



Valmet – unique offering with
process technology, automation
and services

Roadshow presentation
April 2021

Agenda

Valmet roadshow presentation

1 Valmet in brief

2 Investment highlights





3 Financials

4 Conclusion



Valmet in brief

We have strong market shares, unique offering and over 220 years of history

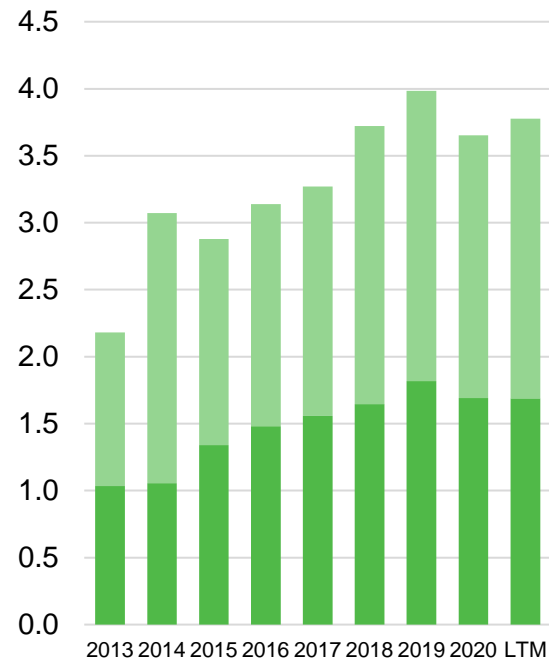
 <p>Paper</p> <p>Market position #1</p> <p>Market share ~50%</p>	 <p>Pulp and Energy</p> <p>Market position #1–3</p> <p>Market share ~20–45%</p>	 <p>Automation</p> <p>Market position #1–3</p> <p>Market share ~25%</p>	 <p>Services</p> <p>Market position #1–2</p> <p>Market share ~17–18%</p>
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Valmet's road to becoming a global market leader

- 1797 onwards**
Tamfelt, Beloit, KMW, Sunds Defibrator
- 1951**
Valmet
- 1968–1996**
Several M&As, e.g. KMW (1986), Wärtsilä paper finishing machinery (1987), Tampella Papertech (1992)
- 1999**
Metso created through the merger of Valmet and Rauma
- Key acquisitions**
Beloit Technology (2000), Kvaerner Pulping & Kvaerner Power (2006), Tamfelt (2009)
- End of 2013**
Demerger to create Valmet and Metso
- Acquisitions**
Automation (2015), GL&V (2019), J&L (2019), PMP (2020)

Valmet's development since 2013

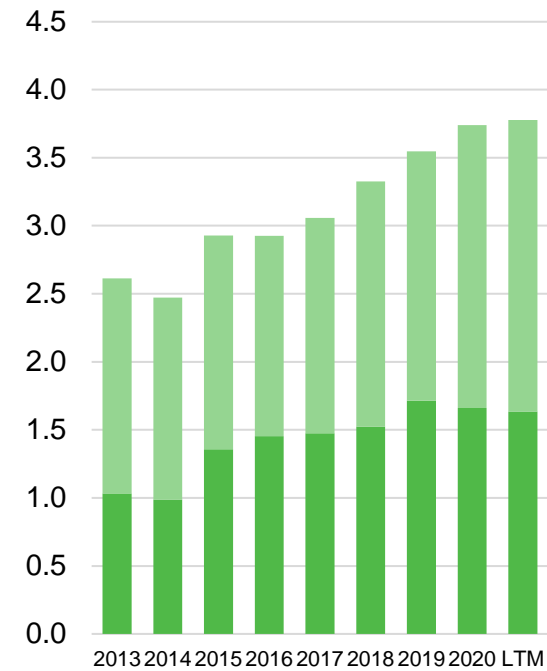
Orders received
(EUR billion)



Business lines

- Services and Automation
- Pulp, Energy and Paper

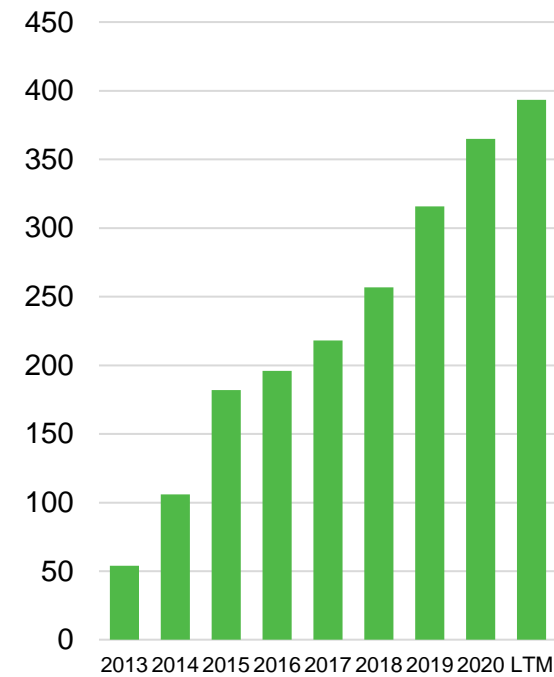
Net sales
(EUR billion)



Business lines

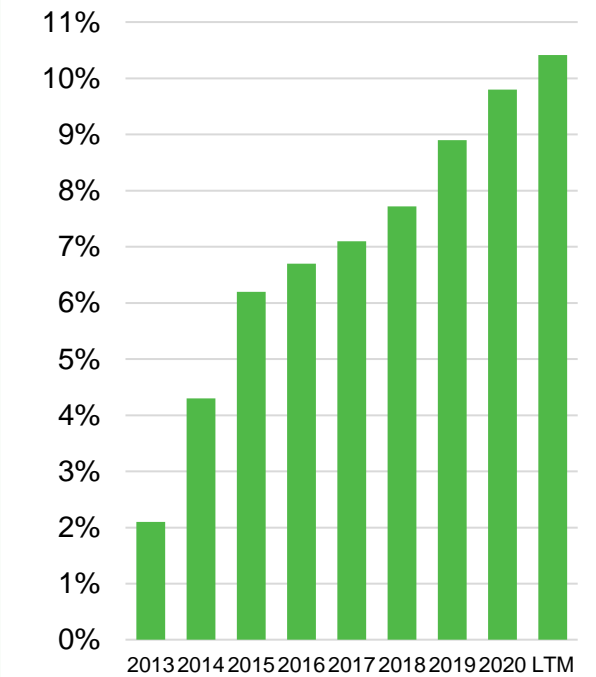
- Services and Automation
- Pulp, Energy and Paper

Comparable EBITA
(EUR million)



- Comparable EBITA

Comparable EBITA margin
(%)



- Comparable EBITA margin

Key figures 2020

Orders received
EUR 3,653 million

Net sales
EUR 3,740 million

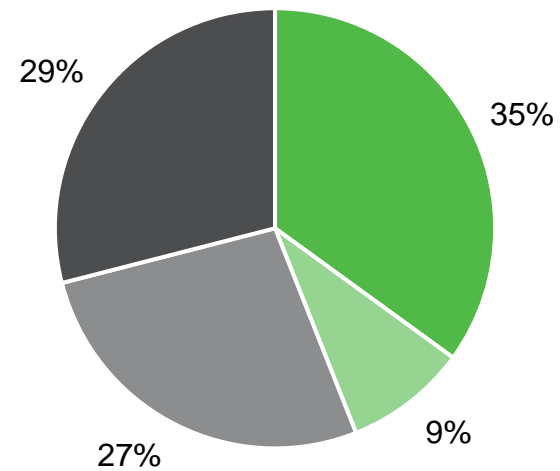
Comparable EBITA
EUR 365 million

Comparable EBITA margin
9.8%

Order backlog
EUR 3,257 million

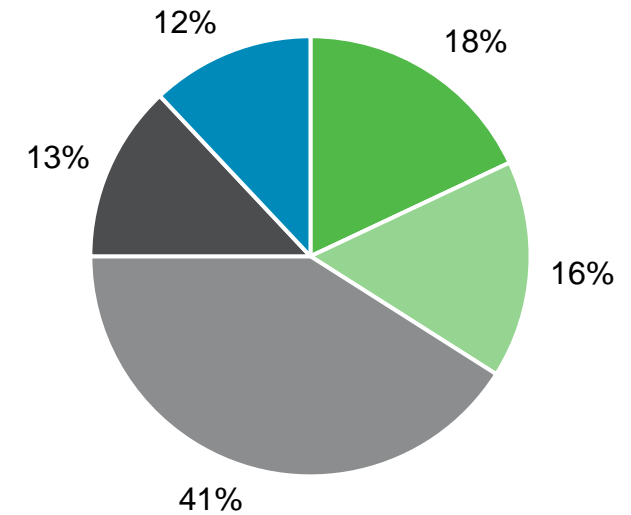
Employees
14,046

Net sales by business line



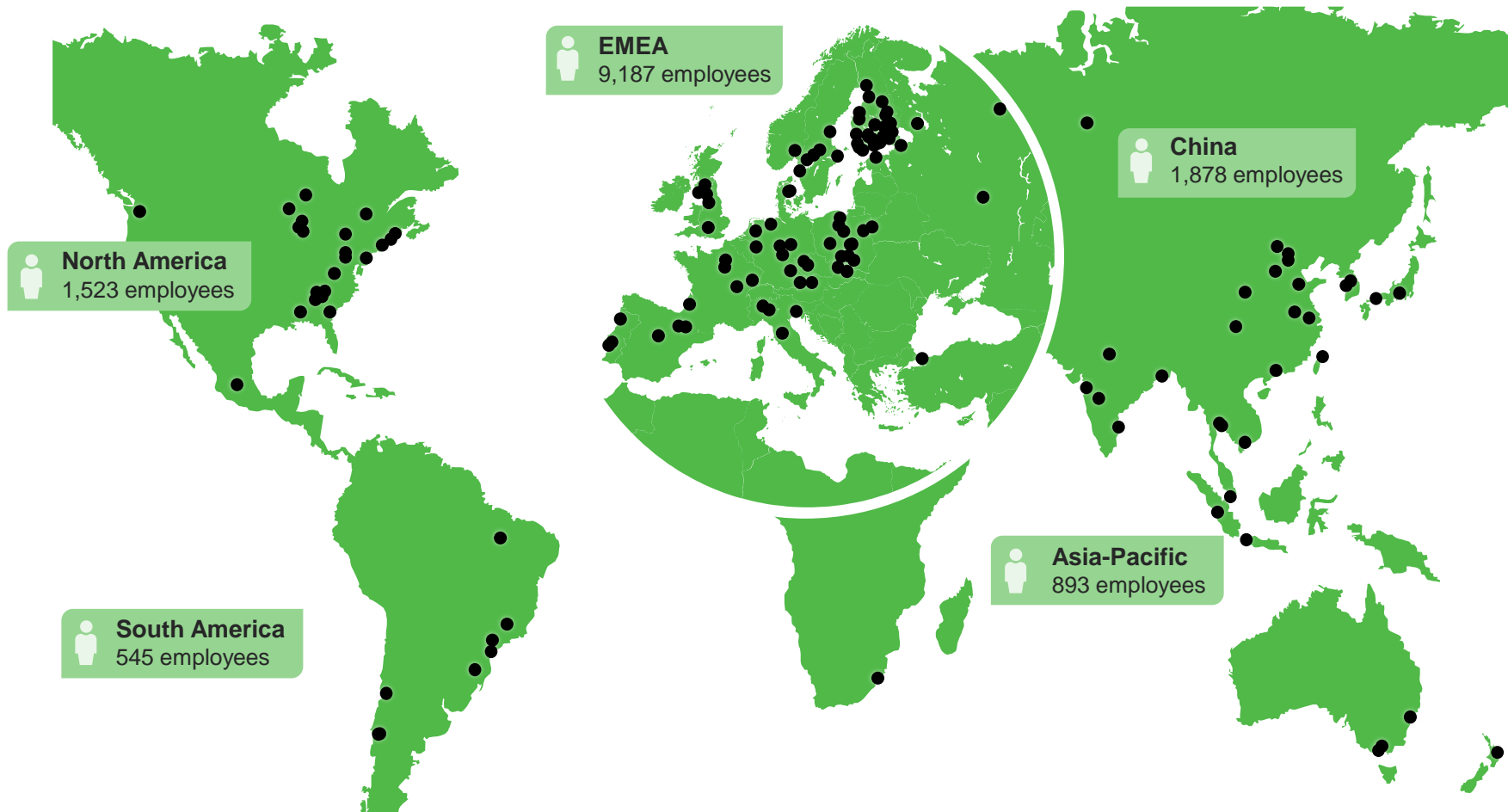
- Services
- Automation
- Pulp and Energy
- Paper

Net sales by area



- North America
- South America
- EMEA
- China
- Asia-Pacific

Strong, global presence is a good platform for growth



~100
service centers



98
sales offices



43
production units



16
R&D centers



8
Performance Centers



Process technology, services and automation

Valmet's unique offering differentiates the company from its competitors



Significant, customer focused research and development work

R&D focus areas

- Advanced and competitive technologies and services
- Raw material, water and energy efficiency
- Promotion of renewable materials

16

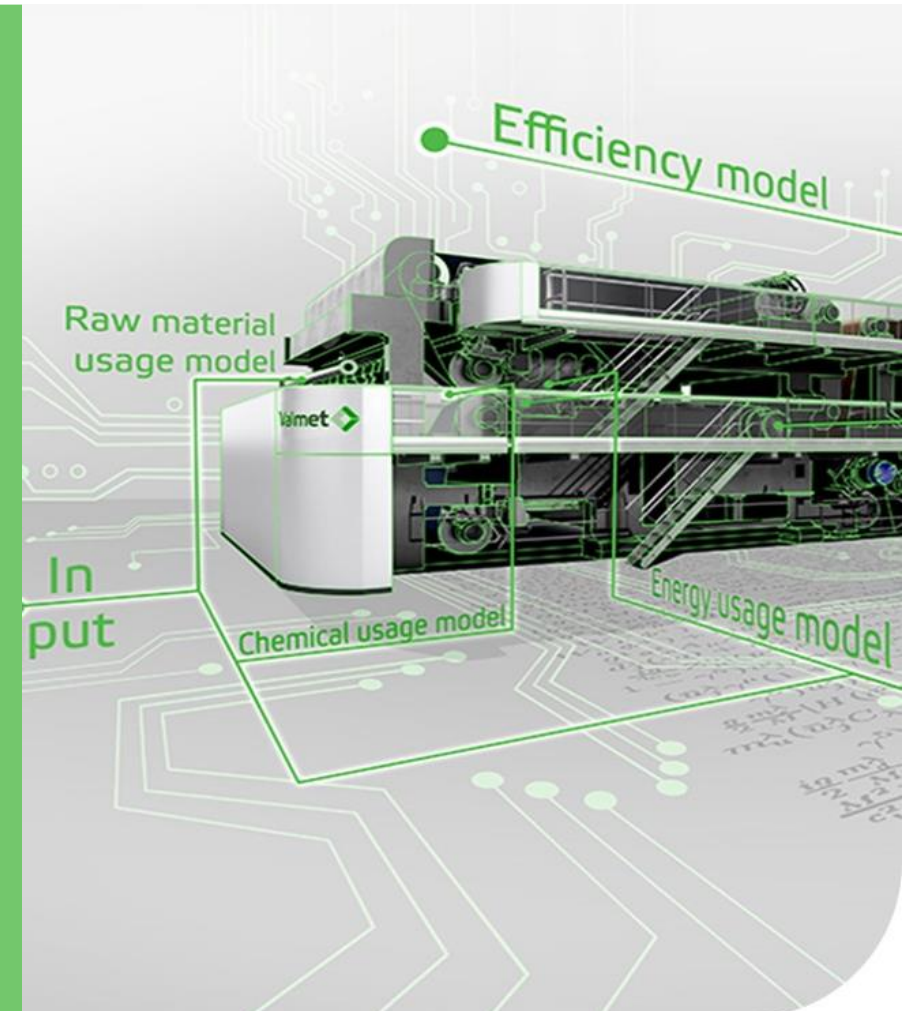
research and
development
centers



EUR **75** million
R&D spending
in 2020



~1,300
protected
inventions



Acknowledged leader in sustainability

360° approach to sustainability



Member of
Dow Jones
Sustainability Indices
Powered by the S&P Global CSA



Sustainability Award
Bronze Class 2021
S&P Global



Good progress in sustainability indices

- In Dow Jones Sustainability Index for the seventh consecutive year
- Received Bronze Class 2021 Sustainability Award
- Achieved A- rating in CDP's climate program and reached the leadership level for the fifth consecutive year
- In Ethibel Sustainability Index Excellence Europe
- In CDP's Supplier Engagement Leaderboard with best A rating



