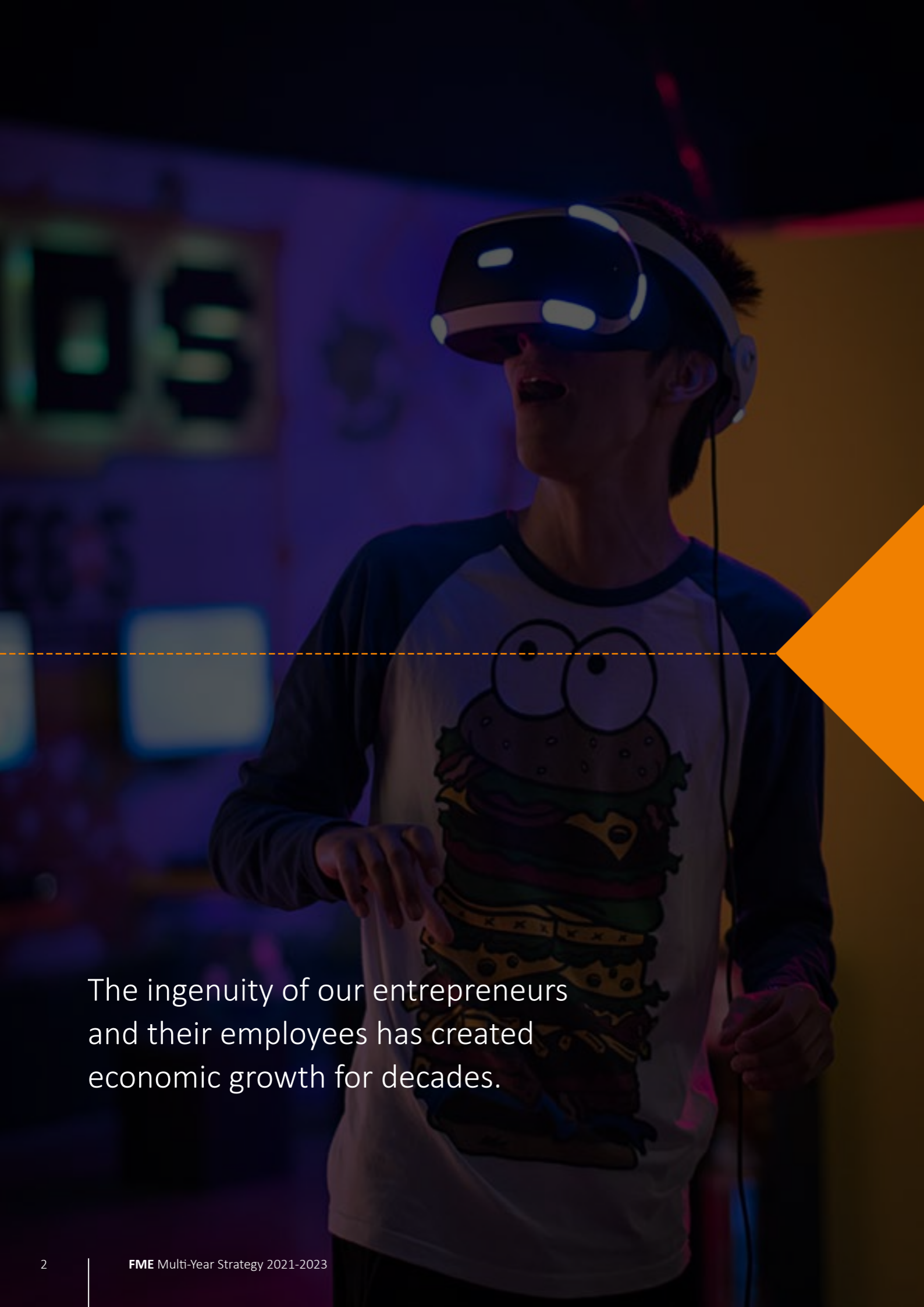


Let everyone  
experience how  
**technology** makes  
the world a  
better place!



The ingenuity of our entrepreneurs and their employees has created economic growth for decades.

# Let everyone experience how technology makes the world a better place!

The Netherlands is among the most innovative countries in the world. This is due to our technology industry, something of which we are proud.

The ingenuity of our entrepreneurs and their employees has created economic growth for decades, with innovations that make us more productive and offer prospects. Technology is increasingly helping solve societal issues in health care, for the energy transition, and for a sustainable food chain.

The technology industry plays a big role in these transitions. FME helps companies to contribute to and take advantage of opportunities. Our new Multi-Year Strategy tells you how we are doing this. A strategy that allows us to connect 2,200 members, 30 partner branches, and society so technology can make the world a better place!

FME is responding to this with our Multi-Year Strategy 2021-2023. In the upcoming years, we will be focusing on the impact of three major transitions in order to strengthen the position of the technology industry: technological transitions, societal transitions and labour market transitions.

We are tech. We are FME.



## Index

- 4 Vision and mission
- 6 Trends
- 8 Three transitions
- 10 Technological transitions
- 14 Societal transitions
- 20 Labour market transitions
- 26 Our approach



## STRATEGY

# FME's vision and mission

We are in the midst of major changes that are influenced by technology and impact our entire society. The technology industry plays an important role in tackling these challenges. It is in this light that we see our vision and mission:

### FME VISION

We see that new technology and data cause radical changes in every aspect of society. If everyone participates, we can help society advance and offer promising work by using technology.

