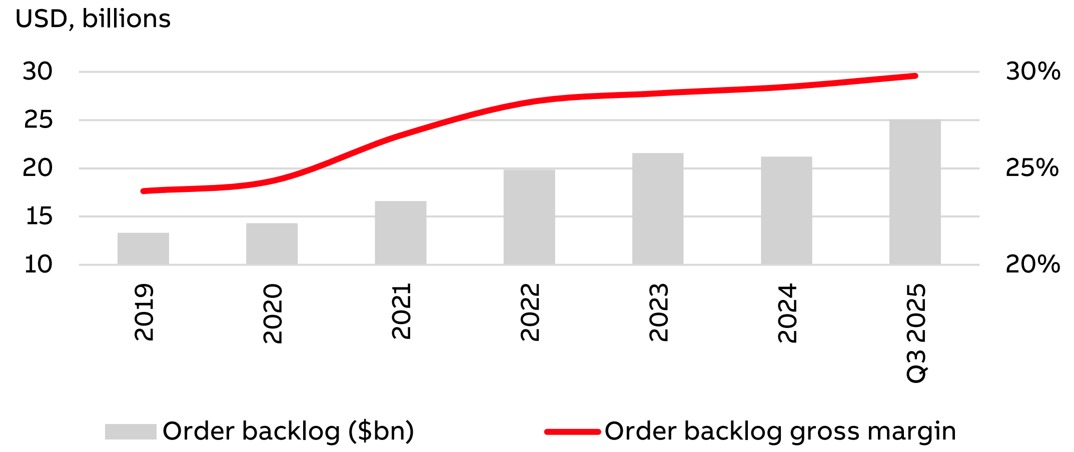
1. Q3 2025 LTM
2. Project and systems-related businesses include the following divisions: Distribution Solutions, Electrification Service, High Power, Motion Service, Traction, Energy Industries, Process Industries as well as Marine and Ports

Quality of revenues – order backlog supports future gross margin



Mix in order backlog has normalized

Share of short-cycle mix in order backlog increased to unusually high levels during period of supply chain constraints



Increased gross margin[1] in order backlog despite normalized composition

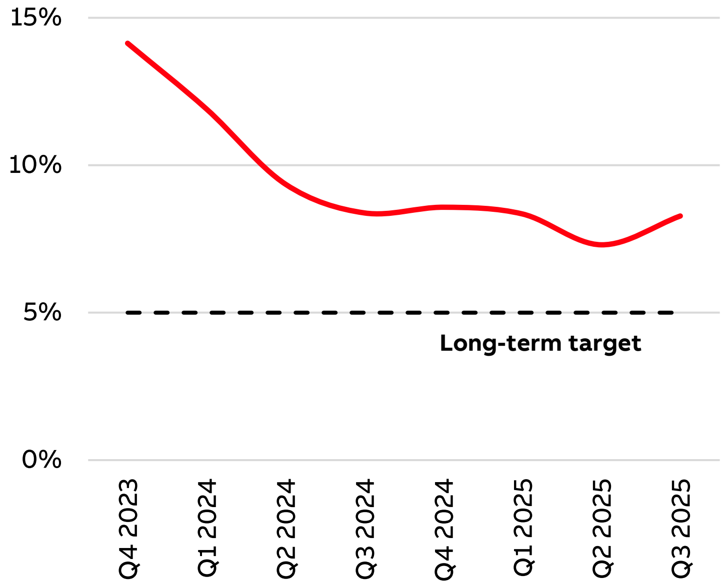
Higher order backlog gross margin supported by higher profitability in project and systems-related businesses

- Better price management
- Improved project selectivity with higher share of ABB content
- Stringent project execution offers additional upside