2020 highlights

- 2% decrease of CO₂ intensity*
- 87% increase in support for non-profit organizations
- 32% improvement in LTIF
- 92% of suppliers screened over sustainability risks

Valmet's Climate Program: Forward to a carbon neutral future

Targets by 2030 for the entire value chain

SUPPLY CHAIN

-20%

CO₂ emission reduction

OWN OPERATIONS

-80%

CO₂ emission reduction

USE PHASE OF VALMET'S TECHNOLOGIES

-20%

Further reduced energy use
of Valmet's current technologies

100%

Carbon neutral production

- Valmet's new Climate Program sets credible targets and concrete actions for 2030 for the entire value chain
- Program is aligned with the Paris Climate Agreement's 1.5-degree pathway and UN Sustainable Development Goals and Valmet is in process to send its climate targets for the Science Based Targets Initiative for validation

Main actions to reach targets by 2030

- Target CO₂ emission reductions from supply chain
- Reduce energy usage and use renewable fuels and CO₂ free electricity and district heating in own locations
- Improve energy efficiency of our existing process technology offering by 20%
- Develop existing and new technologies to enable carbon neutral production for our customers

Financial targets

Growth

Net sales for stable business to grow over two times the market growth

Net sales for capital business to exceed market growth

Profitability

Comparable EBITA:
10–12%

ROCE

Comparable return on capital employed (ROCE) before taxes¹: >20%

Dividend policy

Dividend payout at least 50% of net profit

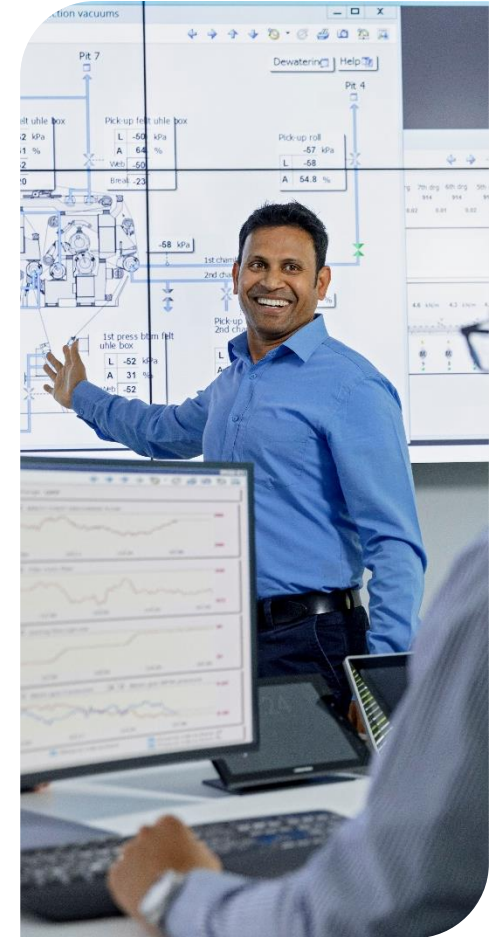
1) Comparable ROCE before taxes = (profit before taxes + interests and other financial expenses +/- items affecting comparability) / (balance sheet total - non-interest-bearing liabilities (average for the period))



Investment highlights

Investment highlights

- 1 Strong position in the growing market of converting renewables
- 2 Widest technology and services offering combined with automation excellence
- 3 Services: The widest offering and strong geographical presence
- 4 Automation: Maximizing efficiency and safety of our customers
- 5 Paper: World-class technology for packaging and hygiene needs
- 6 Pulp and Energy: Strong business with high market share and flexible cost structure
- 7 Systematically building the future



Strong position in the growing market of converting renewables



Paper

#1 0.4 ~ -2%
EUR bn p.a.

Increasing role of digital media decreases demand for print papers
Demand for technology driven efficiency improvements
Need for specialty papers

3% of net sales



Board

#1 1.0 ~ 2-3%
EUR bn p.a.

World trade, e-commerce and emerging markets growth drive packaging
Demand for light weight board
Shift from plastic packaging to renewable materials
Conversions from paper to board

20% of net sales



Tissue

#1 0.7 ~ 3-4%
EUR bn p.a.

Rise in purchasing power and living standards
Urbanization and improved hygiene
Fast economic growth in emerging markets
Demand for higher quality
Consumers' higher hygiene habits

6% of net sales



Pulp

#1-2 1.5 ~ 1%
EUR bn p.a.

Growing demand for sustainable packaging, tissue, hygiene products and textiles
Increasing environmental awareness and stricter regulations
Fiber-based plastic replacement
Demand for second generation bioethanol

18% of net sales

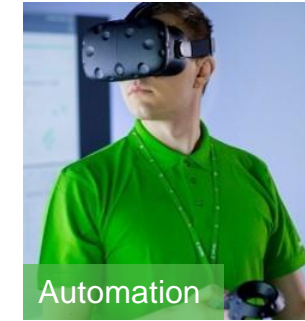


Energy

#1-3 2.0 ~ 1%
EUR bn p.a.

Decarbonization in energy production
Biomass and residual waste used in heat and process steam production
Tightening air emissions legislation and stricter directives

9% of net sales

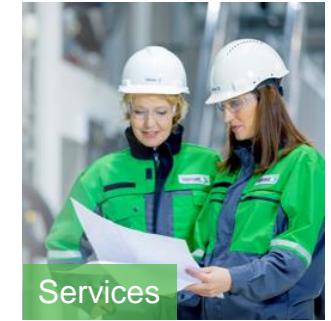


Automation

#1-3 2.1 ~ 1%
EUR bn p.a.

Aging machines and installed automation systems
Investments in new pulp and paper production lines and industrial decarbonization
Demand for raw material savings, process efficiencies and sustainability
Demand for Industrial Internet based solutions driven by customer digitalization

9% of net sales



Services

#1-2 8.0 ~ 1-2%
EUR bn p.a.

Increasing pulp, tissue, board and energy production
Customer demand for resource efficiency, productivity, end-product quality, industrial internet services and reduced environmental impact
Customer focus on core, decreasing own resources and outsourcing of non-core operations
Size and gradual aging of installed base and capacity increases
Closures and conversions of non-competitive production lines

35% of net sales

Market position | Estimated market size for current offering (EUR) | Anticipated long-term market growth

For paper, board and tissue market position and estimated market size calculated as average during 2018-2020. For pulp, energy and automation the market position and estimated market size calculated based on 2020 figures. For services, the market position calculated from 2020 and estimated market size once the market recovers from the temporary negative impact of COVID on customer operations and services demand

Widest technology and services offering combined with automation excellence

- Paper**
 - Board, paper and tissue production lines
 - Rebuilds
 - Stand-alone products
- Pulp**
 - Wood and pulp handling
 - Fiber processing
 - Recovery
- Energy**
 - Heat and power generation
 - Air emission control
 - Biofuels

- Services**
 - Spare parts and components
 - Maintenance and shutdown services
 - Outsourcing services
 - Production consumables
 - Process support and optimization

- Automation**
 - Distributed Control Systems (DCS)
 - Quality Management Systems (QMS)
 - Analyzers and measurements
 - Industrial Internet solutions



Services: The widest offering and strong geographical presence

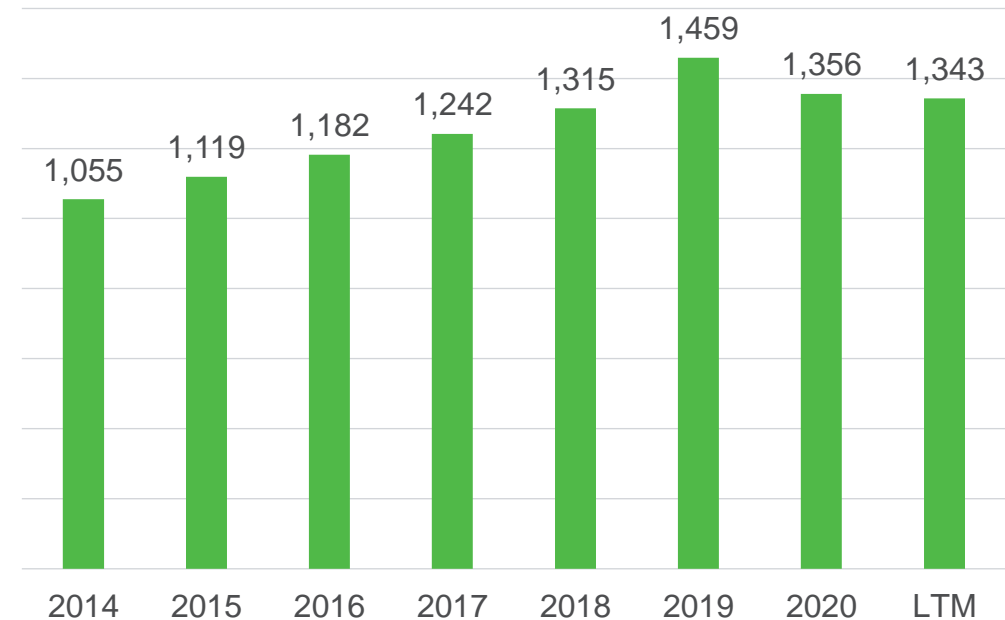
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Services business line

- Widest offering to support customers' all service needs
- Benefits from growing installed base
- Strong geographical presence close to customers
- Steady increase in market share from 13% in 2014 to 17-18% in 2020
- Targeting to grow with the market and by winning further market share
- Opportunities to win new customers and increase share of wallet with existing customers

Services business line

Orders received (EUR million)



Organic growth
~4%
CAGR in
2014-2019

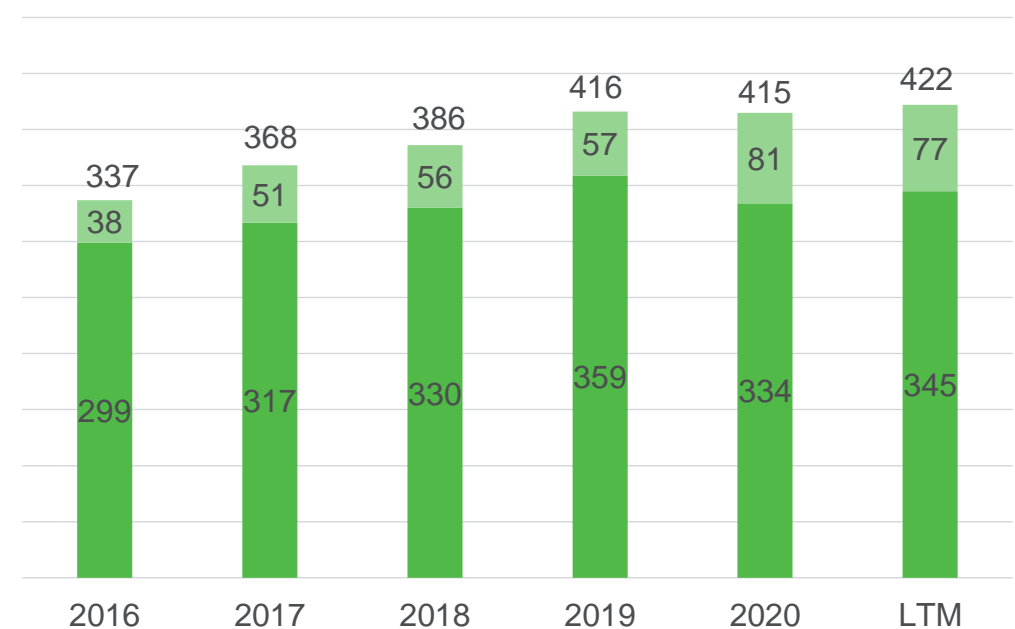
Automation: Maximizing efficiency and safety of our customers

Automation business line

- Solutions range from single measurements to plant-wide process automation systems
- Designed to maximize safety, sustainability and efficiency of customers' businesses
- Securing future competitiveness with R&D
- Strong track record since acquired to Valmet in 2015
- Several drivers for future growth
 - Increasing direct sales to customers
 - Package sales with Valmet's capital equipment
 - Replacing competitors' installed base and entering new industries
 - Growing in automation services

Automation business line

Orders received (EUR million)



Organic growth
~5%
CAGR

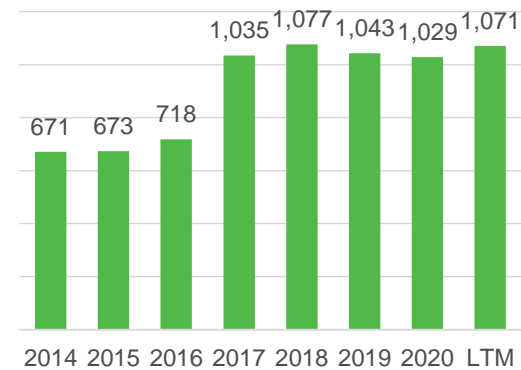
Paper: World-class technology for packaging and hygiene needs 5

Paper business line

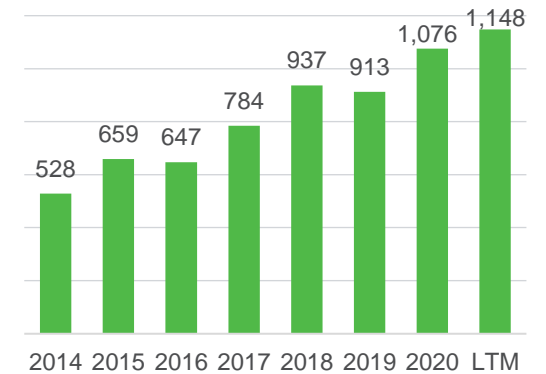
- Offering includes world-leading technology and products for board, tissue and paper making
- Long-term growth supported by favorable megatrends
 - Growing e-commerce and packaging needs
 - Increasing demand for hygiene products
- High market share
- Technological advantage and excellent references
- R&D targeted to introduce new products and improve the existing offering
- Flexible organization and low capacity cost provides resilience to market fluctuations

Paper business line

Orders received (EUR million)



Net sales (EUR million)



Capacity costs	2015	2020
EUR million	270	301
% of net sales	41%	28%

	Market share	Market position
Board	~50%	#1
Tissue	~35%	#1
Paper	~50%	#1

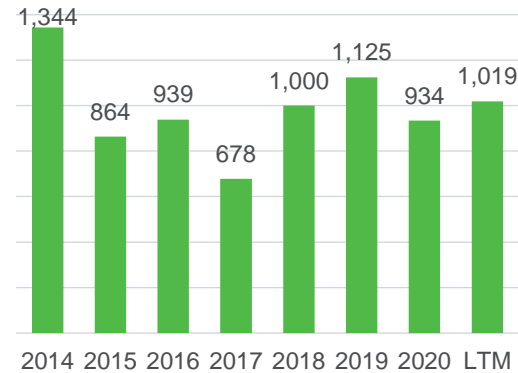
Pulp and Energy: Strong business with high market share and flexible cost structure

Pulp and Energy business line

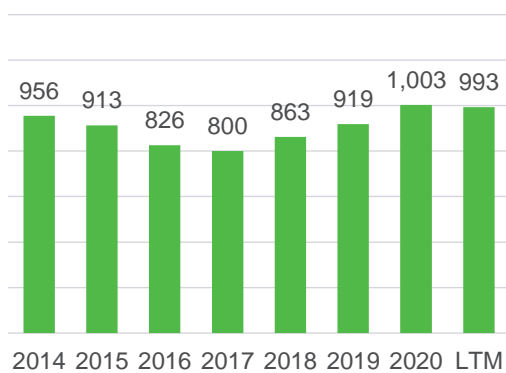
- Offering includes full pulp mills and energy solutions for biomass and emission control
- Long-term growth supported by favorable megatrends
 - Growing demand for sustainable packaging and hygiene products and textiles
 - Replacing plastic with fiber-based materials
- High market share
- Technological advantage by focusing on R&D
- Flexible organization and low capacity cost provides resilience to market fluctuations
- Yearly variations in orders received are typical due to timing of large orders

