

# NELES

## Customer centricity: Adding value for future growth

Patrick Dunn  
Head of North America market area

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## Neles is well positioned to capture growth in all go-to-market channels



Direct customer sales providing experience and knowledge



Global distribution for wider customer & industry reach



Global project execution capabilities

# Neles go-to-market sales model is structured for future growth

## Multiple and flexible sales channels to meet customer requirements

- **Direct customer sales:** highly customized solutions supported by leading engineering capabilities
- **Global distribution:** fast speed to market, certainty of stock availability and end-markets agnostic
- **Project execution:** starting from early engagement to deliver planning and design expertise

## Large installed base of products provides source of recurring sales

- Opex-driven Maintenance, Repair and Operate (MRO) business throughout facility/equipment life cycle

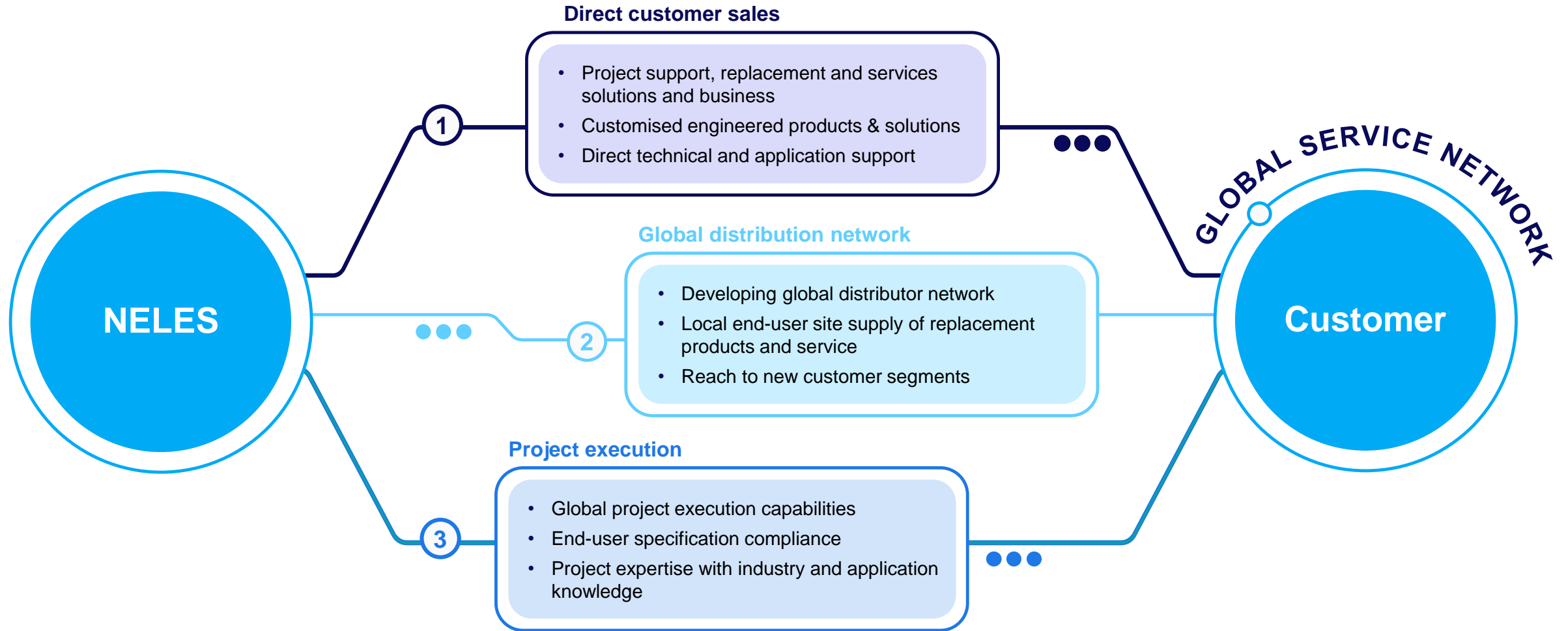
## Further growth opportunities from new distribution