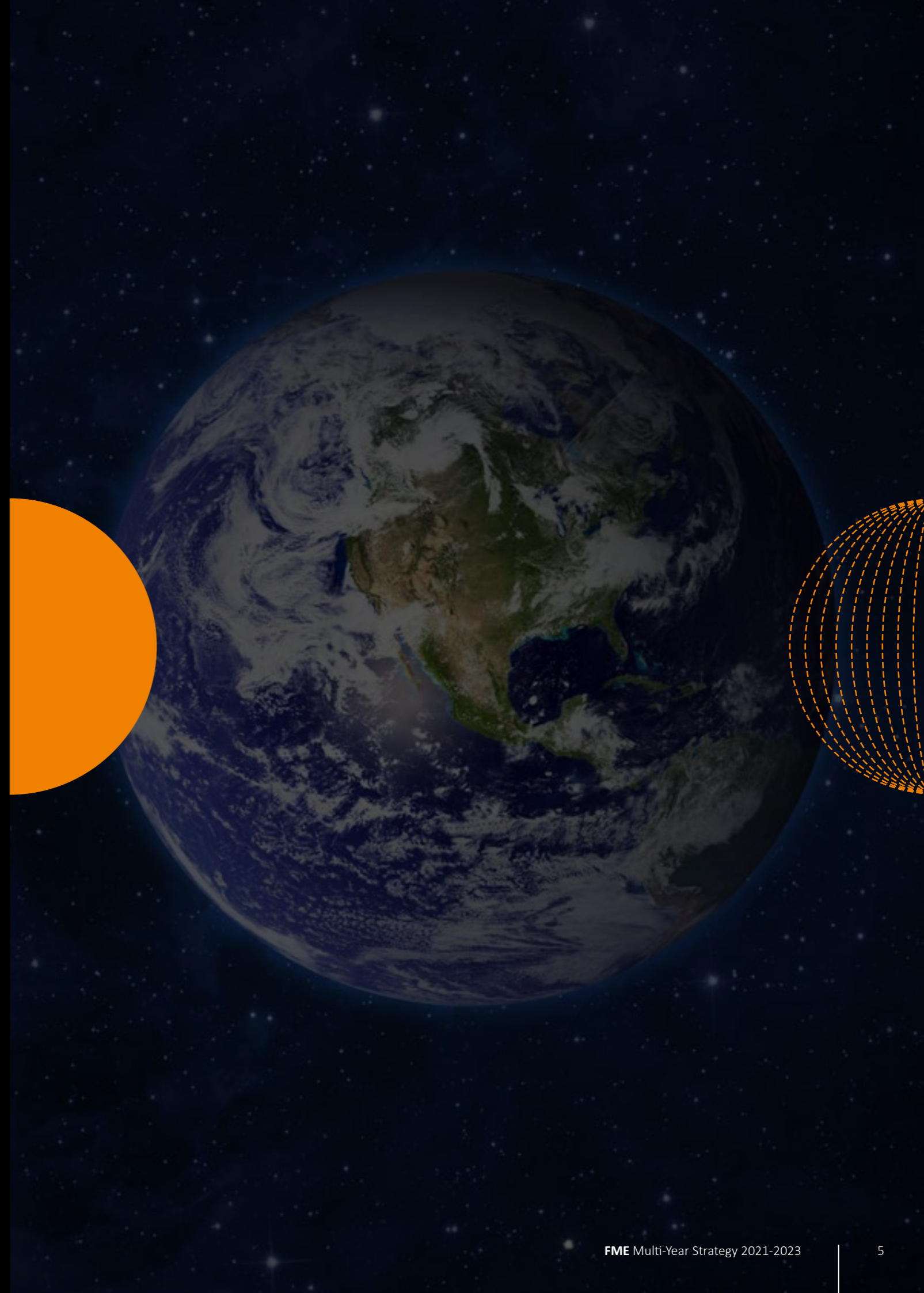
### FME MISSION

We mobilise and connect the technology industry and society for every issue or challenge to which technology is the answer. We are aiming for a future-proof world, with wellness and prosperity, in which everyone participates.

### FME CORE VALUES



Let everyone experience how **technology** makes the world a better place!



# Relevant trends for the technology industry

The COVID-19 situation has greatly accelerated the pace of major trends and developments. To ensure that businesses can take advantage of the opportunities, it is important to respond to these trends.

## 1. Digitalisation and being data-driven

The deck in the world economy is being reshuffled, and digitalisation is playing a key role. More so because the large key technologies associated with this digital revolution, will reinforce each other and grow exponentially as a result of being data-driven. Because of this, it will be hard to catch up once fallen behind. Through digitalisation, the Netherlands can make the leap in productivity necessary to counter the ageing demographic. Digitalisation is also helping in the industrial transition towards data-driven services. But there is still lots of work to be done: Currently only 31% of businesses in the manufacturing industry are sufficiently involved in digitalisation, and 80% of industrial companies are inadequately prepared for this market revolution. In addition, the Netherlands is not yet on course to have the best-connected digital production network in Europe by 2023.

## 2. Globalisation and deglobalisation

The Netherlands is a leading export country, and with an export volume of EUR 51 billion our member companies make a big contribution to the technology industry. They play an important role in devising, producing and exporting technological solutions for societal issues. Despite this good starting position, export opportunities are under pressure. There is more uncertainty due to Brexit, increasing protectionism and growing geopolitical tensions.