Pulp and Energy business line

Orders received (EUR million)



Net sales (EUR million)



Capacity costs	2015	2020
EUR million	218	196
% of net sales	24%	20%

	Market share	Market position
Pulp	~45%	#1-2
Energy	~20%	#1-3

Systematically building the future



Customer

Valmet's way to serve:
Lifecycle collaboration
between the customer
and Valmet

Add value to customers
through Industrial
Internet solutions

Ensure strong market
position in capital
business

Continue to increase
market share in the
stable business



Technology

Develop new products
and technologies

Improve product cost
competitiveness

Increase material and
energy efficiency and
further develop solutions
to reduce carbon
footprint



Process

Continue to improve
project management
and project execution

Valmet's climate
program targeting to
reduce emissions in the
whole value chain

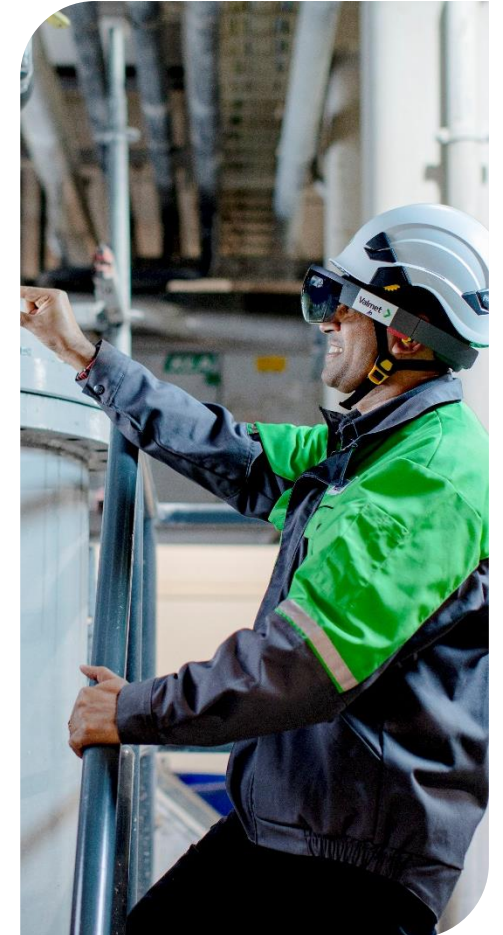


People

Continuous development
of employees through
training programs

Building capabilities
globally

Continue to improve
safety and lower LTIF





Financials

Key figures

EUR million	Q1/2021	Q1/2020	Change	2020
Orders received	1,312	1,187	11%	3,653
Order backlog ¹	3,709	3,557	4%	3,257
Net sales	858	821	5%	3,740
Comparable EBITA	80	52	55%	365
% of net sales	9.4%	6.3%		9.8%
EBITA	89	51	75%	355
Operating profit (EBIT)	76	42	81%	319
% of net sales	8.9%	5.1%		8.5%
Earnings per share, EUR	0.38	0.20	92%	1.54
Return on capital employed (ROCE) before taxes ²	20%	13%		22%
Cash flow provided by operating activities	148	173	-14%	532
Gearing ¹	3%	-22%		13%

Items affecting comparability: EUR 8 million in Q1/2021 (EUR -1 million in Q1/2020)

Valmet's investment in Neles had a positive impact on EBITA of EUR 3.7 million in Q1/2021

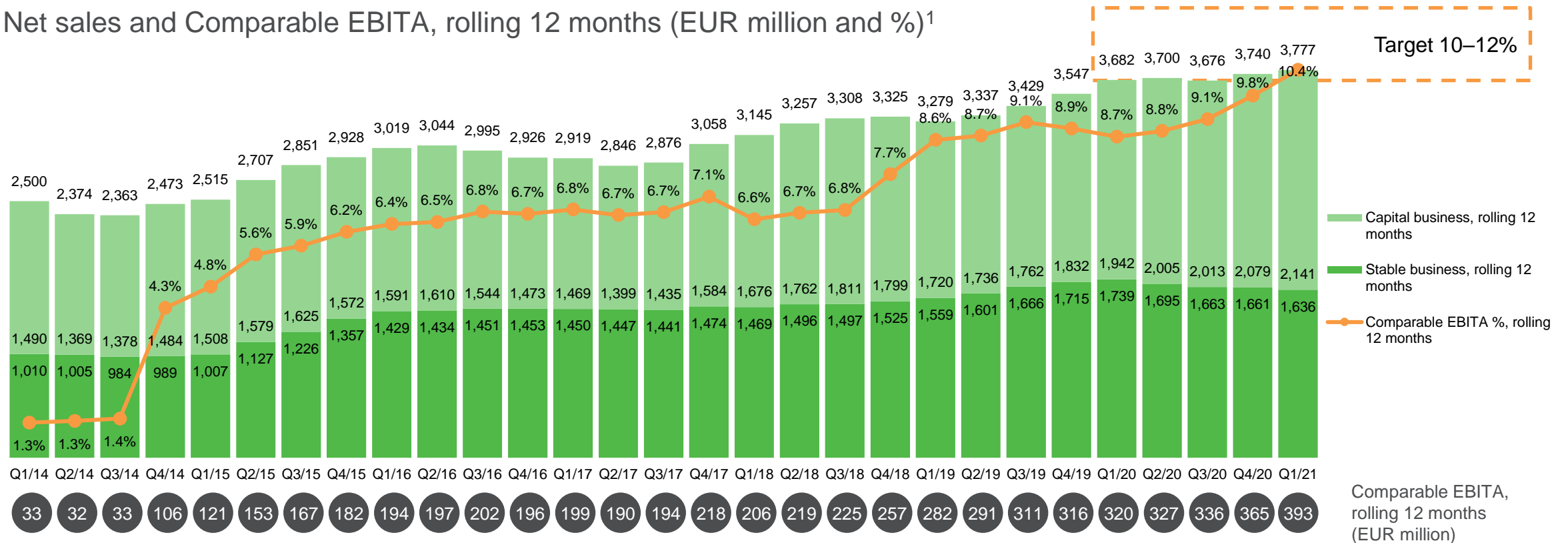
Valmet's investment in Neles had a positive impact on operating profit of EUR 0.2 million in Q1/2021

1) At end of period

2) Annualized

Comparable EBITA margin¹ target level reached for the first time

Net sales and Comparable EBITA, rolling 12 months (EUR million and %)¹




- In Q1/2021, net sales remained at the previous year's level and Comparable EBITA increased compared with Q1/2020

1) Rolling 12 months. Carve-out figures for 2013 have been used in the calculation of Q1–Q3/2014 figures. Valmet implemented IFRS 15 – Revenue from Contracts with Customers as of January 1, 2018 by applying full retrospective method. Thus, figures presented are not fully comparable.

Guidance and short-term market outlook

Guidance for 2021 (as announced on April 16, 2021)

Guidance 	Valmet estimates that net sales in 2021 will increase in comparison with 2020 (EUR 3,740 million) and Comparable EBITA in 2021 will increase in comparison with 2020 (EUR 365 million).
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Short-term market outlook

		Q2/2020	Q3/2020	Q4/2020	Q1/2021
Services		Satisfactory / Weak	Satisfactory / Weak	Satisfactory / Weak	Satisfactory
Automation		Good / Satisfactory	Good / Satisfactory	Good	Good
Pulp and Energy	Pulp	Good	Good	Good	Good
	Energy	Satisfactory	Satisfactory	Weak	Weak
Paper	Board and Paper	Good	Good	Good	Good
	Tissue	Satisfactory	Satisfactory	Good	Good

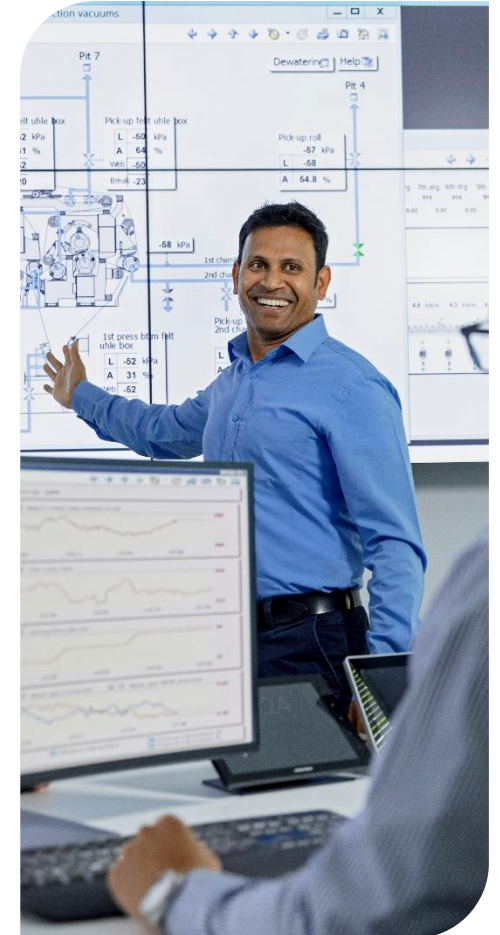
The short-term market outlook is based on customer activity (50%) and Valmet's capacity utilization (50%) and is given for the next six months from the end of the respective quarter. The scale is 'weak-satisfactory-good'.



Conclusion

Conclusion

- 1 Strong position in the growing market of converting renewables
- 2 Widest technology and services offering combined with automation excellence
- 3 Services: The widest offering and strong geographical presence
- 4 Automation: Maximizing efficiency and safety of our customers
- 5 Paper: World-class technology for packaging and hygiene needs
- 6 Pulp and Energy: Strong business with high market share and flexible cost structure
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Important notice

It should be noted that certain statements herein which are not historical facts, including, without limitation, those regarding expectations for general economic development and the market situation, expectations for growth, profitability and investment willingness, expectations for company development, growth and profitability and the realization of synergy benefits and cost savings, and statements preceded by “anticipates”, “believes”, “estimates”, “expects”, “foresees” or similar expressions, are forward-looking statements. Since these statements are based on current decisions and plans, estimates and projections, they involve risks and uncertainties which may cause the actual results to materially differ from the results currently expressed. Such factors include, but are not limited to:

- 1) general economic conditions, including fluctuations in exchange rates and interest levels which influence the operating environment and profitability of customers of the company or economic growth in the company’s principal geographic markets.
- 2) industry conditions, intensity of competition situation, especially potential introduction of significant technological solutions developed by competitors, financial condition of the customers and the competitors of the company,
- 3) the company’s own operating factors, such as the success of production, product development and project management and the efficiencies therein including continuous development and improvement
- 4) the success of pending and future acquisitions and restructuring.

Appendix

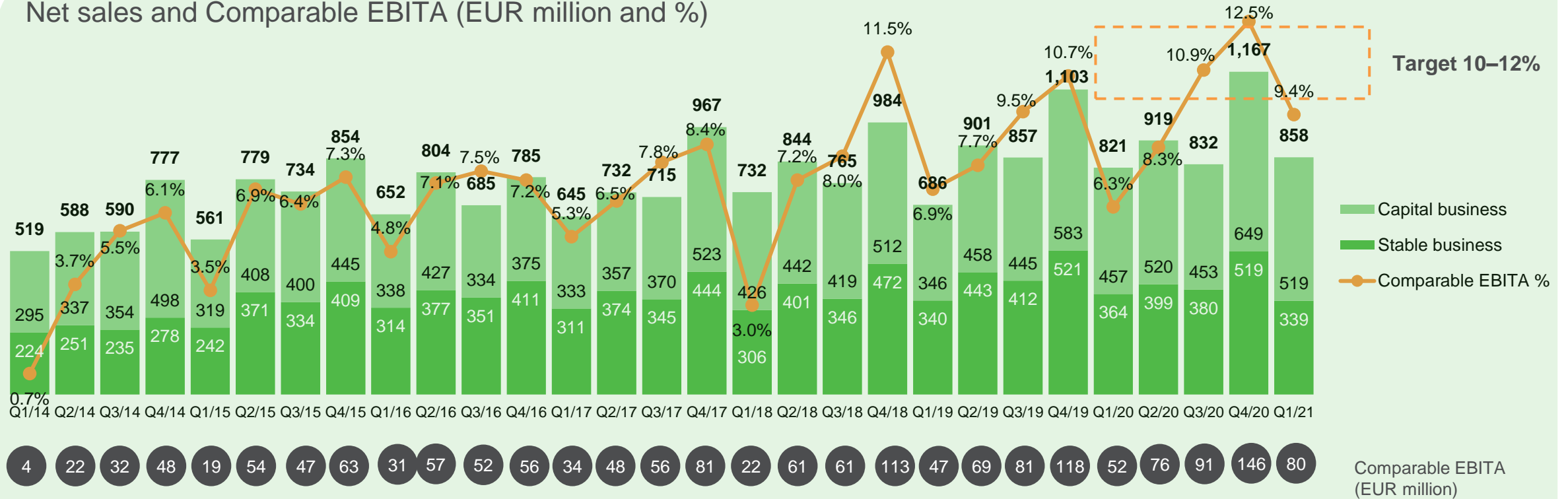
- 1 Financials
- 2 Growth and profitability improvement
- 3 Shareholders and share price development
- 4 Strategy and offering
- 5 Management and remuneration



Appendix
Financials

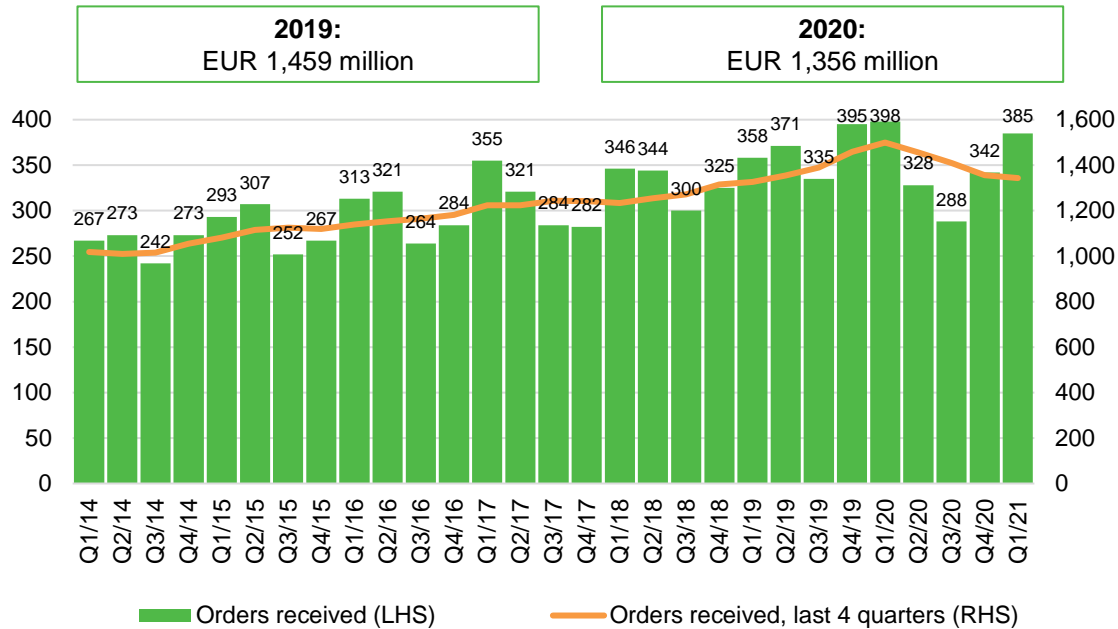
Quarterly Comparable EBITA margin development

Net sales and Comparable EBITA (EUR million and %)