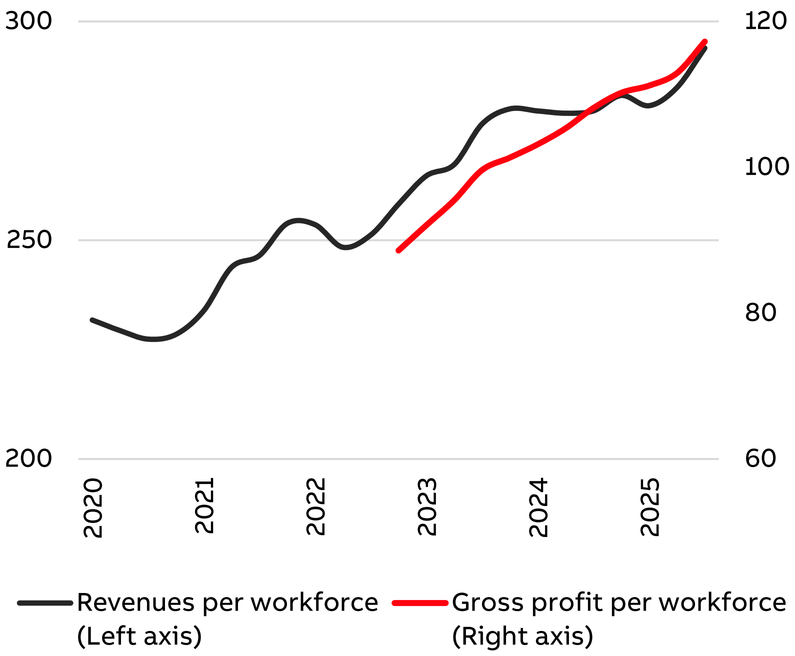
1. Management estimate

A more productive ABB

Gross profit productivity[1] above long-term target of 5%



Increasing revenues and gross profit[2] per workforce



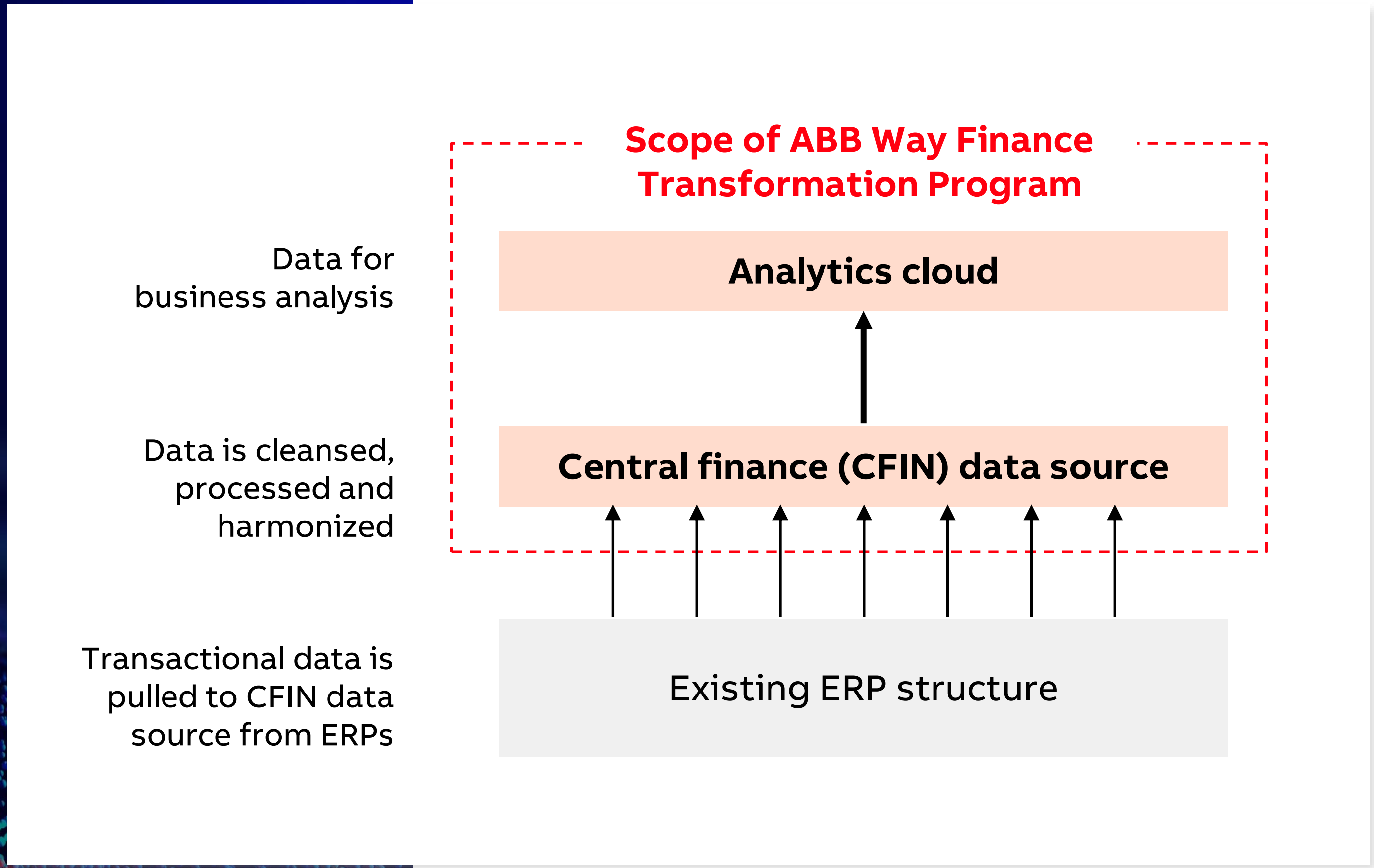
Continued strong focus on gross profit productivity