Additionally, the (regional) competition is increasing because Asian countries are moving up in value chains. By extension, the technology industry is dealing with an uneven playing field compared to companies in state industrial economies, both in third markets as well as on the European internal market.

## 3. Economic volatility

Due to the economic impact of COVID-19, the Dutch technology industry finds itself in an uncertain situation. Almost 80% of companies in the technological sector are predicting a decrease in revenue or stagnant growth in 2021. Domestic and international production and supply chains are under pressure, and the Netherlands is facing the challenge to innovate itself out of the crisis as well as strengthen its long-term earnings capacity. Aggressive investment is needed in order to make the technology industry more versatile and resilient. Digitalisation is central to this. Globally, there is an encroaching geopolitical power struggle with respect to technology and knowledge, in particular between the USA and China. This struggle stems from the increasing intertwining of the economy, security and technology, driven by the development of new technologies that not only have economic advantages but may also help determine a country's military strength in the future.

## 4. Solutions for societal challenges

The big societal challenges have one thing in common: technology offers solutions. This needs more of our focus, since the world of today, and tomorrow, is being confronted with challenges that need to be dealt with urgently. Fundamental transitions are needed in the areas of food, health care, energy, and sustainability. Acceleration of the energy transition, for example, is crucial from both the social and the economic perspective. The coronavirus pandemic has once again made it crystal clear that our health care sector is facing challenges that can only be successfully mastered with intelligent technology. The Netherlands has a good starting position with a strong technology industry and a widespread ICT infrastructure. This offers opportunities: we can be an international leader in devising technological solutions and reaping the economic benefits thereof.

## 5. Labour market transition

The coronavirus crisis has increased the mismatch in the labour market and is putting it even more on edge. Sustained employment and training (new) talent is essential for the technology industry. We must innovate ourselves out of the crisis, and for this we need a skilled labour force. Now is the time we need to fully support companies in order to absorb employees from surplus sectors and retrain them. At the same time, we must keep employees in our own sector fit for the future.

Developing, attracting and retaining technical talent is a key task for the coming years. FME's research shows that 93% of companies in the technology industry already face a personnel shortage. This shortage affects the entire range: from middle-level applied education (MBO) to academic university education (WO).

Based on all the input, our activities are focusing on three major transitions – three transitions where we can make a difference together with our members and partners.

## THREE LEADING TRANSITIONS

# Technological, societal and labour market transitions

The Netherlands is among the most innovative countries in the world. This is largely the merit of our technology industry, something of which we are quite proud. In order to keep the position of the technology industry strong, FME focuses on impacting three major transitions happening in society: technological transitions, societal transitions and labour market transitions.

These transitions are having a major impact on our sector, and our sector can add value within these transitions. However, they are not independent of each other: the transition towards advanced technologies influences and accelerates social and labour market transitions to a significant degree.

FME is focusing on the following topics within the three transitions:

### Technological transitions

- Data technologies (AI, smart algorithms)
- Engineering and fabrication technologies (Smart Industry)
- Cybersecurity

### Societal transitions

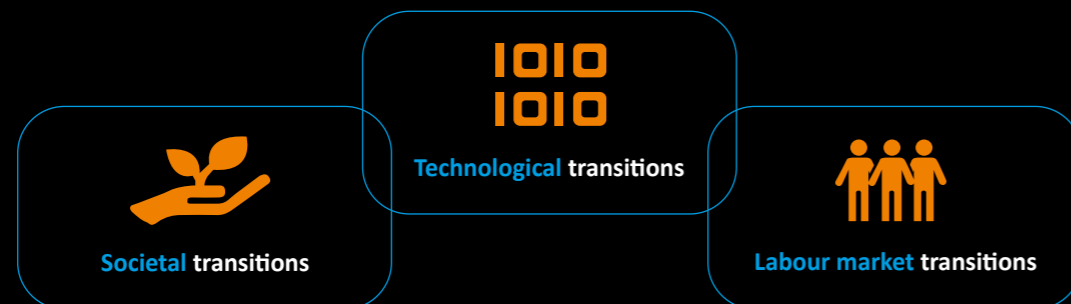
- Energy, sustainability and circularity
- Health and health care
- Agriculture, water and food

### Labour market transitions

- CLA
- Being a future-proof employer
- Sufficient employees with the right skills



FME is focusing on three transitions:



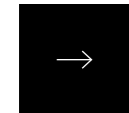
The transition towards advanced technologies influences and accelerates societal and labour market transitions to a significant degree.

# Technological transitions

Innovative technologies play a crucial role in solving social challenges in the 21<sup>st</sup> century. Technology is continually under development: we are in the middle of a transition to advanced technologies, whose application is constantly becoming more widely applicable and which are having an increasingly bigger impact. And this development is happening faster and faster, also at the international level.

The technology industry is both developer and user of these advanced technologies. FME offers added value by establishing connections between companies, so users can learn from users and developers from developers. And (potential) users can come into contact with developers and can find out from them which opportunities the new technologies can offer their businesses. By sharing knowledge, they can accelerate and further spread the development and application of technologies, That's why technologies occupy a central position in this multi-year strategy and significantly influence the FME agenda.

With these efforts we are building on the success of the Smart Industry with which we achieved excellent results in recent years in close cooperation with companies, knowledge institutes, regions and other partners. For example, to date there are more than 40 Field Labs in the Netherlands, and the Smart Industry Implementation Agenda is solidly entrenched in the top sectors of HTSM and ICT. Now we are taking the next step by prioritising in our agenda the technological transitions as a crucial driver of the social transitions and the labour market transitions.