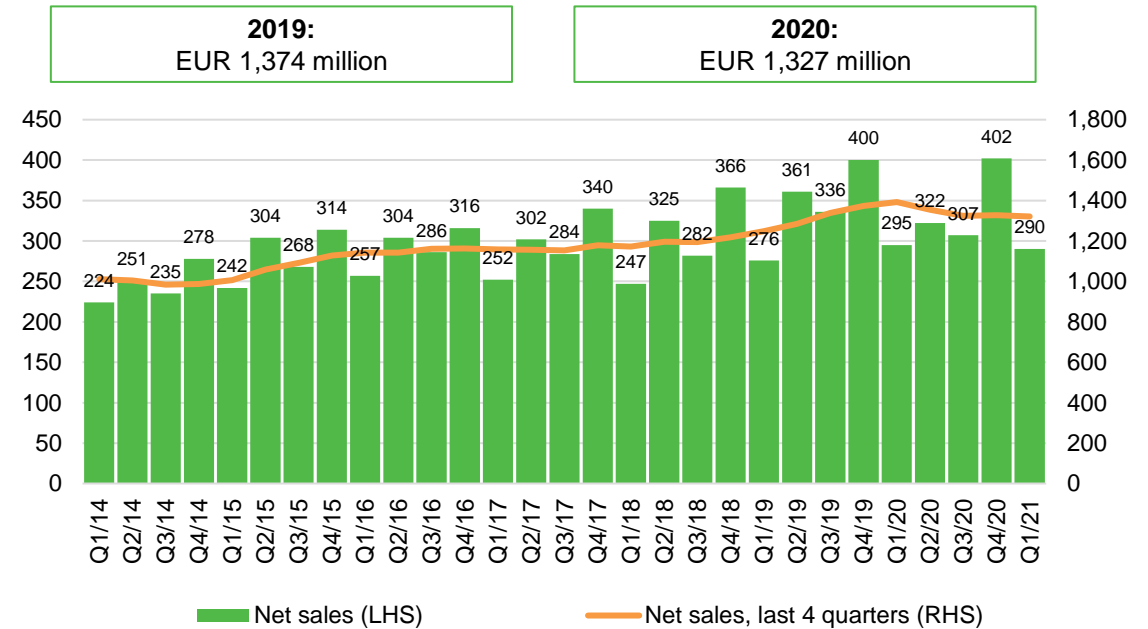


Services: Orders received remained at the previous year's level at EUR 385 million in Q1/2021

Orders received (EUR million)



Net sales (EUR million)

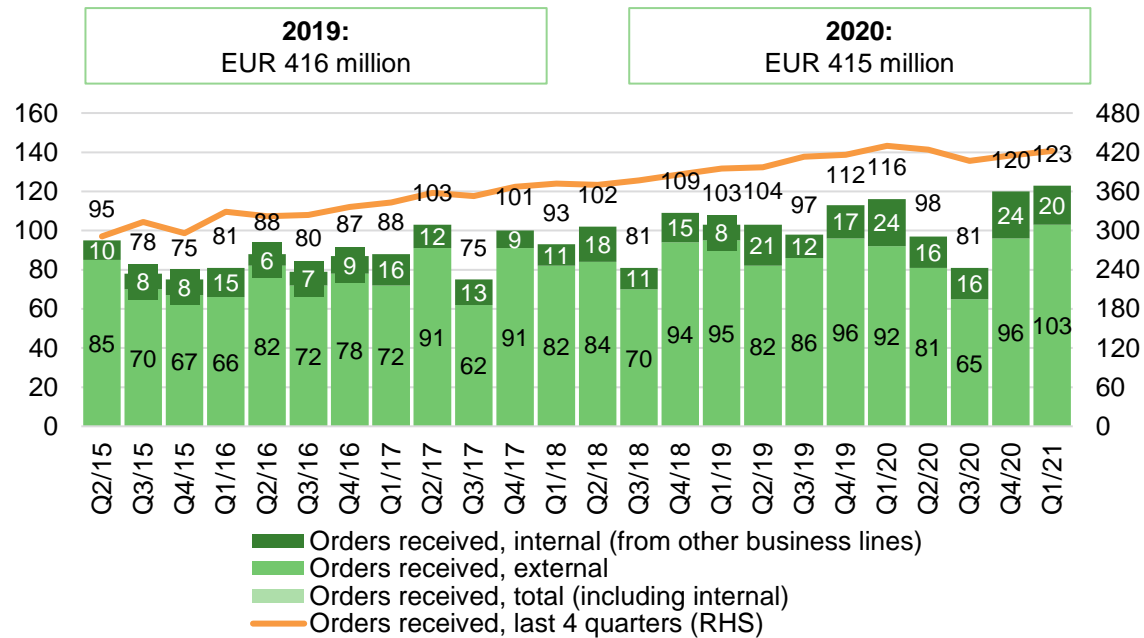


- Orders received remained at the previous year's level compared with Q1/2020
 - Orders received increased in China, remained at the previous year's level in North America and Asia-Pacific, and decreased in South America and EMEA
 - Orders received increased in Rolls, remained at the previous year's level in Performance Parts, and Board, Paper and Tissue Solutions, and decreased Pulp and Energy Solutions and Fabrics
- Net sales remained at the previous year's level compared with Q1/2020
- Despite COVID-19 related travel restrictions and lower capacity utilization in graphical paper mills, Services' orders received and net sales remained at the previous year's level compared with Q1/2020

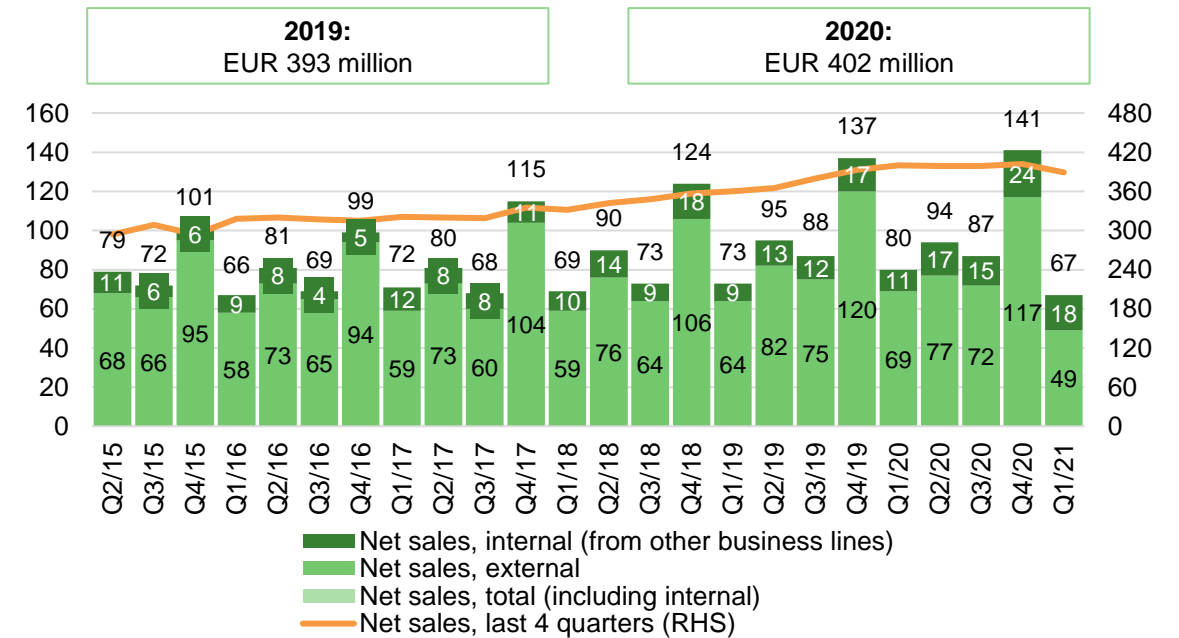


Automation¹: Orders received increased to EUR 123 million in Q1/2021

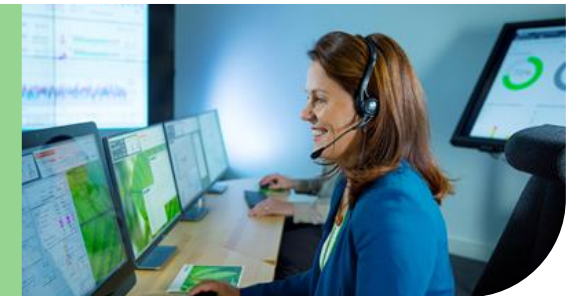
Orders received (EUR million)



Net sales (EUR million)



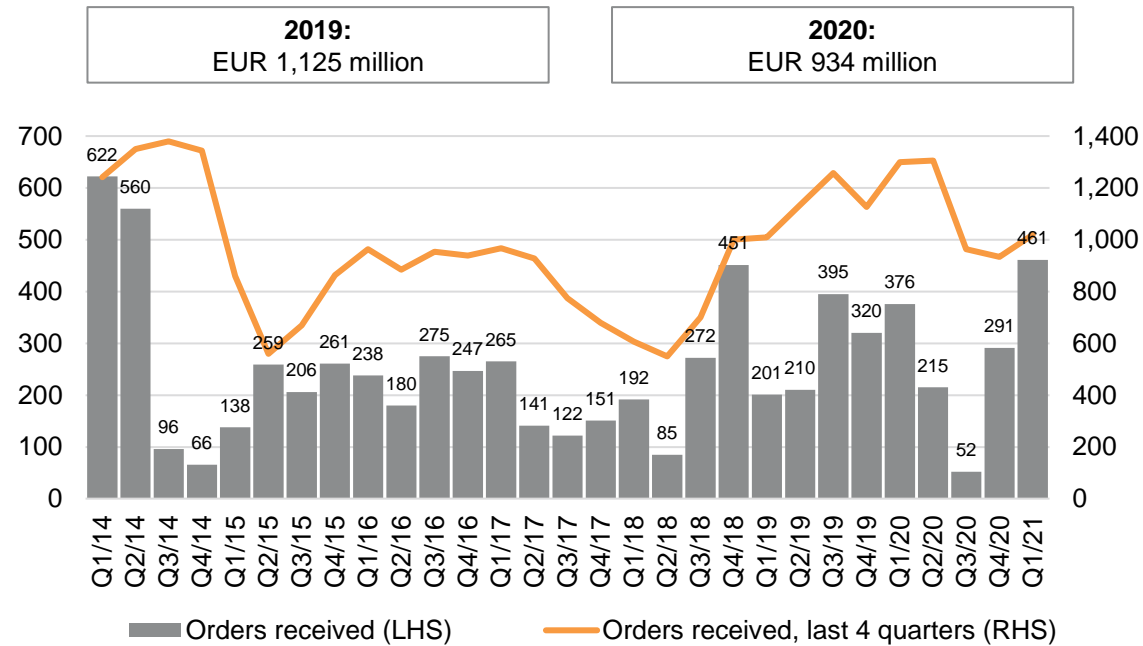
- Orders received increased compared with Q1/2020
 - Orders received increased in EMEA and decreased in South America, North America, Asia-Pacific and China
- Net sales decreased compared with Q1/2020
- COVID-19 caused access restrictions to some customer sites



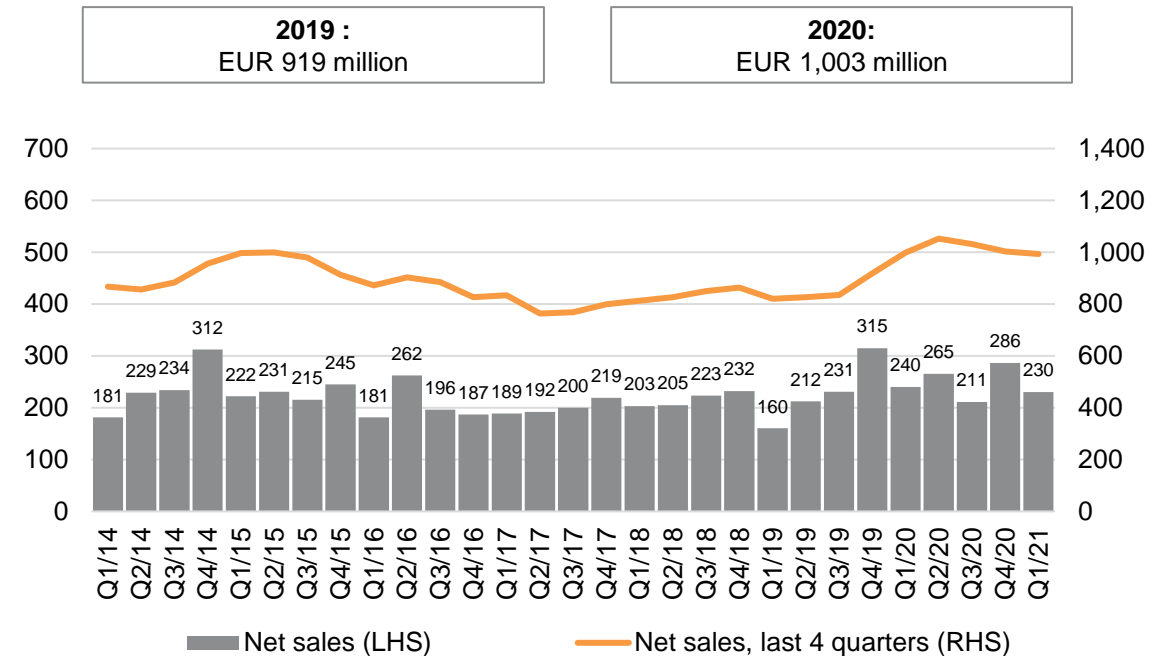
1) Comments refer to orders received and net sales including also internal orders received and internal net sales.

Pulp and Energy: Orders received increased to EUR 461 million in Q1/2021

Orders received (EUR million)



Net sales (EUR million)

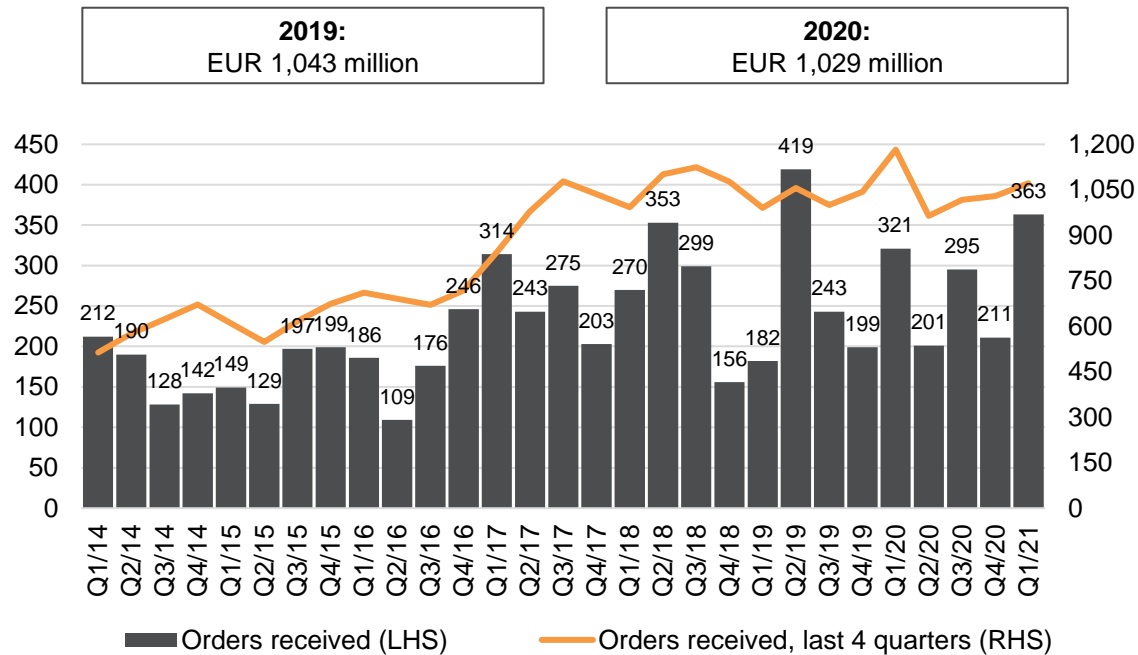


- Orders received increased compared with Q1/2020
 - Orders received increased in North America, EMEA and China, and decreased in South America and Asia-Pacific
 - Orders received increased in Pulp and decreased in Energy
- Net sales remained at the previous year's level compared with Q1/2020
- Pulp and Energy business line has managed challenges caused by COVID-19 well, and therefore the pandemic did not cause major impacts on its operations in Q1/2021