- Operating leverage, scale and more efficient operations
- Optimizing mix through strategic mandates
- Disciplined hiring
- Improving business analysis through ABB Way Transformation Program for higher transparency on gross profit components

1. Gross profit productivity defined as YoY change in gross profit LTM / average quarterly workforce
2. Revenues LTM / workforce end of quarter; Gross profit LTM / workforce end of quarter

Improving speed and data quality in business analysis to support operational improvements

- Faster **speed** in analysis and decision making with live access to transactional data
- Higher **quality** of data – cleansed and common input directives
- Increased **transparency** on costs and revenues
- Improved **insights** in trade net working capital management and efficiency
- **Common platform** for more efficient and less manual finance processes
- Easier **integration** of acquisitions in IT system landscape



No material ABB Way Transformation costs after 2025

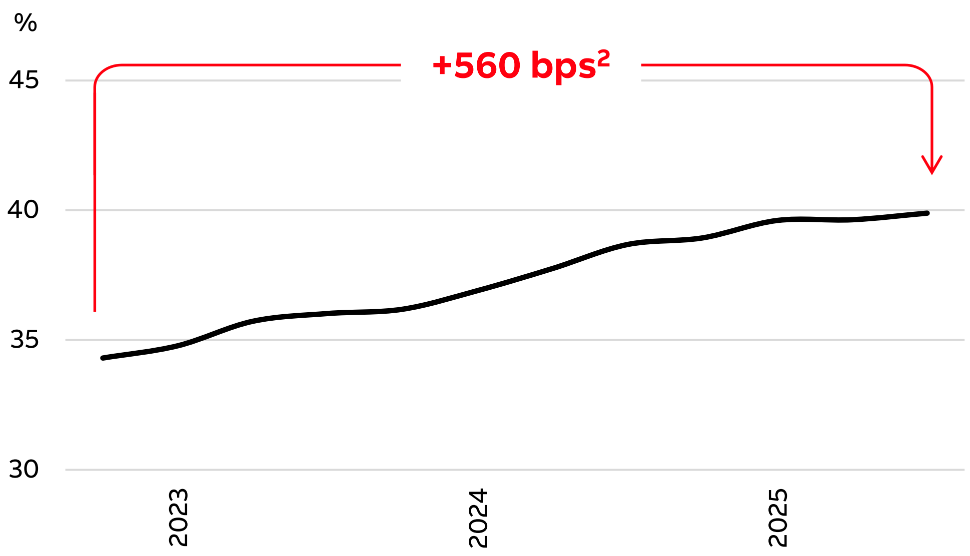
Onwards

Expect delta of ~100bps[1] between Op. EBITA and EBITA

1. Excl. transaction and separation costs for transformational divestments of full Division or larger than 3% of Group revenues, such as Robotics sale