- Distributors reaching non-traditional end markets, e.g., food & beverage, transportation, general industrial
- Improved availability and service to existing customers

## Strong global service network to support growing customer base

- Neles owned service centers and authorized OEM repair partners
- High customer satisfaction and retention rate

# Structured sales and service approach focused on customer engagement



# Direct customer sales: providing experience and knowledge on a global and local level

## Sales presence in 36 countries

for a global reach



## ~400 Direct sales professionals

worldwide



## Decades of relationships

with top customers



## Experienced sales force

avg. 8 years with Neles



## >2,800 Direct customers

across 13 key industries



## High retention rate

across direct accounts



- Leading industry know-how and engineering capabilities
- Meeting exact customer needs with replacement products, services as well as tailor-made solutions
- Deepening customer relationship
- Identifying upselling opportunities
- Influencing project sales and supporting execution



# Neles has strong direct customer relationships in core industries

## Oil & Gas market



### Flowing through Neles valves

- Global industrial gases
- Major petrochemicals
- Refinery & liquefied natural gas

*“**Good product** with excellent customer focus, have **worked well together** over the past several years.”*

**Direct Sales Customer - Europe**

## Pulp & Paper market



### Full suite offerings

- Neles product offering covers the majority valve needs in a typical pulp mill

*“The **professional manner** in which all departments contacted were knowledgeable and their willingness to get the tasks completed in a **timely manner.**”*

**Direct Sales Customer – Asia Pacific**

*“**Good quality, reliable and stable equipment,** thoughtful and enthusiastic sales staff.”*

**Direct Sales Customer – South America**

# Global distribution for wider customer & industry reach

## >150 Distributor relationships

in North America



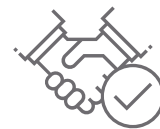
## +140 Distributor relationships

since 2016 in 64 countries outside of North America



## 146 years of relationship built on trust

combined with Neles' top 5 distributors in North America



## Distributor owned inventory

Total global estimate for commitment > EUR 50 million



## >900 Distributor sales professionals

promoting Neles products globally



## Flexibility for distributor

to sell Neles' components or full assembly



- Allow for opportunities outside core industries
  - Food & Beverage
  - Water & Wastewater
  - OEM Filtration & Power
- Speed to market and stock availability
- Localize support & supply
- Technical training for distribution partners
- Reduced costs and wider customer reach



# Track record of success and strong foundation for growth with distribution

## Global distribution roadmap

### Recent focus



Actively look for new channel partners in target areas and establish way of working

- Building of core competencies and support
- Expanding outside North America, particularly in Asia
- Developing tools and systems for efficient transactions/support

### Present focus



Expand with current partners and build management capabilities

- Developing channel support services to help partners be successful
- Dedicated distribution management
- Increasing automation capabilities to drive instrument sales

### Future focus



Increase distribution partners as Neles increase products & services

- Increasing global footprint
- Developing multiple channels to market
  - Standard valve products
  - Instrumentation
  - Authorized service partners
  - On-line instrument order