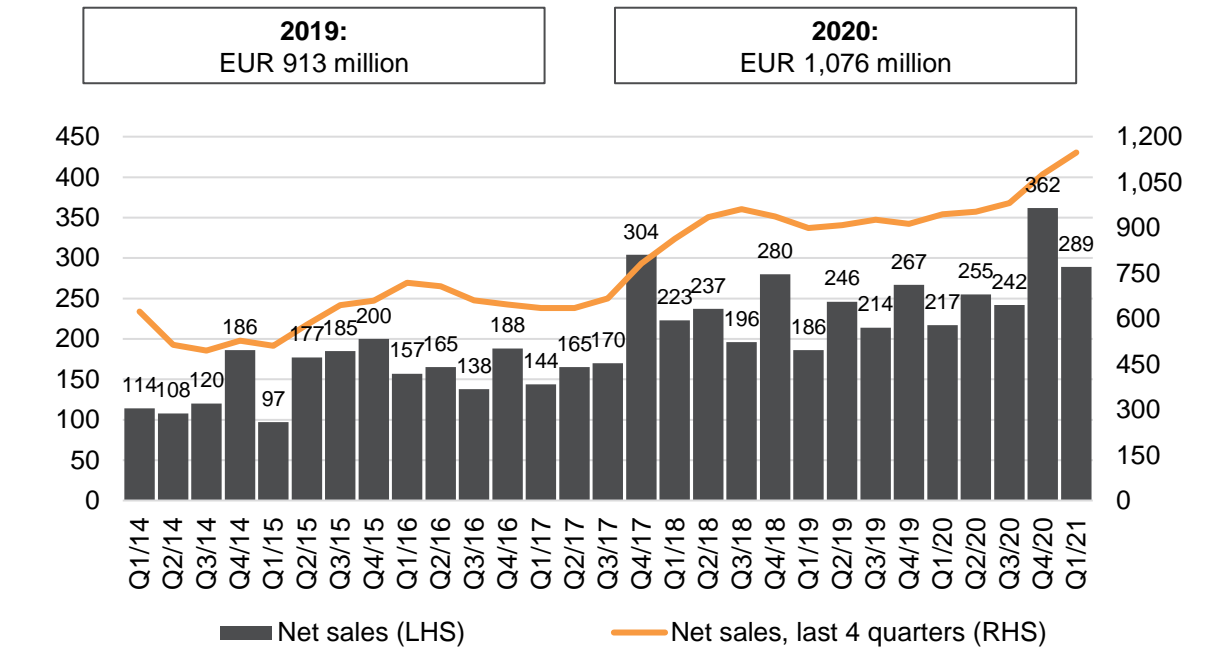


Paper: Orders received increased to EUR 363 million in Q1/2021

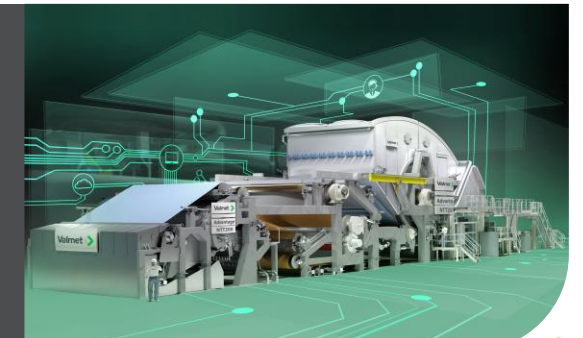
Orders received (EUR million)



Net sales (EUR million)

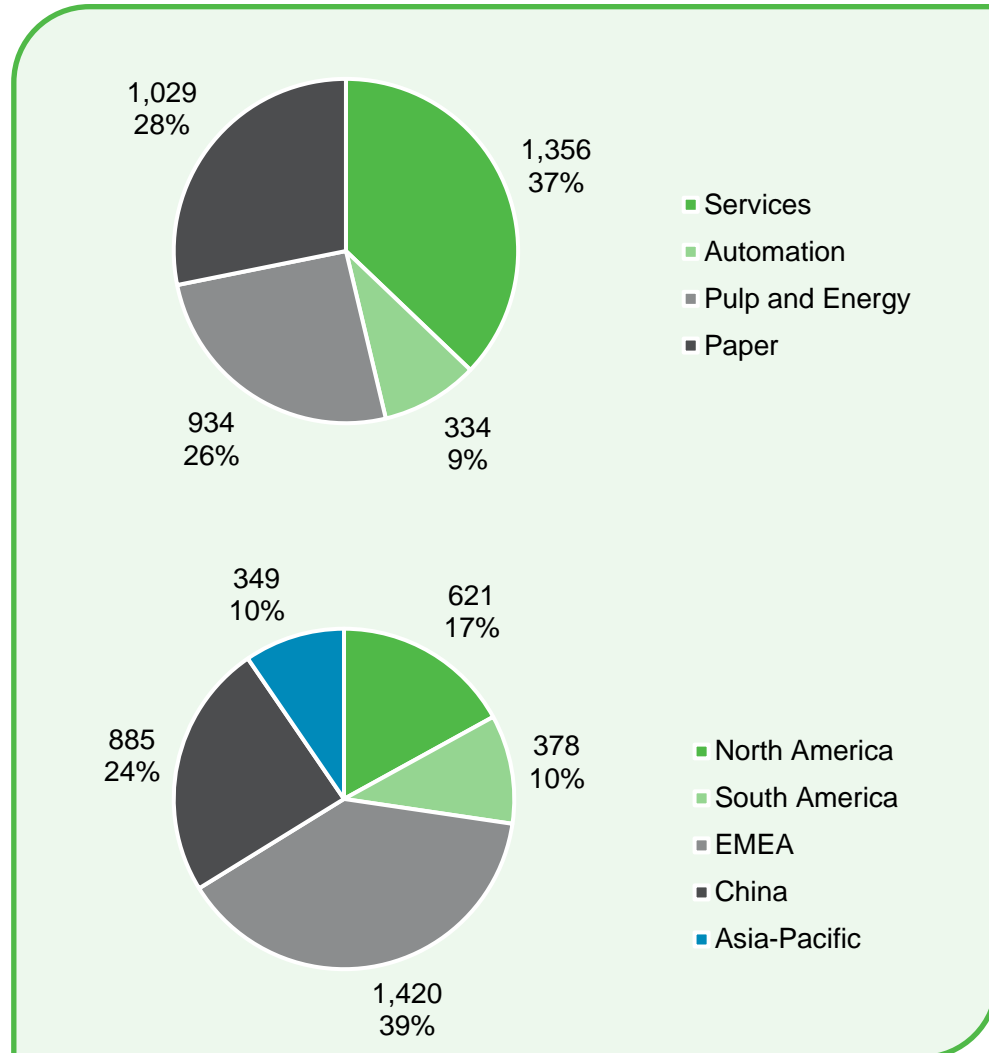


- Orders received increased compared with Q1/2020
 - Orders received increased in all areas except Asia-Pacific, where orders received decreased
 - Orders received increased in Stock Preparation and Recycled Fiber, as well as in Tissue and remained at the previous year's level in Board and Paper
 - Small and Medium size Machines (the acquired PMP Group) contributed EUR 10 million to orders received
- Net sales increased compared with Q1/2020
 - Small and Medium size Machines (the acquired PMP Group) contributed EUR 21 million to net sales
- Paper business line has managed challenges caused by COVID-19 well, and therefore the pandemic did not cause major impacts on its operations in Q1/2021

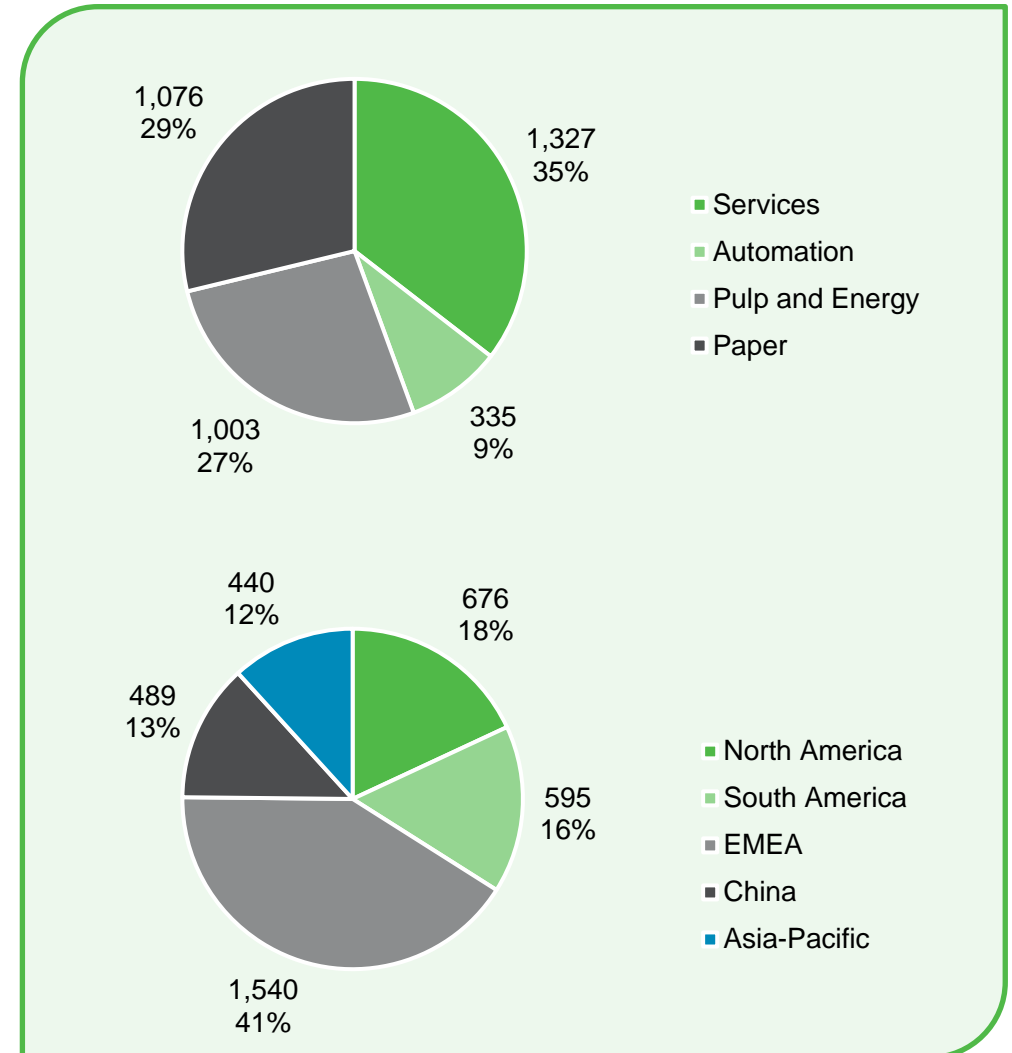


Orders received and net sales split in 2020

Orders received (EUR million and % of total)

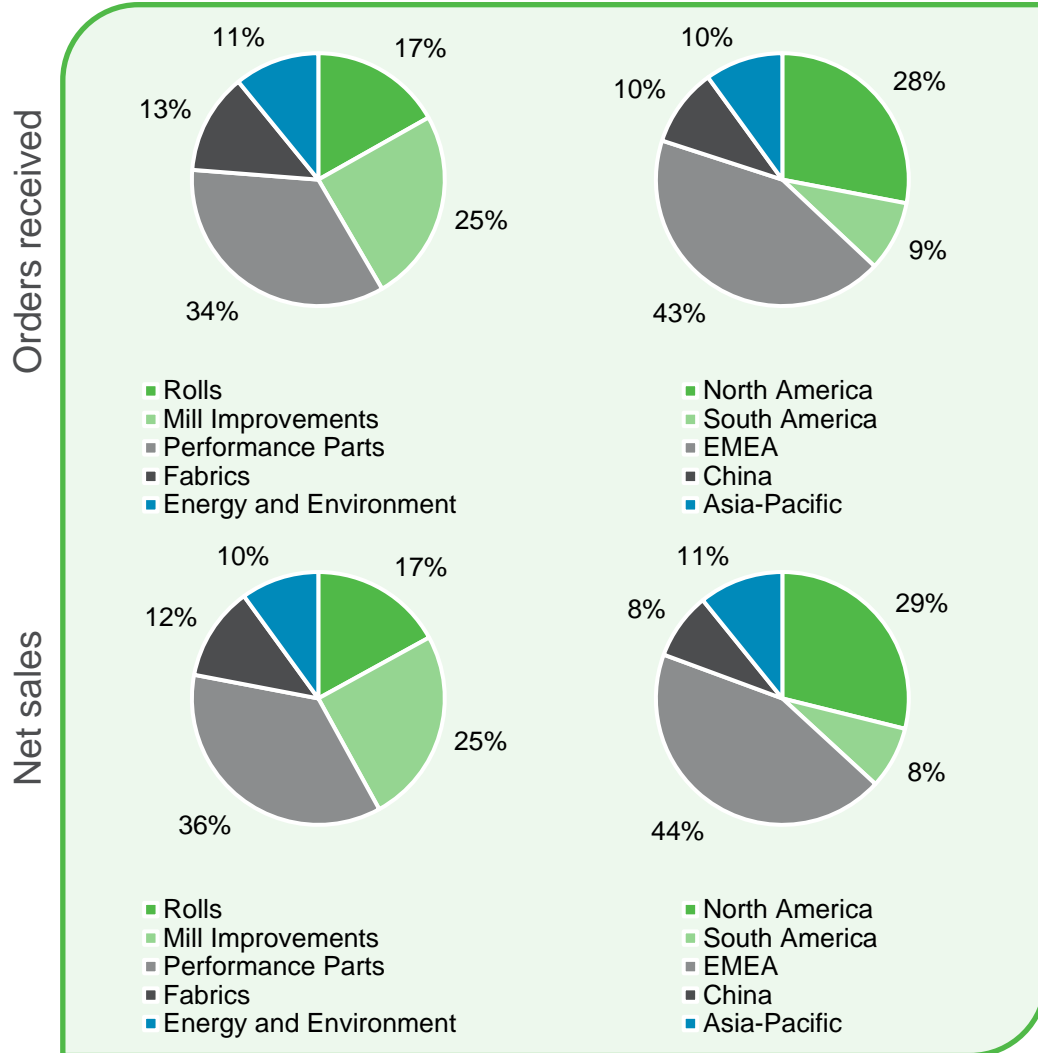


Net sales (EUR million and % of total)