We have opted for three (compilations of) technologies:

1. Data technologies (AI, smart algorithms)
2. Engineering and fabrication technologies (Smart Industry)
3. Cybersecurity

These technologies are widely applicable and available, relevant for a significant part of the FME member companies and have a demonstrable impact.



### Data technologies

Digital technology is all technology that is information-driven. Within this area we focus on 'data technologies': data analytics and artificial intelligence. Plus derivative and related technologies, such as machine learning and cloud technology. These technologies have enormous potential and are being increasingly applied in the technology industry. They help companies produce more effectively and efficiently and make products 'more intelligent'. The existing FME Platform AI will serve as the basis for our work with data technologies.

### Engineering and fabrication technologies (Smart Industry)<sup>3</sup>

Smart Industry is a crucial development for the industry. It's the basis for bolstering our future prosperity and competitiveness as well as delivering solutions for social issues. Being a pioneer in digitalisation of the industry is crucial for employment opportunities, future economic growth and sustainable industry. This is how we will strengthen our innovative capacity and our international competitive position.

The coronavirus crisis is a tipping point for accelerating the development of deglobalisation and reshoring production. For some products there is even a desire to have production sovereignty in the event of an emergency, crisis or trade dispute and to massively shift gears if there is an explosion in demand. Companies must become versatile, more flexible, robust and intelligent. FME's ambition is therefore to make the Dutch technology industry into the best-learning, most flexible and most digitally connected production network in Europe, with which the involved companies can also achieve substantial energy and material savings. In addition, we strive to become the best-learning network and want to engage an increasingly larger group of members in these topics.



#### MEASURES

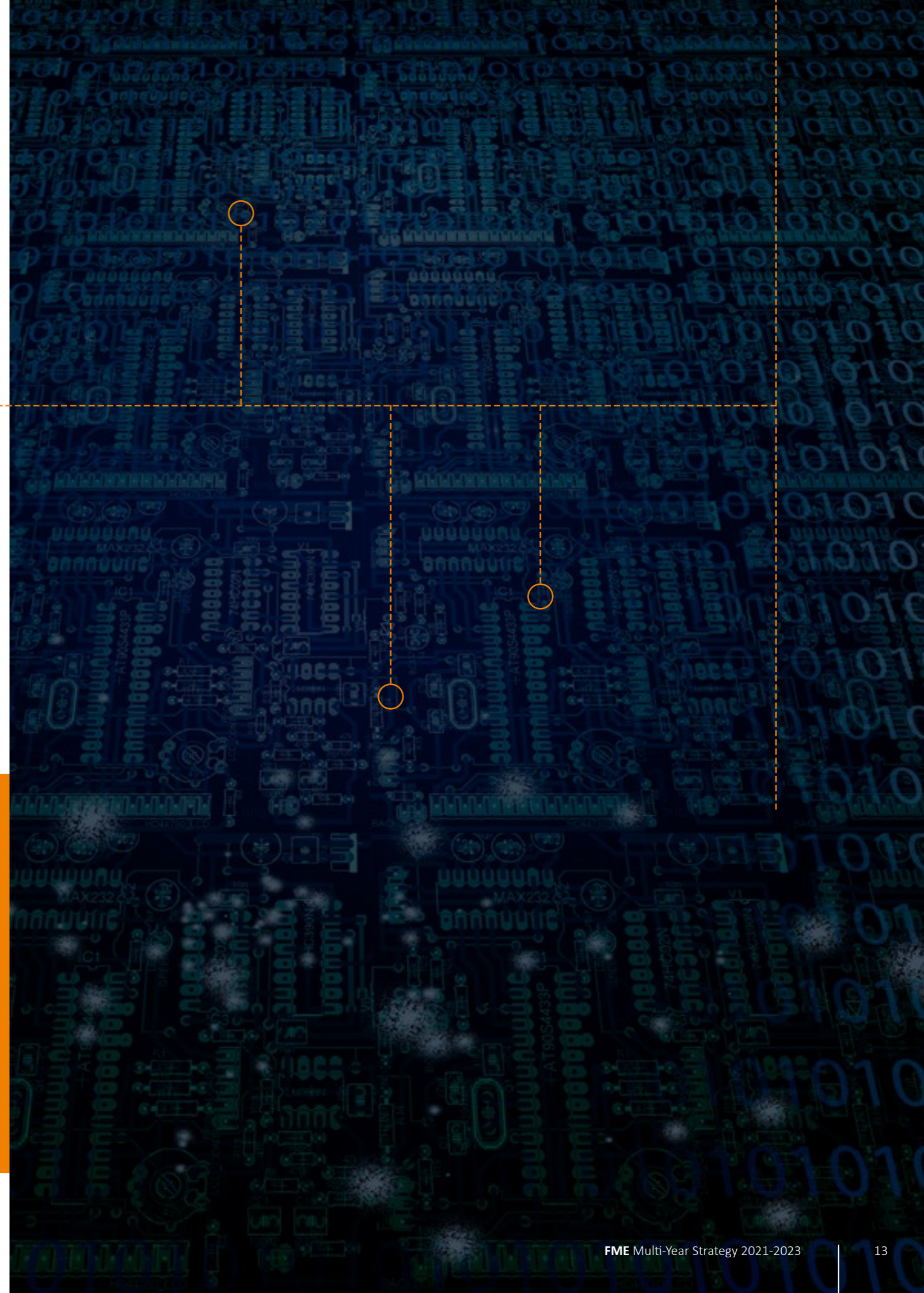
- We are building ecosystems for and by FME members around these three technology lines, while also establishing connections with knowledge institutes.
- Sharing knowledge and experiences is a priority; additionally, we are working on mutual opportunities within action lines.
- Connection is expressly sought with those project teams that are active in social transitions and labour market transitions, so that their technological expertise can be employed.
- This is how we are actively contributing – from technology-driven ecosystems – to the resolution of social challenges and responding to the impact of these technologies on the labour market.