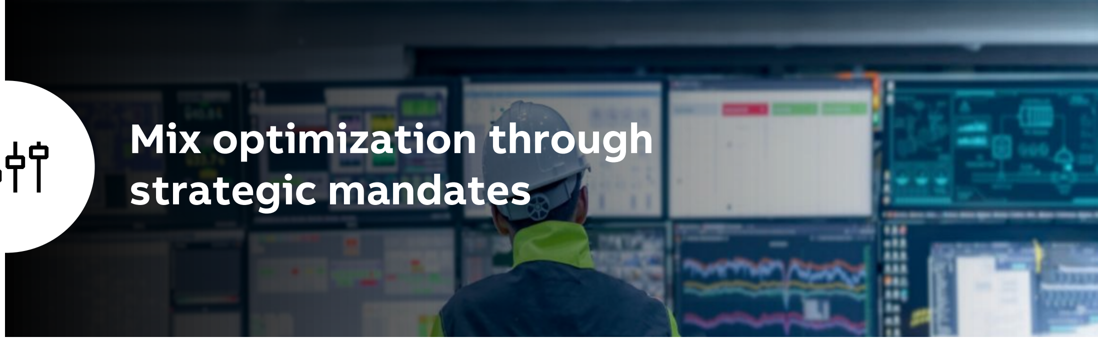
Want to consistently be a +40% gross margin company

STRONG INCREASE IN GROSS MARGIN[1]



+40%

gross margin



1. Gross margin LTM
2. Q3 2025 LTM vs. FY-22

Well invested

Investing to be market leading

R&D and Capex decisions close to customers

- Divisions responsible for R&D and Capex
- Move R&D spend towards range of 4.5% - 5% of revenues
- Q3 2025 LTM R&D spend at ~4.1% of revenues excl. Robotics division

Embedded software strategy

Adding value through combination of hardware with software

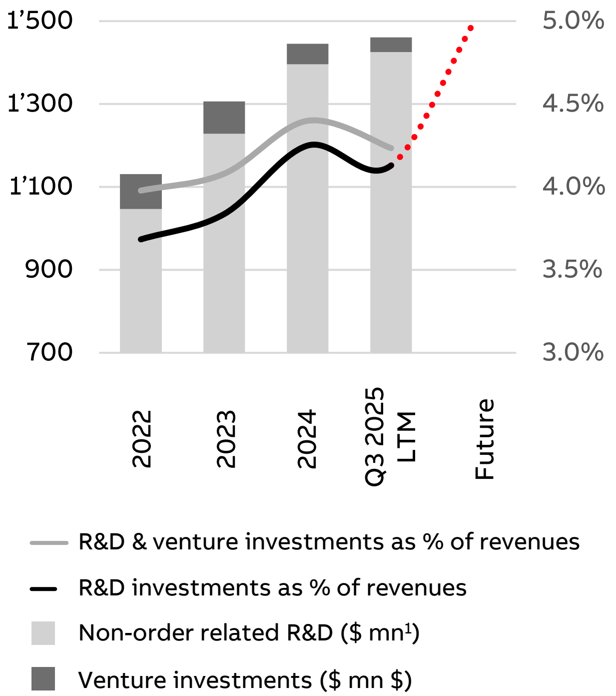
- >50% of R&D employees are software engineers
- Software often main differentiator for value proposition

Capex and productivity

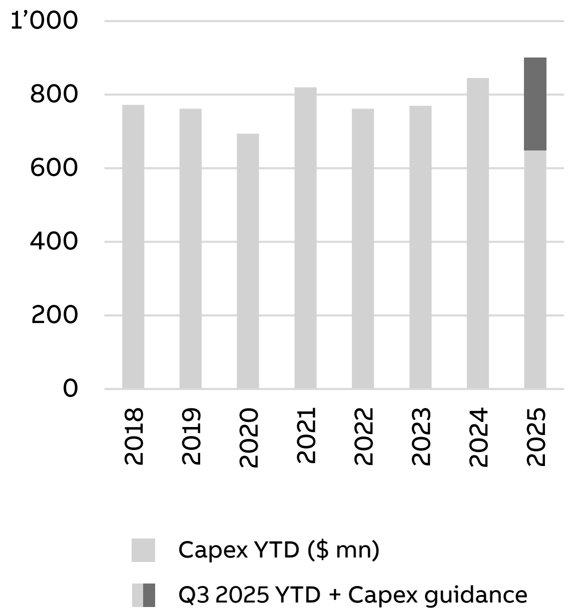
Increasing performance through automation in operations

- Higher factory output not only about factory size in m^2, but also about investments in productivity
- Significant productivity differences between factories, driven by automation

Increasing R&D spend towards target range of 4.5% - 5%



Absolute Capex spend to remain fairly stable at high level going forward



2025 Capex guidance excl. Robotics division at ~$800 mn

Investing needs differ across divisions…[2]