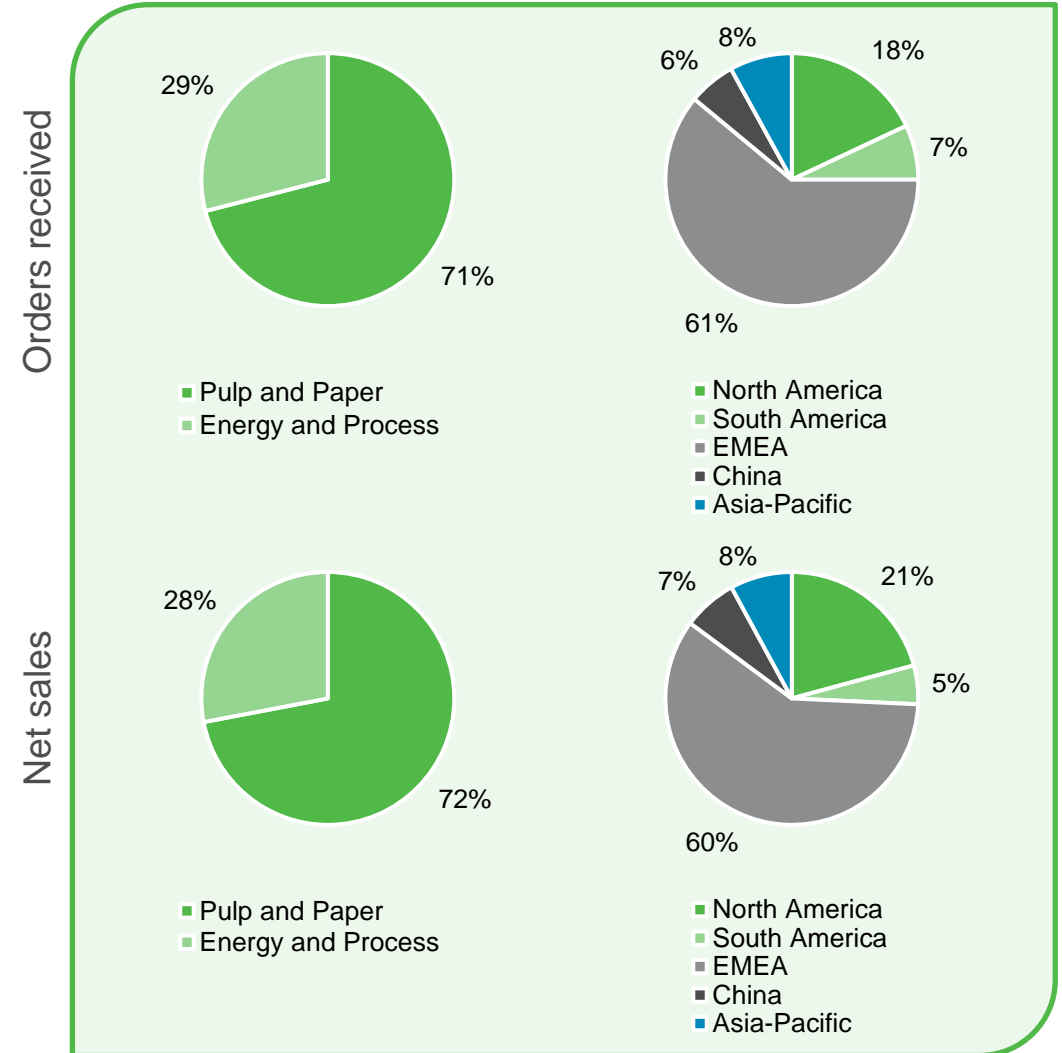


Business lines in 2020: Stable business

Services business line



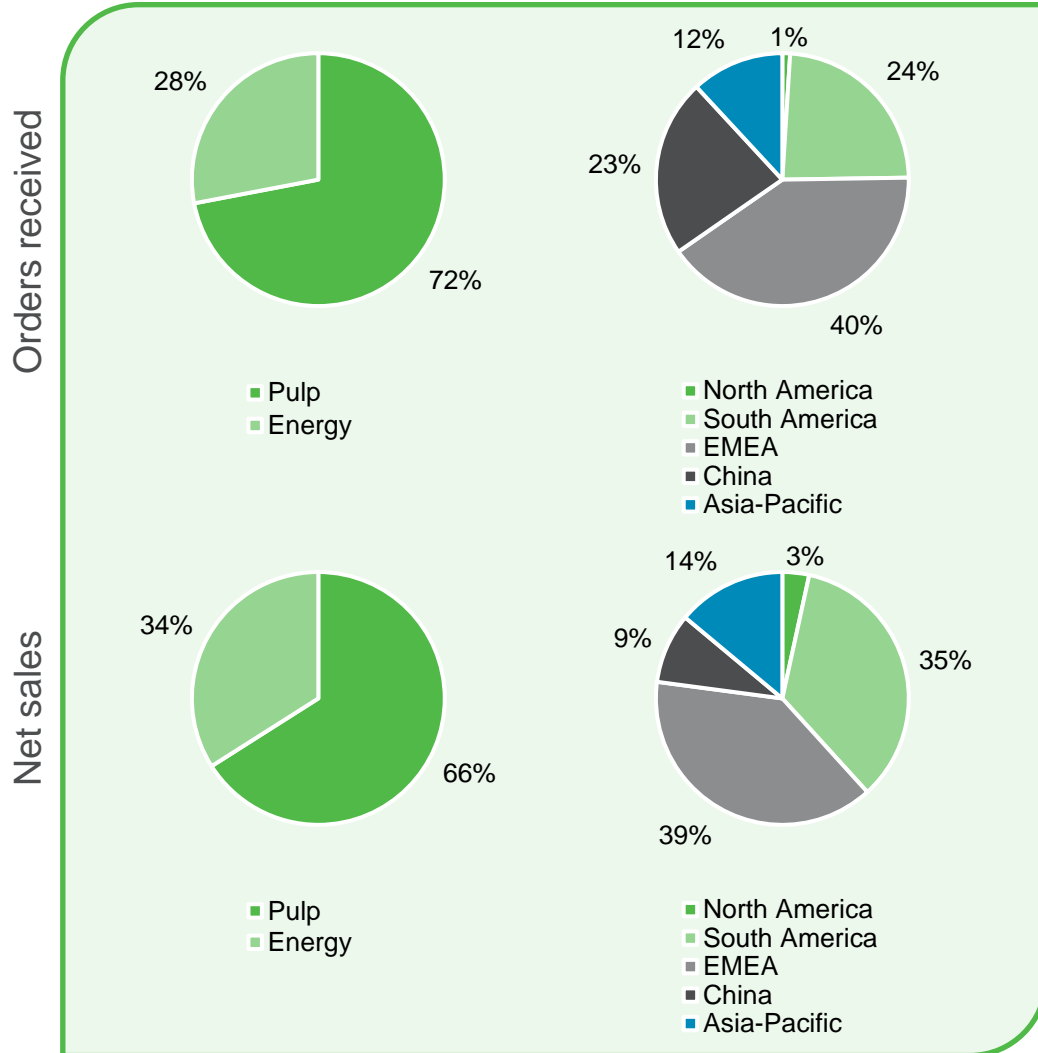
Automation business line



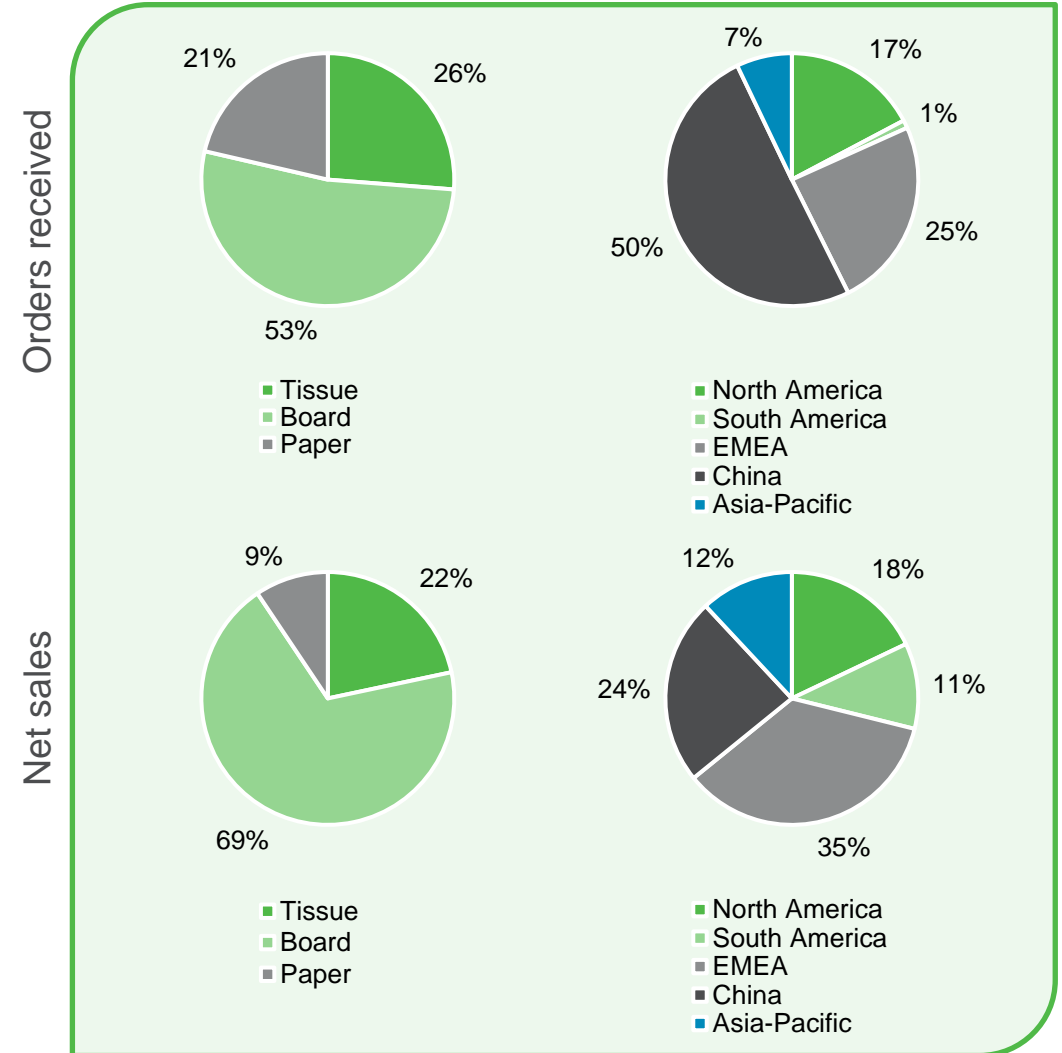
Split to Pulp and Paper / Energy and Process includes internal orders received and net sales.

Business lines in 2020: Capital business

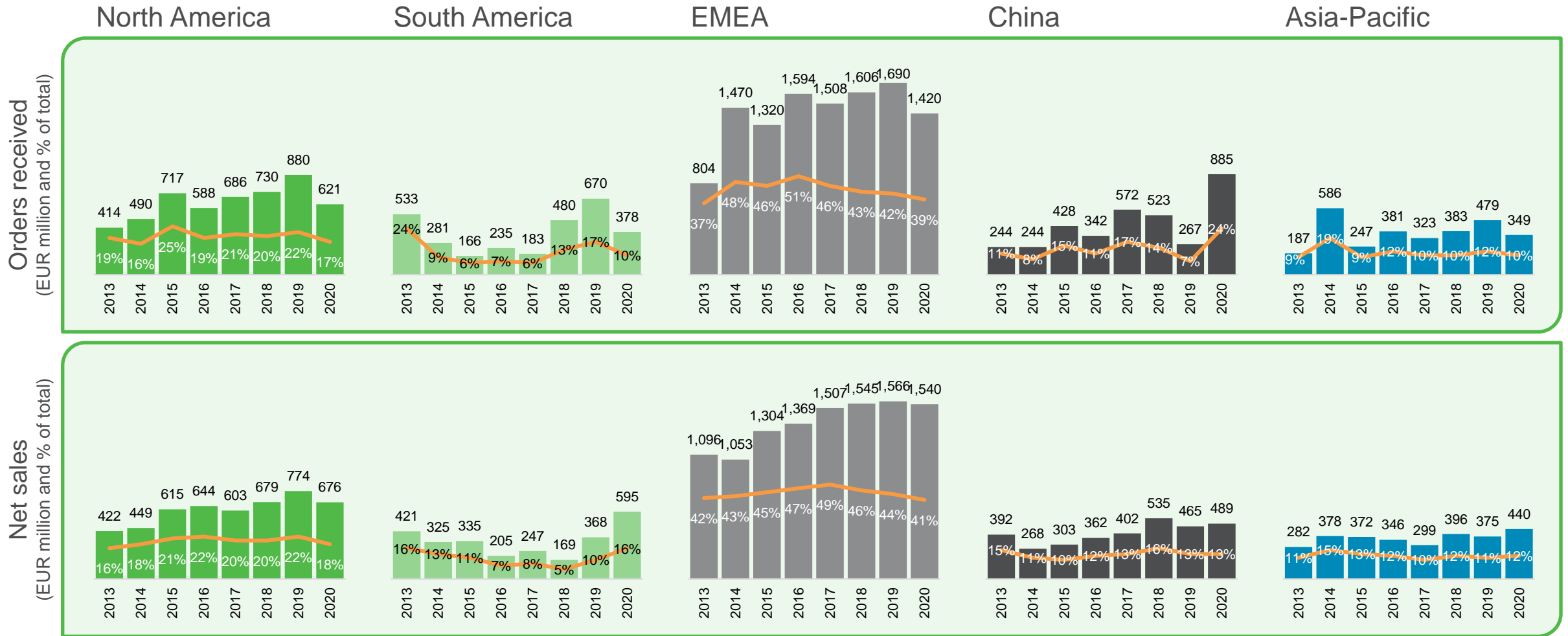
Pulp and Energy business line



Paper business line

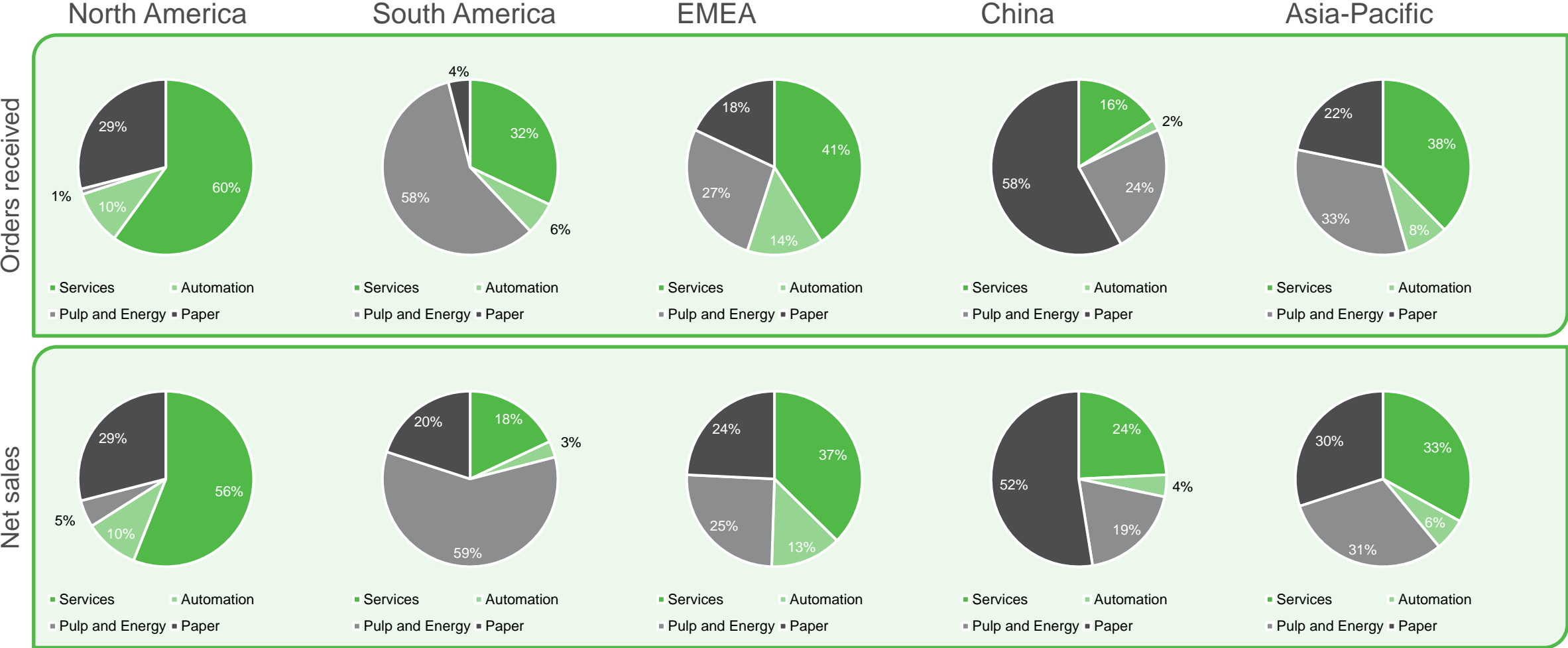


Areas: Orders received and net sales development



2013 figures on a carve-out basis. Automation business line figures included as of Q2/2015.