### Cybersecurity

Now that more and more companies are taking steps towards digital transformation and more and more machines are digitally connected, digital security is an essential precondition. Companies are being hacked, trade secrets are being stolen and spying is taking place on a regular basis. Companies must organise 'digital resilience' in order to avoid becoming a victim of such activities.

#### Research on advanced materials

In addition to these three technologies, as mentioned previously, we will investigate to what extent FME can create added value for its members on advanced materials.





## TRANSITIONS

# Societal transitions

The technology industry offers solutions for major societal issues. Our member companies devise, make and sell technology that changes our lives on a daily basis. Society expects that we assume that responsibility and make a contribution. We want to further strengthen this and make it even more visible.

That's why FME is connecting and mobilising the technology industry, stakeholders and society around concrete issues. Together we are developing agendas for action, stand-points, platforms and innovation projects and are creating maximum impact by means of our partnerships. And we're doing this at the national, regional and international levels.

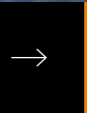
We are focusing on big topics where the technology industry – united in FME – is taking the lead. Topics where FME has built a solid position in the chain in recent years and where technological solutions are essential. Because technology facilitates acceleration of the energy transition, keeps us healthy and ensures sustainable food production.

The topics that are a priority to us with regard to the societal transitions:

1. Energy, sustainability and circularity
2. Health and health care
3. Agriculture, water and food







### ENERGY, SUSTAINABILITY AND CIRCULARITY

The energy transition is a unique opportunity for the Netherlands to permanently modernise the economy. Technological innovations offer perspective for a sustainable energy supply and structural economic growth. In the area of energy, sustainability and circularity, FME wants to be a leader in facilitating the energy transition in industry, energy infrastructure and mobility in order to achieve the climate objectives in 2030 and 2050. We are doing this by connecting opportunities to tasks, accelerating use of innovative technology and encouraging an integrated approach. The most important crosscutting topics for us are digitalisation, new energy carriers (H<sub>2</sub>, NH<sub>3</sub>, LOHC, etc.) and circularity. Together with our partners, FME also wants to pursue the challenge of sustainable and climate-neutral building in 2030.

#### WHAT WE DO

- We create positive frameworks for action and future prospects for members (and their industrial clients) based on the challenges of the climate and energy transition.
- We develop platforms, programmes and projects that generate business opportunities for members. In doing so, we facilitate the energy transition in industry, energy infrastructure, mobility and Smart City, with the crosscutting topics digitalisation, new energy carriers and circularity.
- We are expanding our network with relevant new members, such as innovative technology companies in the area of P2Heat, hydrogen technology, digitalisation and CO<sub>2</sub> capture, among others.
- We are making a concrete contribution to climate targets with the promise of our 6-25 project (the goal is to effectuate a six-megaton reduction of CO<sub>2</sub> in 2025).
- We are widely communicating the impact of technology on the energy transition in a campaign.

### HEALTH AND HEALTH CARE

Dutch health care is among the best in the world. And we want to keep it that way. The health care sector is facing major challenges, and intelligent technology offers solutions for successfully tackling these challenges. FME connects technology companies with the health care chain, with the goal of improving care and making it resilient. To this end, we connect parties from the entire chain, including 350 FME member companies who supply solutions to the health care sector. Together we are working towards versatile and resilient medical production chains. We promote faster implementation of innovations in order to contribute to better treatments and improved quality of life. And we advocate secure data sharing so that patients can receive better treatment.

#### WHAT WE DO

- We are moving towards a structural Technology Debate with the government about solutions that can be offered by the medical technology industry.
- With the lessons learned from the coronavirus pandemic regarding international dependencies in the production and importation of medical devices, medical technology and personal protective equipment, we are bringing about active involvement of the medical industry as a partner in organising resilience.
- In order to get innovations to people who benefit from them at a faster pace, we are working towards faster scale-up of innovations, support for testing grounds and faster financing of innovations.
- FME supports its members with preparations for and implementation of the Medical Device Regulation and, together with other stakeholders, wants to ensure that the MDR becomes a success.
- We are working on (ICT) systems that are open and designed according to established, enforceable, open standards and contribute to national open infrastructures that are accessible to all parties in health care and in the consumer market with regard to health care and health.



## AGRICULTURE, WATER AND FOOD

Population growth, climate change and urbanisation require solutions for the environment, sustainability and work in the agricultural and food sector. With the Netherlands being the second food exporter and third technology supplier for the agricultural and food sector in the world, we have a responsibility to offer solutions for this. Our country has a wealth of knowledge in the areas of food, water, health and technology. Our current leading position and our technological knowledge will provide us with all the building blocks we need in the coming decades to demonstrate responsible leadership with new innovative solutions for sustainable, environmentally friendly and nature-inclusive agriculture and food production. Together with various sectors and other partners, FME is focusing on sustainable food production, the Smart Farm & Food Factory (with intelligent technology for connecting producers and consumers) and technology as a guide in the quest for suitable and healthy food. FME wants to be a hub for innovations that make working in the agricultural and food sector with robotic solutions more appealing.