Non-order related R&D / revenues, %

1.6% — **9.5%**

Lowest — **Highest**

Capex / revenues, %

0.4% — **5.6%**

Lowest — **Highest**

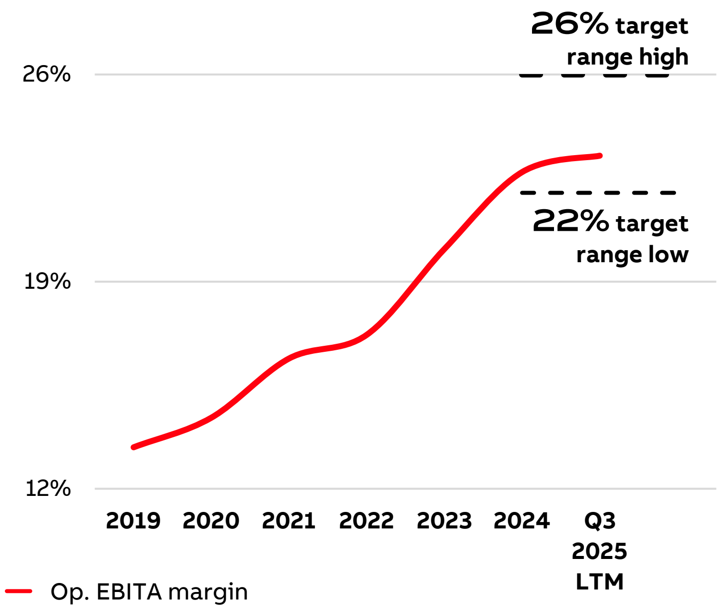
1. Non-order related R&D excluding completed divisional exits
2. Q3 2025 LTM

Business Areas have achieved margin improvements of 300 – 990bps

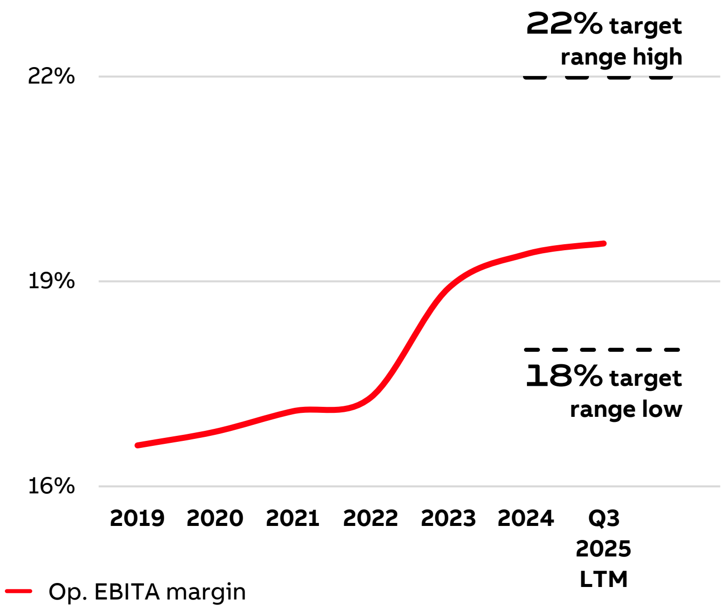
Further margin upside in all Business Areas