Areas: Business line split in 2020



Announced orders booked in H1/2021

Booked quarter	Date	Description	Business line	Country	Value
Q1	Jan 15	Extensive tissue machine rebuild	Paper	Finland	Not disclosed
Q1	Jan 29	Textile recycling plant´s main equipment	Pulp and Energy	Sweden	Around EUR 25 million
Q1	Feb 19	All main process islands and automation for a bioproduct mill	Pulp and Energy	Finland	About EUR 350-400 million
Q1	Mar 2	A coated board line and a fine paper making line	Paper	China	Not disclosed. An order of this scope typically adds up to around EUR 190–220 million
Q1	Mar 25	Tissue line	Paper	Turkey	Not disclosed
Q2	Apr 14	Evaporation plant	Pulp and Energy	Sweden	Not disclosed. A project of this size and scope is typically valued at around EUR 30 million

Announced orders booked in H2/2020

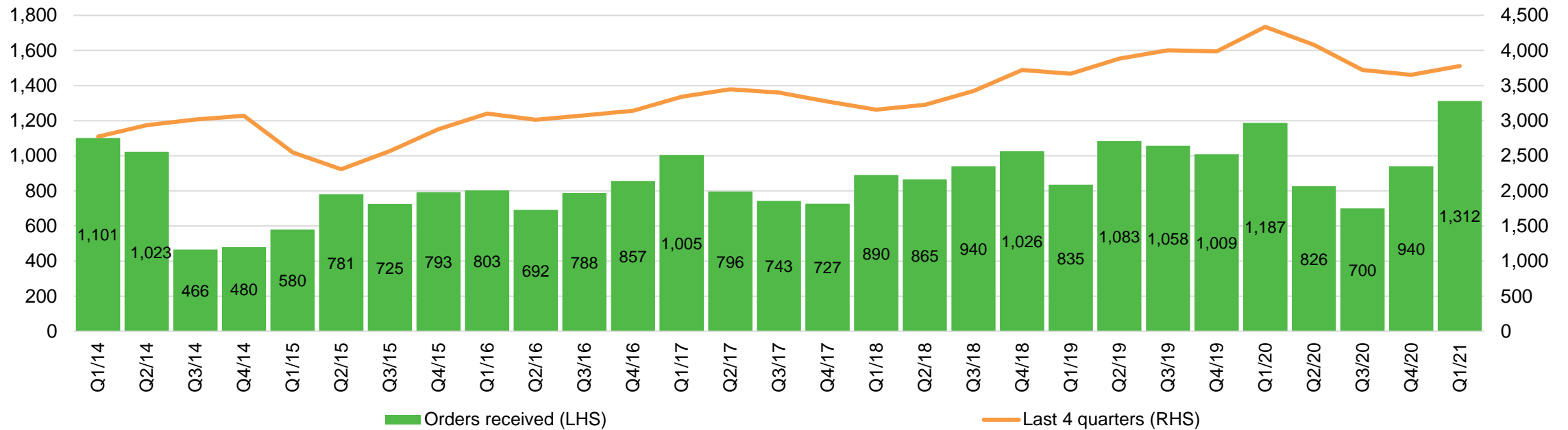
Booked quarter	Date	Description	Business line	Country	Value
Q3	Aug 27	New bleach plant and upgrade of batch cooking and fiberline	Pulp and Energy	India	Not disclosed. An order of this scope is typically around EUR 20-30 million.
Q3	Oct 14	Extensive paper machine grade conversion rebuild	Paper	Turkey	Not disclosed. An order of this scope is typically around EUR 40-50 million.
Q3	Oct 19	OptiConcept M container board making line	Paper	China	Not disclosed.
Q3	Oct 21	Tissue line	Paper	United Kingdom	Not disclosed.
Q3	Oct 22	Fine paper making line	Paper	China	Not disclosed. An order of this scope is typically around EUR 80-100 million.
Q4	Dec 14	Extensive paper machine grade conversion rebuild	Paper	United States	Not disclosed.
Q4	Dec 15	New flash drying and baling line and CTMP rebuild	Pulp and Energy	Sweden	Not disclosed. An order of this scope is typically around EUR 40-50 million.
Q4	Jan 18	OptiConcept M container board making line	Paper	China	Not disclosed.
Q4	Jan 21	Boiler plant for district heat production	Pulp and Energy	Finland	Not disclosed.
Q4	Mar 2	A line for chemi thermo mechanical pulp production	Pulp and Energy	China	Not disclosed. An order similar to the delivery scope is typically around EUR 10-20 million.
Q4	Mar 9	Key pulp technology	Pulp and Energy	China	Not disclosed. A project of this size and scope is typically valued at around EUR 100 million.

Announced orders booked in H1/2020

Booked quarter	Date	Description	Business line	Country	Value
Q1	Jan 23	Key pulp mill technology and automation (Lenzing & Duratex)	Pulp and Energy	Brazil	Not disclosed. The value of a delivery of this size and scope is typically around EUR 200-250 million.
Q1	Feb 18	Flue gas condensing plant	Pulp and Energy	Finland	Not disclosed. The value of these types of orders is approximately between EUR 20–30 million.
Q1	Feb 26	Final stage of forming section rebuild	Paper	Sweden	Not disclosed.
Q1	Feb 27	Waste-to-energy boiler	Pulp and Energy	Sweden	Typically above EUR 10 million.
Q1	Mar 16	Coated board making line	Paper	China	Not disclosed. The value of an order of this type and scope is typically around EUR 150-200 million.
Q1	Mar 24	Key containerboard machine technologies	Paper	India	Not disclosed. The value of a project of this type and scope is typically around EUR 12-15 million.
	Mar 25	Mill Maintenance Outsourcing agreement	Services	Australia	Not disclosed.
Q1	Mar 26	Hard nip sizer	Paper	Rep. of Korea	Not disclosed. The total value of an order of this type is typically around EUR 5-10 million.
Q1,Q2	Apr 27	Fine paper making line with an extensive scope and a recovery boiler	Paper (Q2), Pulp and Energy (Q1)	China	Not disclosed. The total value of orders of this type and scope is typically around EUR 130-150 million.
Q1	May 7	Tissue line including an extensive automation package	Paper	Turkey	Not disclosed.
Q1	May 12	Ash treatment system	Pulp and Energy	Brazil	Not disclosed. The total value of an order of this type is typically around EUR 10-15 million.
Q1	Jun 8	Complete steam boiler plant	Pulp and Energy	Austria	The value of the order is approximately EUR 40 million.
Q2	Apr 16	Reel and winding technology	Paper	Finland	Not disclosed. The total value of an order of this type is typically around EUR 10-20 million.
Q2	Apr 24	Biomass-fired boiler plant	Pulp and Energy	Finland	The value of the order is approximately EUR 70 million.
Q2	Apr 29	Converting boiler plant into biomass combustion	Pulp and Energy	Poland	The value of the order is approximately EUR 20 million.
Q2	Jun 10	Cooking and fiberline	Pulp and Energy	China	Not disclosed.
Q2	Jun 25	Off-machine coater	Paper	Brazil	Not disclosed. The value of an order of this type is typically around EUR 25-35 million.
Q2	Jun 29	Hot water plant	Pulp and Energy	Sweden	The value of an order of this size and delivery scope is typically above EUR 40 million.
Q2	Jul 9	Pulp production upgrade technology	Pulp and Energy	Indonesia	Not disclosed. An order with this scope of supply is usually in the range of EUR 10-12 million.
Q2	Jul 20	Bleached chemi thermo mechanical pulp line	Pulp and Energy	China	Not disclosed.
Q2	Jul 22	Tissue line	Paper	Russia	Not disclosed.

Orders received increased to EUR 1,312 million in Q1/2021

Orders received (EUR million)

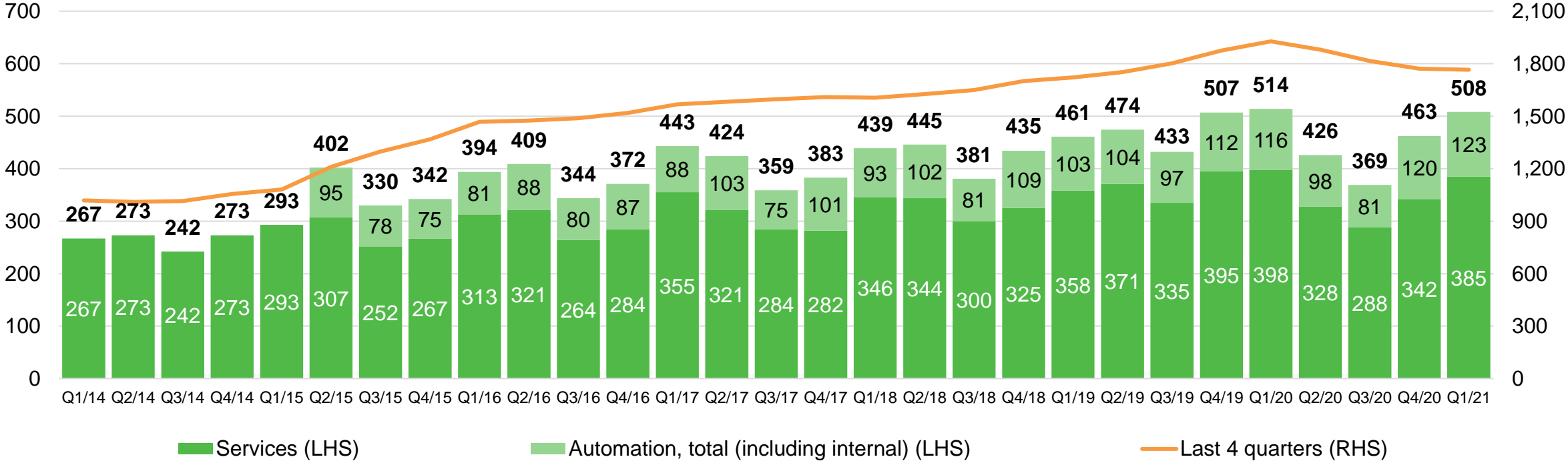


- In stable business¹, orders received remained at the previous year's level at EUR 508 million in Q1/2021
- In capital business, orders received increased to EUR 825 million in Q1/2021
- Orders received increased in developed markets and decreased in emerging markets during Q1/2021
 - South America, China and Asia-Pacific together accounted for 32% of orders received

1) Including internal orders received for the Automation business line.

Stable business orders received totaled EUR 1,765 million during the last four quarters

Orders received (EUR million) in stable business¹



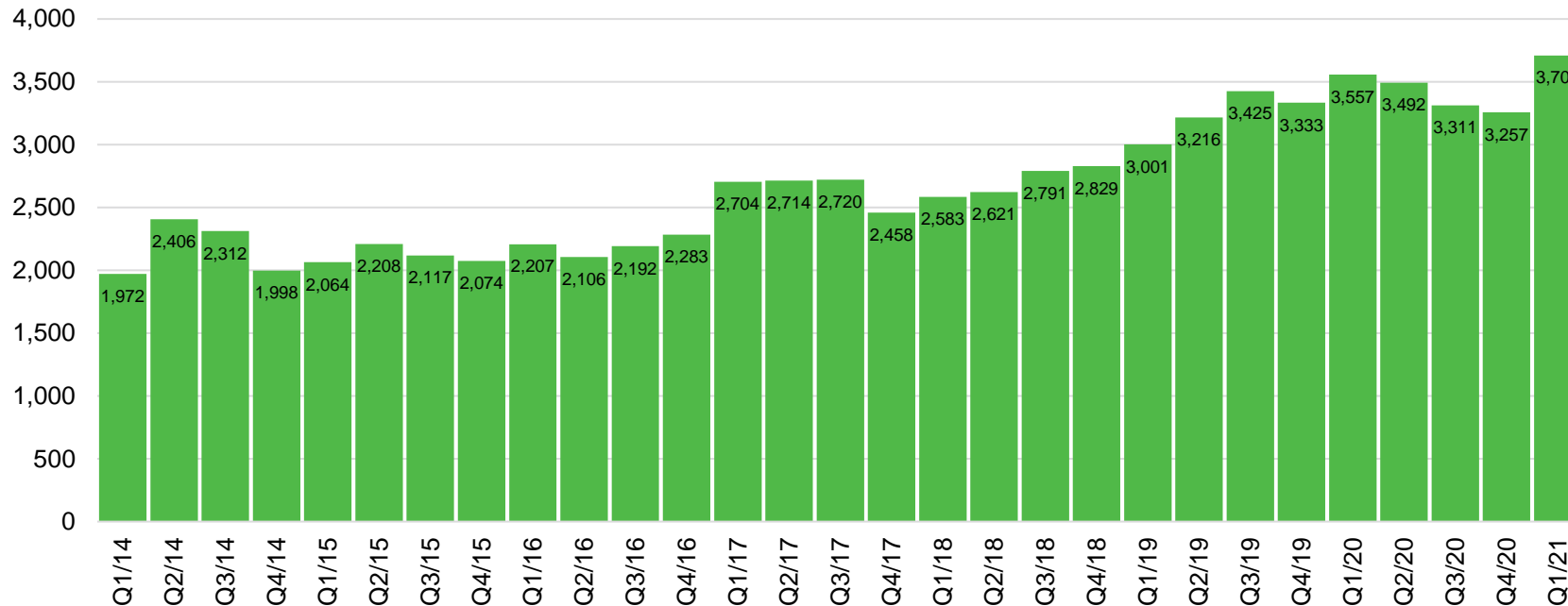
- Total orders received in stable business were EUR 7 million lower compared with Q1/2020

1) Including internal orders received for the Automation business line.

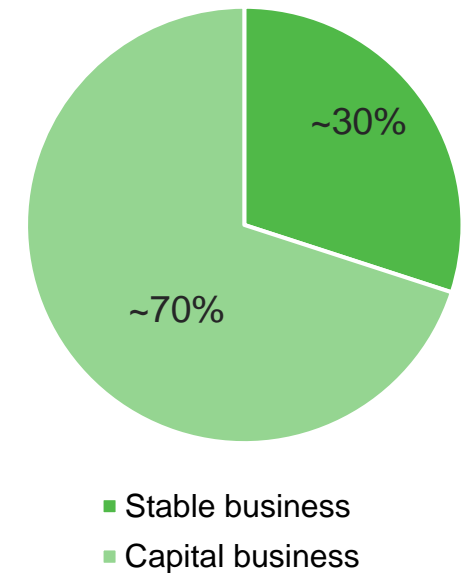


Order backlog EUR 3,709 million at the end of Q1/2021

Order backlog (EUR million)



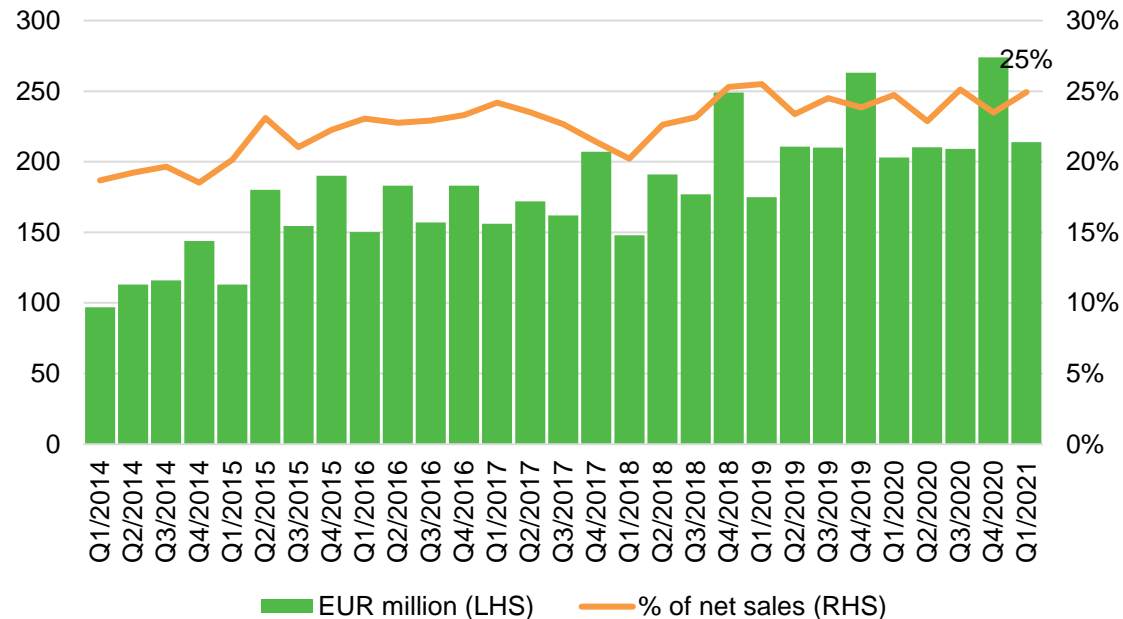
Structure of order backlog



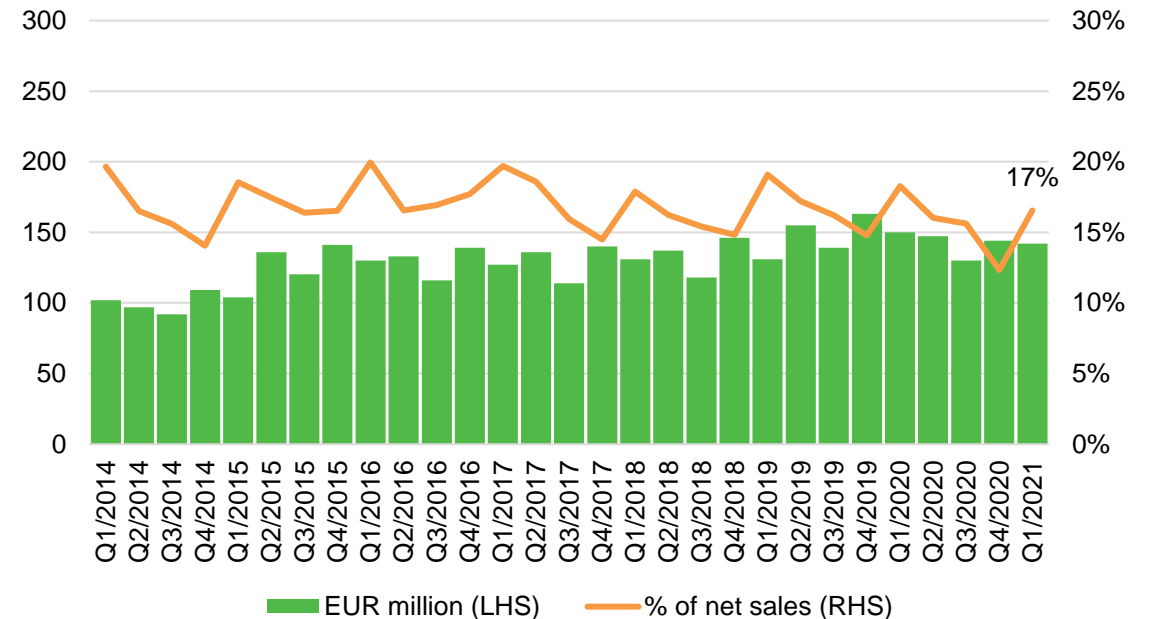
- Order backlog was EUR 452 million higher than at the end of Q4/2020
- Approximately 65% of the order backlog is currently expected to be realized as net sales during 2021 (at the end of Q1/2020, ~60% during 2020)
- Approximately 30% of the order backlog relates to stable business (~30% at the end of Q1/2020)