### WHAT WE DO

- FME positions its members for (research) projects and field labs for data, platforms and AI innovations. An international coalition with countries such as the USA and Germany is a part of this.
- Together with our members and relevant research partners such as OnePlanet, we are developing the digital food processing plant of the future.
- FME has assumed a coordinating role for the topic of agri-food robotics in fundamental and applied research projects and makes sure the results find their way to the market.
- FME has adopted the position of the Netherlands' AgriFoodTech America specialist and will further expand the AgriFood innovation coalition with California, Washington State and the Midwest into concrete innovation projects for our members.
- The successful Taskforce Toekomstbestendige Stalsystemen (Future-Proof Stall Systems Task Force) will be continued in the coming years, with the focus being shifted from innovative ideas to concrete implementation.
- FME and FoodValley are going to be working closely together and will connect the networks of innovative technology and food companies to each other in order to accelerate the protein transition and digitalisation of food production.

Our current leading position and our technological knowledge will provide us with all the building blocks we need in the coming decades to demonstrate responsible leadership with new innovative solutions for sustainable, environmentally friendly and nature-inclusive agriculture and food production.

# Labour market transitions

Demographic developments, a tense labour market and decreasing work productivity are all causing our prosperity to come under pressure. Digitalisation and technologisation of work require new skill sets for employees, and there is a mismatch between the skill supply and the needs of companies.

The coronavirus crisis has increased the mismatch in the labour market and is putting it even more on edge. Sufficient employees with the right skills are essential for the technology industry. The task of our companies is to respond to changing circumstances in order to continue achieving results, keep employees of all ages sustainably employable and safeguard value on the labour market.

FME supports its members in these challenges with concrete and practical advice. Every year our FME Service Team alone answers about 8,000 questions about all sorts of social topics, such as CLA, labour law, employment conditions and absence from work.

In recent years, our successful training and labour market agenda has produced more resources for hybrid instructors, the maintenance of the subsidy for practical learning and more money for higher STEM education. We are reinforcing our lobbying strength with research on the influx of technical degrees in our sector, the required skills for the future and the shortcomings in the sector. And we are connecting the business community with academia. Our efforts in labour market transitions will continue to build on this strong basis.

The coronavirus crisis has increased the mismatch in the labour market and is putting it even more on edge. Sufficient employees with the right skills are essential for the technology industry.



The topics that are a priority to us with regard to the labour market transitions:

1. CLA
2. Being a future-proof employer
3. Sufficient employees with the right skills

## CLA

FME concludes the CLAs in the Metalworking and Electrical Engineering Industry and influences the CLAs for the Metals and Technology and the Technical Wholesale Trade. FME is the only employers' organisation that represents employers during CLA negotiations in the Metalworking and Electrical Engineering Industry. About 1,000 of the 2,200 members of FME fall under this CLA. Our goal is to arrive at a workable and future-proof CLA.

### WHAT WE DO

- Invest in good relationships and collaboration with trade unions.
- We examine the interests of the sector with our data-driven approach and translate these into the added value(s) of the sectoral CLA tool (balance between a level playing field and uniform employment conditions and room for being our own employer and the HR policy of companies).
- Rethinking of the sectoral CLAs: what are the benefits and disadvantages of the diversity of sectoral CLAs for the wide range of the respective sectors/industries.
- We will continue to ensure high-quality support and advice to member companies through the FME Service Team and Advice.