All Business Areas' margin ranges are fit for ABB Group

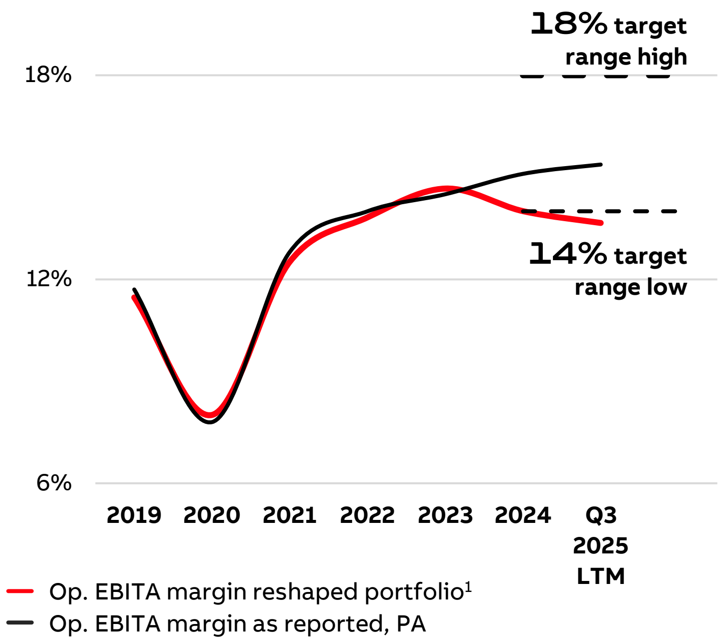
ELECTRIFICATION



MOTION



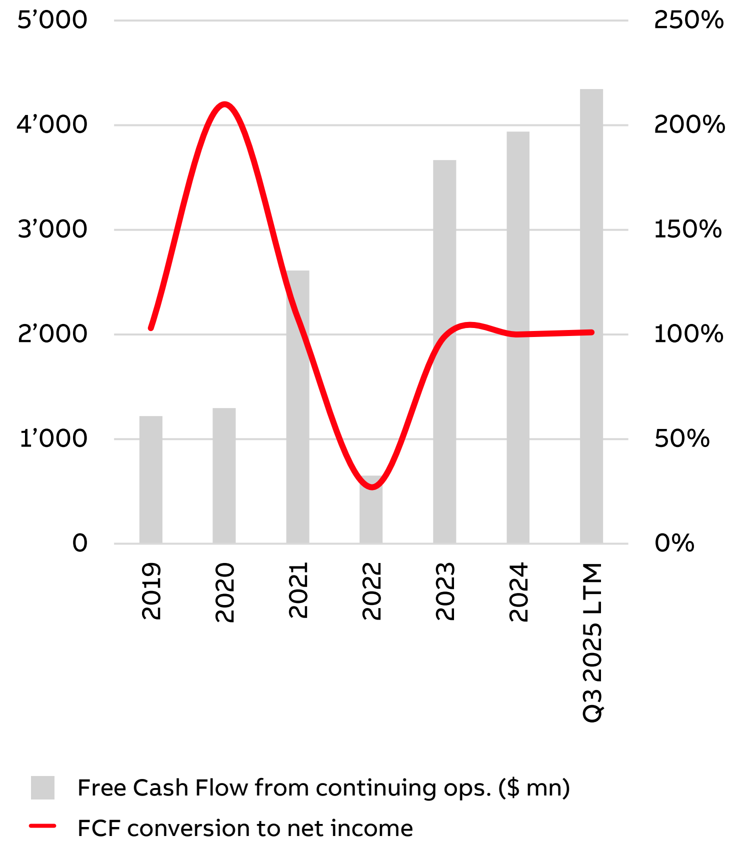
AUTOMATION



1. Historical Process Automation business area adjusted to include financial results of the Machine Automation division.

Higher and less volatile Free Cash Flow

2025 FCF expected to improve from 2024 annual level



Q3 2025 LTM FCF excl. Robotics division decreases FCF by ~$0.2 bn

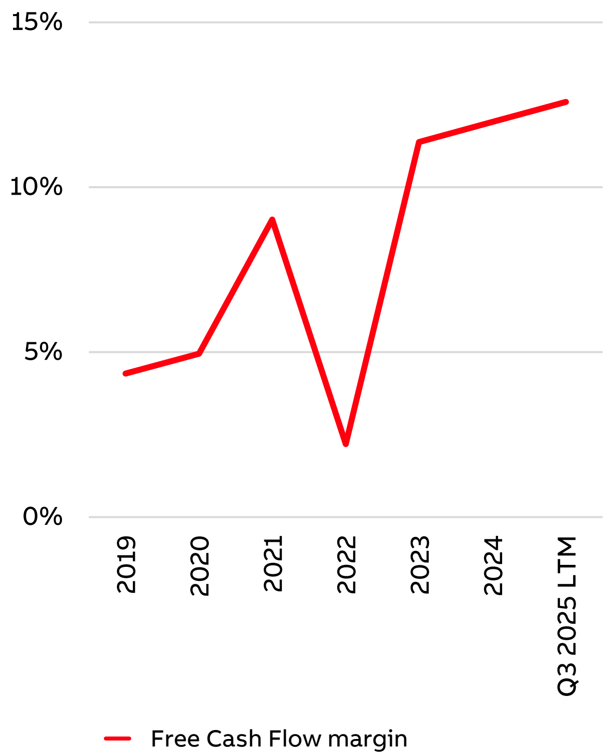
Strong cash flow delivery in a growth environment