# Project execution: Plan, Design and Execute for customer success

## >115 Key project execution engineers

with a combined 384 years of experience



## >50 Direct global relationships

With >100 locations



## High retention of installed base

Day-to-day & Service



## Avg. project execution < 12 months

Order to net sales within a year



## Digital tools for efficiency

3D CAD files and quotation tools



## Regular co-development with customers

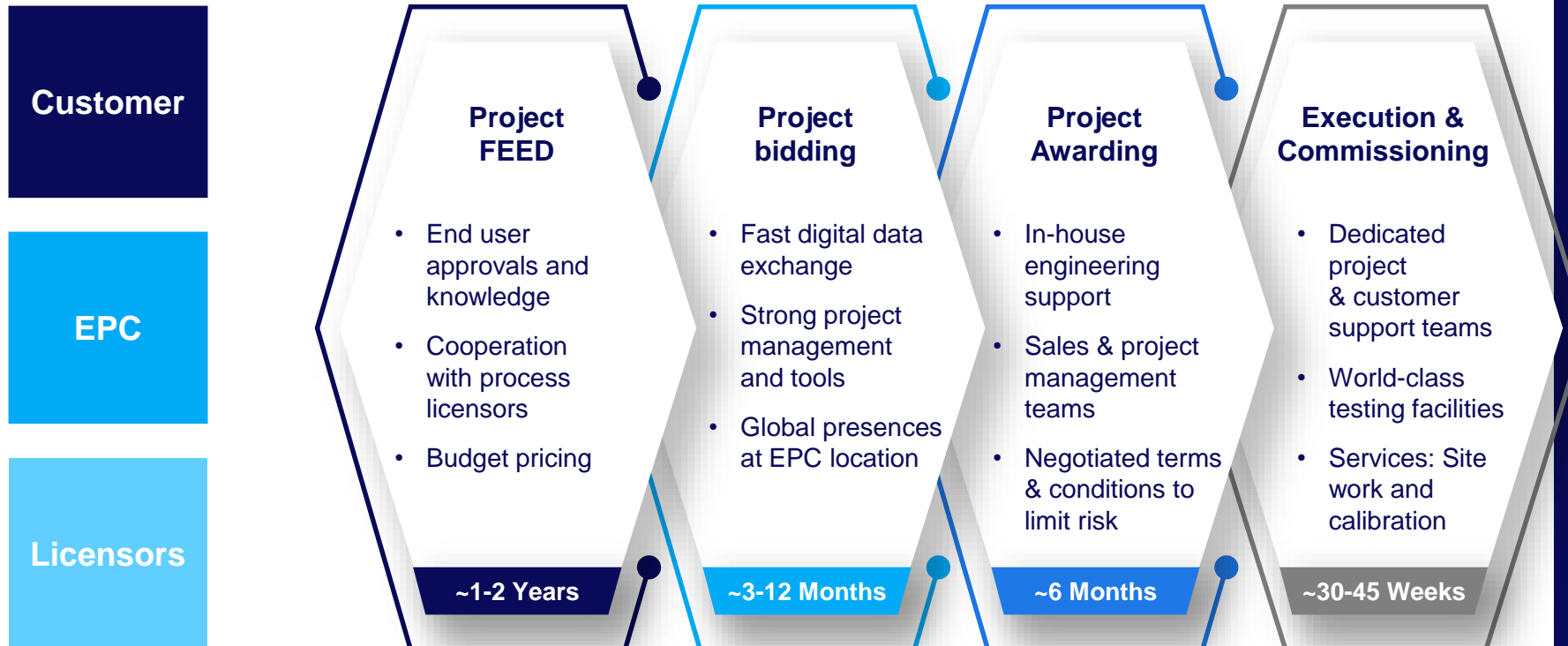
with applications and products



- Early engagement with customers and EPCs for planning and designing
- High conversion on replacement and service business
- ~20% capture rate for quoted, funded projects
- Advance payment policy at time of project execution
- Late in purchase cycle with <1% cancellation rate