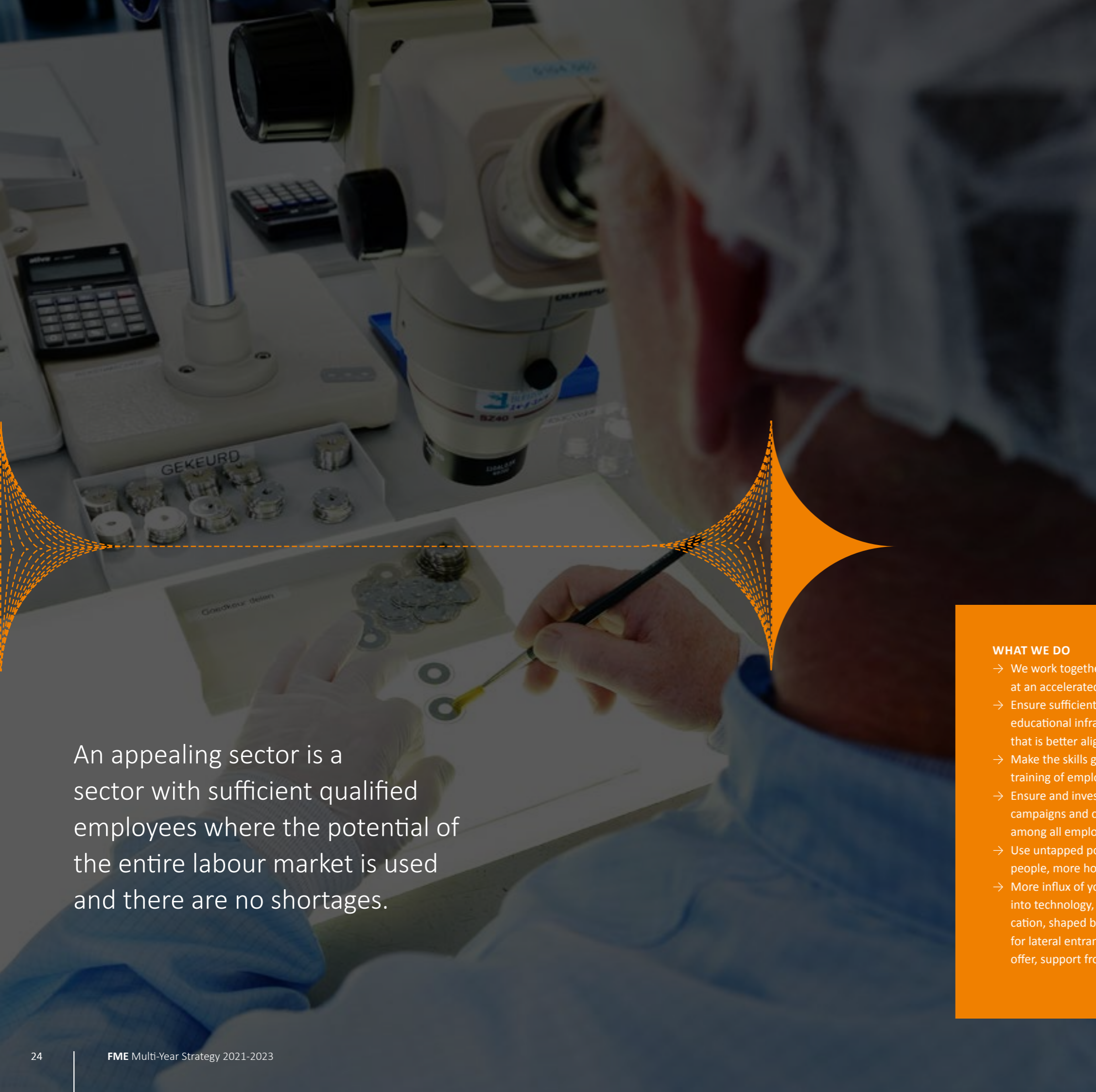


### FUTURE-PROOF EMPLOYERSHIP

Entrepreneurship and social added value are two sides of the same coin. Providing employment that has an impact means being versatile and flexible but also being able to lead in a purposeful manner, involve employees and maintain good working relationships. Customisation in employment conditions is important here, including provision of employment and room for career development. Our vision of employers is based on good labour relations, modern employment conditions and a stimulating labour market system.

### WHAT WE DO

- Our Smart Working service is aimed at leadership, versatility, creating more involvement among employees and improving working relationships.
- We prepare employers for future changes in what it means to be an employer, labour relations, employment conditions and the labour market. So that agreements can be achieved that result in more productivity, growth, sustainable employability and job security for employees – with a view to mutual interests.
- We align ourselves with initiatives in order to bridge the gap in society.
- Our advocacy focuses on the manageability of employer contributions and the practicability of social security regulations.
- We encourage flexible contracts for more all-around flexibility.



## SUFFICIENT EMPLOYEES WITH THE RIGHT SKILLS

There is no innovation without properly trained people. An appealing sector is a sector with sufficient qualified employees where the potential of the entire labour market is used and there are no shortages. A sector that everyone, young and experienced, male and female, wants to join and can work in. Where employees continue to develop professionally and where investment is made in human capital. Influx of students and the educational offer are aligned with the needs of companies. FME's goal is to accelerate lifelong development in the technology industry and promote influx of technical employees.

An appealing sector is a sector with sufficient qualified employees where the potential of the entire labour market is used and there are no shortages.

### WHAT WE DO

- We work together in smart coalitions in order to solve the shortage in our sector at an accelerated pace and promote influx.
- Ensure sufficient resources for learners (workers) and an excellent and flexible educational infrastructure with up-to-date and appealing professional training that is better aligned with the needs of companies.
- Make the skills gap in the sector transparent and encourage the coaching and training of employees.
- Ensure and invest in an appealing sector (through sector branding, image campaigns and commitment to inclusivity) and encourage a learning culture among all employees in the sector.
- Use untapped potential: increase labour participation and inclusivity, more people, more hours working.
- More influx of young talent and more lateral entry: more (international) students into technology, everyone in our educational programmes receives a useful education, shaped by academia and business working together, customised guidance for lateral entrants, development of targeted skills with a customised educational offer, support from companies, appealing (international) living environment.

# Our approach

In order to respond to the demand of our members, our approach focuses on three elements:

## By members for members

### More connection with FME's unique network

In these times of rapid changes, it is more important than ever as a company in the technology industry to be a part of FME's powerful network – nationally and locally. After all, production and innovation are increasingly taking place in value chains. The stronger and more innovative the companies – from start-ups to SMEs and large enterprises – the greater the value for the entire chain. That's why we are strengthening the link between members in the chain.

## Insights through data

### Exclusive information for members

Data is playing an increasingly important role in business processes and in the decision-making process of companies. FME wants to be a secure, trusted and reliable connector of data across, from and for our members. With the help of data science technologies, we pro-actively offer our members new insights and only make this unique information available digitally. And we use data to increase the knowledge of chains and establish even more valuable connections between members.