- Deeper implementation of ABB Way in divisions to further improve operational performance
- Optimizing "beauty of mix" for profitable growth and performance improvements
- Continued strong focus on trade net working capital and improving transparency after ABB Way Transformation Program
- Targeted investments and net working capital to support growth

Target >95% Free Cash Flow conversion to net income

Stronger and more resilient Free Cash Flow margin

11% – 13% in recent years

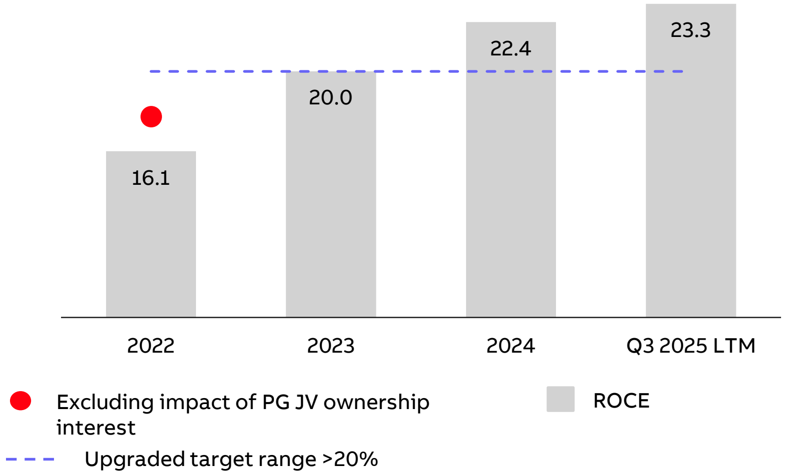


Q3 2025 LTM Robotics division dilutive at ~20 bps

Best-in-class ROCE

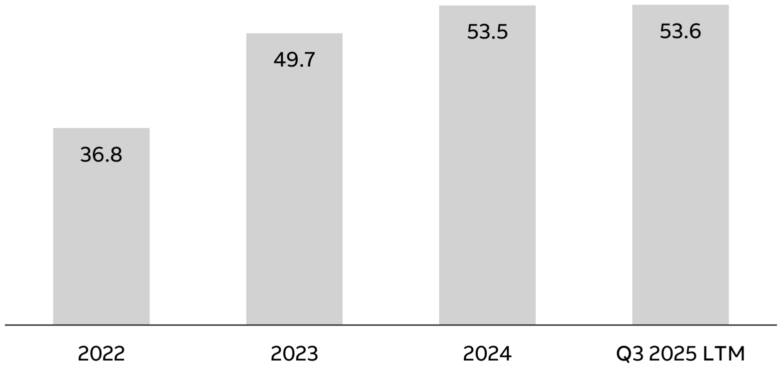
Upgraded target to >20%, including ambition to accelerate M&A