# Project execution creates partnerships with major engineering customers

Prerequisite approvals   Overview of project process



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Partners in Americas

24

Partners in Asia Pacific

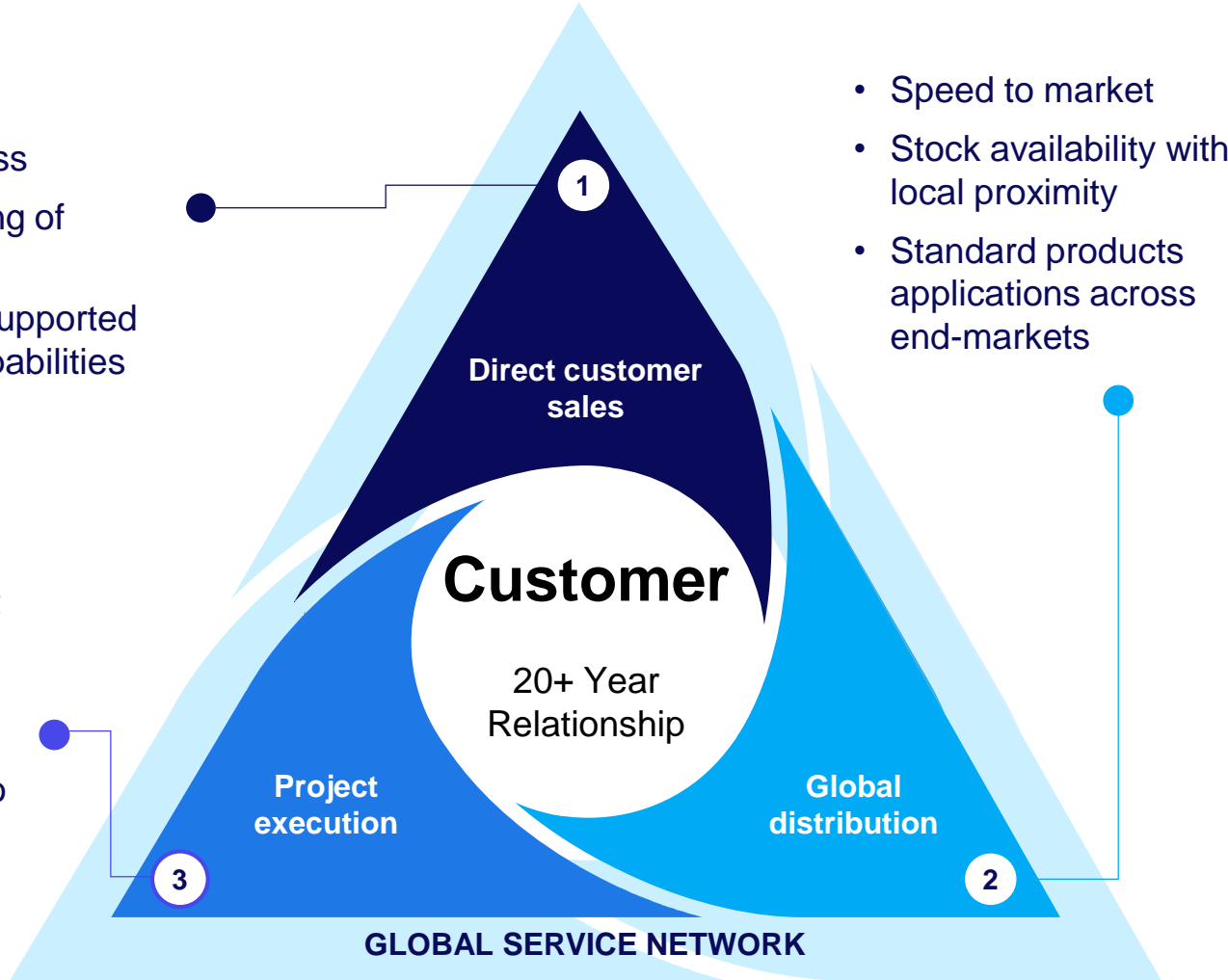
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Partners in Europe, Middle East, Africa and India

# Neles is well positioned to capture growth in all channels

- Customer closeness
- Deep understanding of customer needs
- Unique solutions supported by engineering capabilities

- Early engagement in customer planning and designing
- High conversion to subsequent MRO, replacement and service business



- Speed to market
- Stock availability with local proximity
- Standard products applications across end-markets

- Ongoing brand expansion efforts
- Target of 30 additional distributor relationships
- >100 active dialogues/ project bidding with EPC customers
- New product innovations to customer base
- Global service network for performance solutions and OEM repair

# NELES

Reinventing  
reliability