## Combined forces

### Strong partnerships for more impact

Innovation and knowledge development within the technology industry happens so fast that many companies can barely keep up, let alone policymakers and other stakeholders. Therefore, uniting interests and bundling and sharing knowledge are more important than ever before. Branch organisations play an important role in this regard in every sector. They bring organisations together and build coalitions that yield strategic added value for all parties involved. We can increase the impact with smart coalitions. That's why FME's goal is to further strengthen its network of sectors and partners and reinforce society along substantive lines. To this end, we are working together on bolstering the technology industry, based on mutual collaboration, thereby contributing to the transitions.

## OVERARCHING OBJECTIVES

- Strong positioning of our sector
- Impactful programmes regarding the three transitions
- More enthusiastic members
- More member participation and connection of members
- Augmenting services for members through data
- Strong coalitions with sectors and partners
- Visibility among (potential) members, sectors, partners and stakeholders

# Value for our members and partners

FME is the business association for the technology industry. Our 2,200 members are techno start-ups, trading companies, small and medium enterprises (SME) and large industry/multinationals who are active in the metals, electronics, electrotechnology and plastics sectors. Our members number about 220,000 employees. The joint revenue of the FME members is EUR 108 billion, with EUR 51 billion in exports. FME has concluded partnerships with 30 affiliated industry associations.

We support our members – from start-ups to SMEs to large enterprises – and partner branches with five areas of expertise:

- Advocacy
- Partnerships
- Market & Data Analytics
- Innovation
- Advice

**2,200**  
MEMBERS

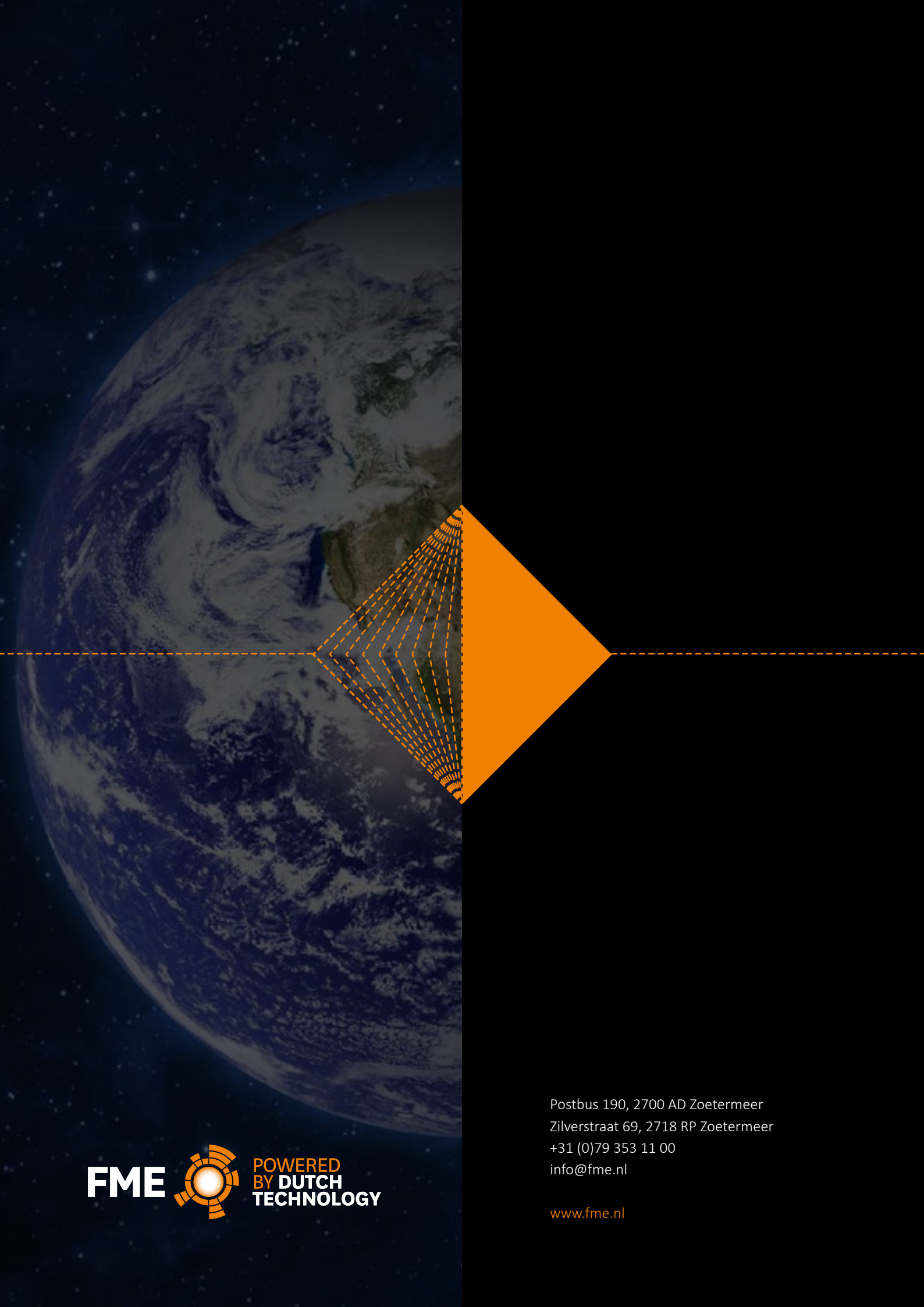
**220,000**  
EMPLOYEES

**30**  
PARTNER BRANCHES  
AND PLATFORMS

**EUR 108**  
BILLION IN REVENUES

**EUR 51**  
BILLION IN EXPORTS

**1/6**  
SHARE IN DUTCH  
EXPORT



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