ROCE[1] at 23.3%



End Q3 2025 LTM Robotics division dilutive at ~190 bps

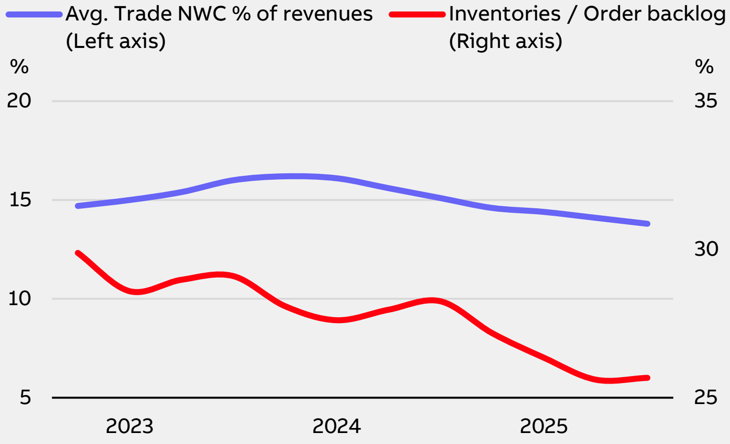
ROCE[1] on Net operating assets ~55%



End Q3 2025 LTM Robotics division dilutive at ~170 bps

Increasing ROCE driven by margin improvement

Efficient capital management



Strong focus on capital efficiency

Disciplined value accretive M&A with goodwill carried by acquiring divisions

Fairly stable Capex spend going forward

1. Alternative performance measure, details in Supplementary Reconciliations and Definitions.

Capital allocation principles remain unchanged

01

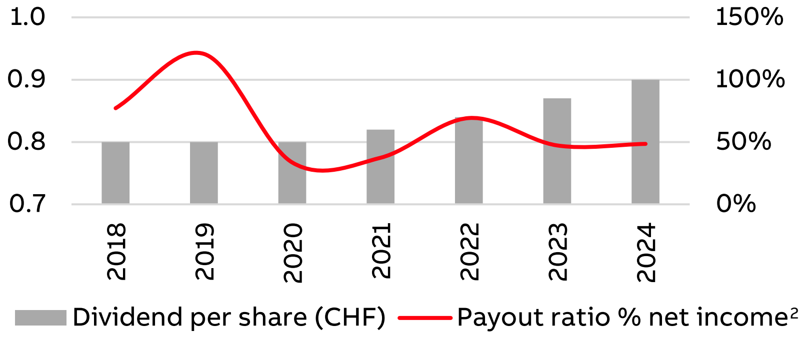
Fund organic growth, R&D, Capex at attractive returns

Division-led R&D and Capex to ensure:

- No. 1-2 market position – be customers' preferred problem solver
- High returns on capital

02

Rising sustainable dividend per share over time



03

Value-creating acquisitions

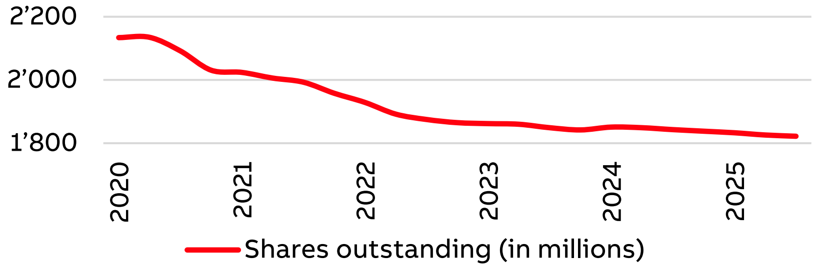
target **1% – 2%** average through cycle

0.6%[1] average acquired growth 2019 – 2025

- Make M&A part of our ABB Way performance culture
- Pace has picked up but deal size small
- Maintain strong investment grade rating

04

Returning additional cash to shareholders through share buybacks



~$11.3 bn in share buybacks from 2020 – YTD Q3 2025

1. Per target definition
2. Payout ratio % net income attributable to ABB

ABB

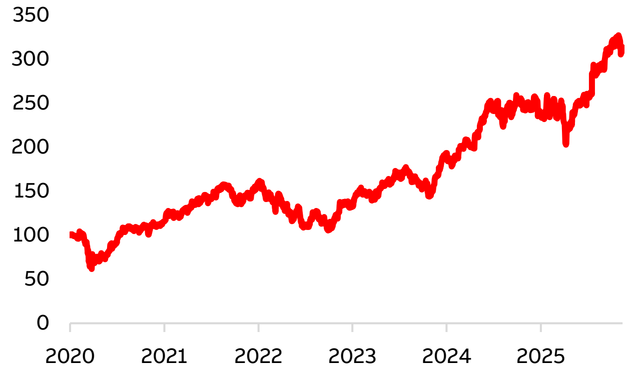
Financial targets & cash distribution point towards double-digit TSR through cycle

5% – 7% comparable growth and 1% – 2% acquired growth through cycle

Deliver on upgraded margin target range of 18% – 22%

High single-digit EPS growth through cycle

Cash distribution via dividends and share buybacks



TSR[1]

~215%

since 2020

TSR performance since implementation of ABB Way operating model in 2020 driven by:

- Strong operational performance and revenue growth under ABB Way operating model – average EPS growth of 17%[2] excl. divisional exits from 2022 – 2025[3]
- Disciplined capital allocation in R&D and Capex
- Return of cash to shareholders through dividends and share buybacks; distribution of Accelleron shares in 2022 as dividend-in-kind

1. Total shareholder return in USD since 01.01.2020, Source: FactSet 2. Management estimate 3. Q3 2025 LTM

ABB