Gross profit and SG&A development

Gross profit (EUR million and % of net sales)



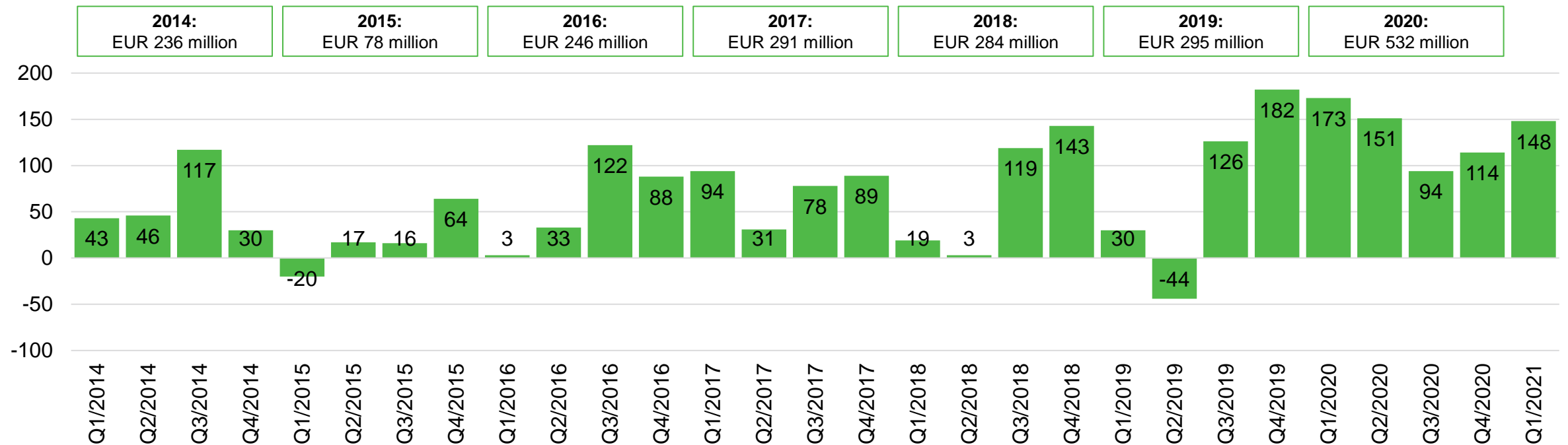
SG&A (EUR million and % of net sales)



- Gross profit was 25% of net sales (25% in Q1/2020)
 - Stable business represented 40% of net sales (44% in Q1/2020)
- Selling, general & administrative (SG&A) expenses decreased 5%
 - SG&A was 17% of net sales (18% in Q1/2020)

Cash flow provided by operating activities and CAPEX

Cash flow provided by operating activities (EUR million)



- Change in net working capital¹ EUR 104 million in Q1/2021
- Cash flow provided by operating activities EUR 148 million in Q1/2021
- CAPEX² EUR 24 million in Q1/2021

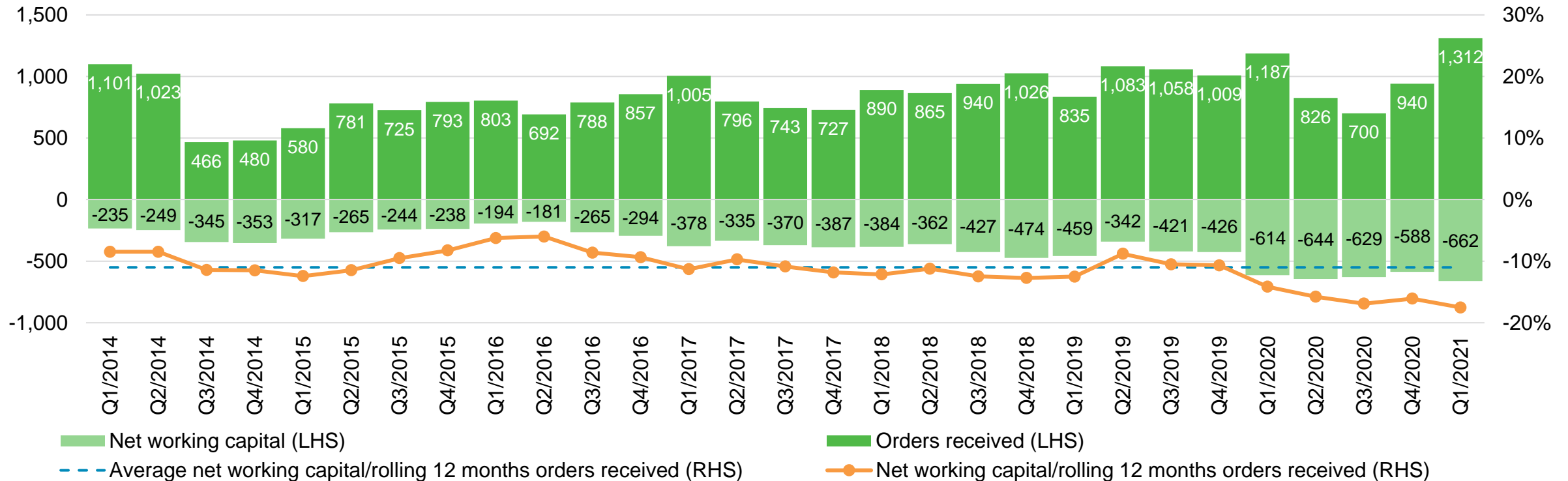
Valmet implemented IFRS 16 – Leases as of January 1, 2019 by applying the simplified transition method and therefore 2018 figures are not restated.

1) Change in net working capital in the consolidated statement of cash flows.

2) Excluding leased assets.

Net working capital at -18% of rolling 12 months orders received

Net working capital¹ and orders received (EUR million)

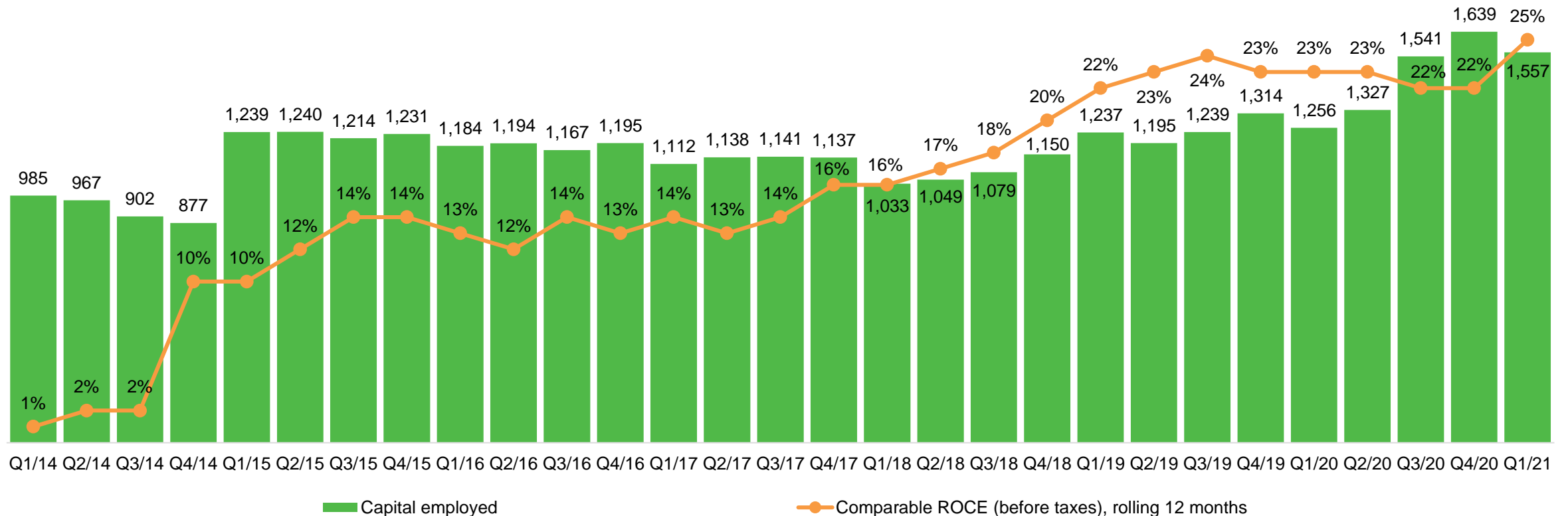


- Net working capital EUR -662 million, which equals -18% of rolling 12 months orders received

1) Net working capital excluding non-cash net working capital impact from dividend liability.

Capital employed and Comparable ROCE

Capital employed (EUR million) and Comparable return on capital employed (ROCE), before taxes¹ (%)



Valmet implemented IFRS 16 – Leases as of January 1, 2019 by applying the simplified transition method, and IFRS 15 – Revenue from Contracts with Customers as of January 1, 2018 by applying full retrospective method. Thus, figures presented are not fully comparable.

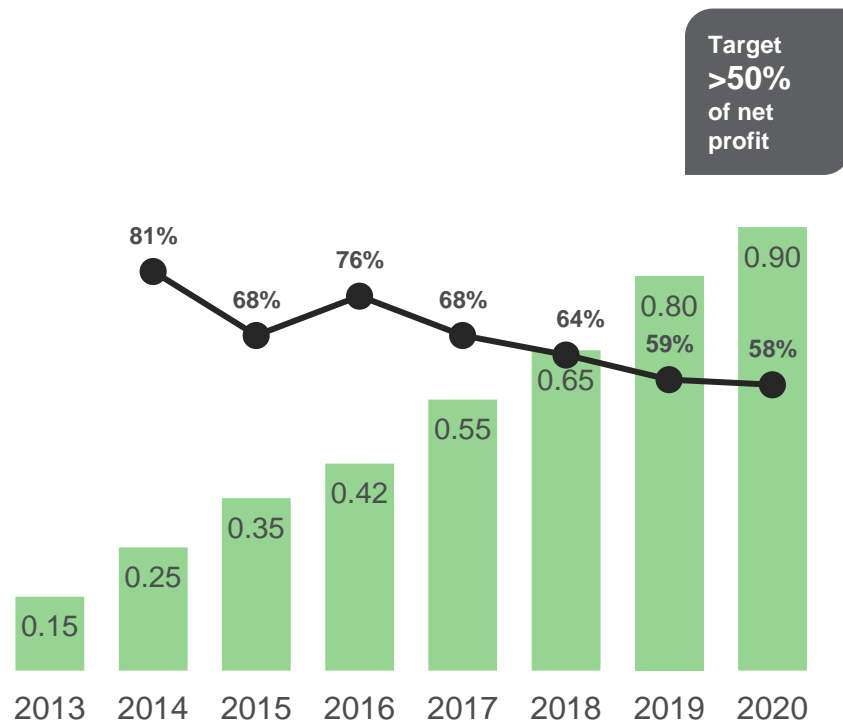
1) Rolling 12 months. Carve-out figures for 2013 have been used in the calculation of Q1–Q3/2014 figures.

Dividend and balance sheet

Dividend payout at least 50% of net profit

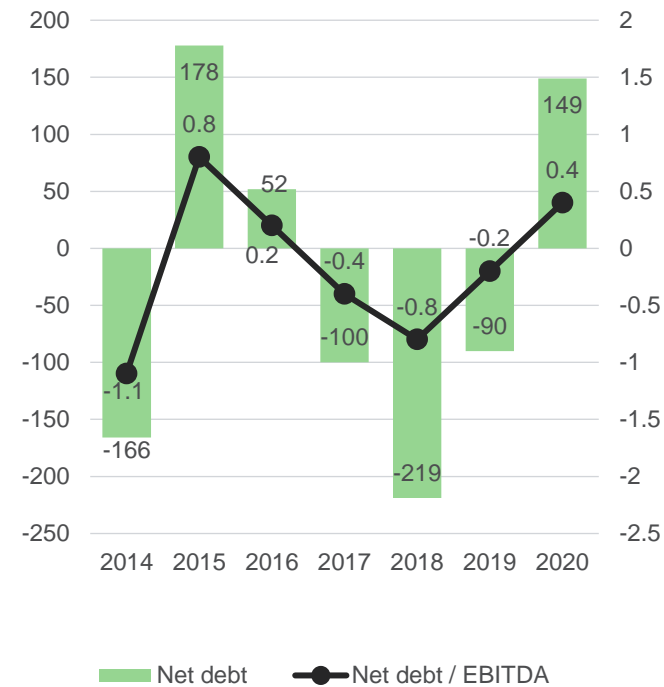
Track record

Dividend per share (EUR) and payout ratio (%)

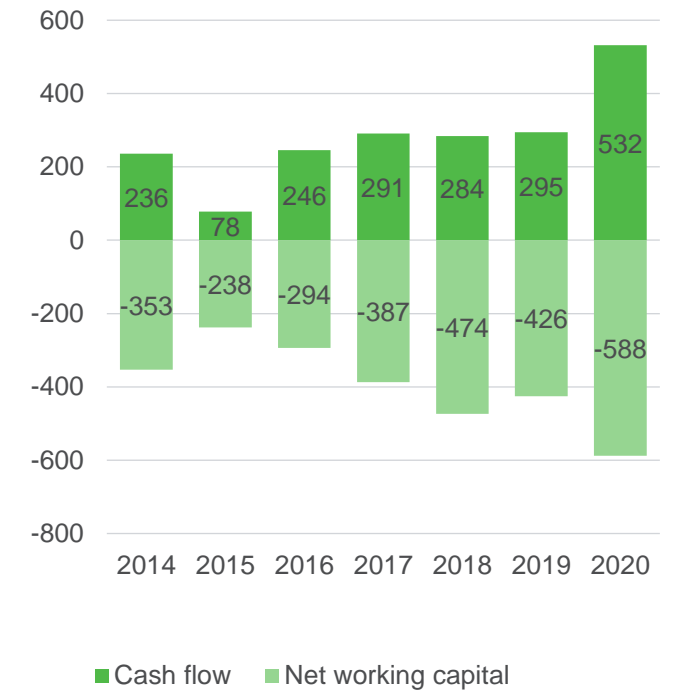


Balance sheet and cash flow

Net debt (EUR million)
Net debt / EBITDA ratio

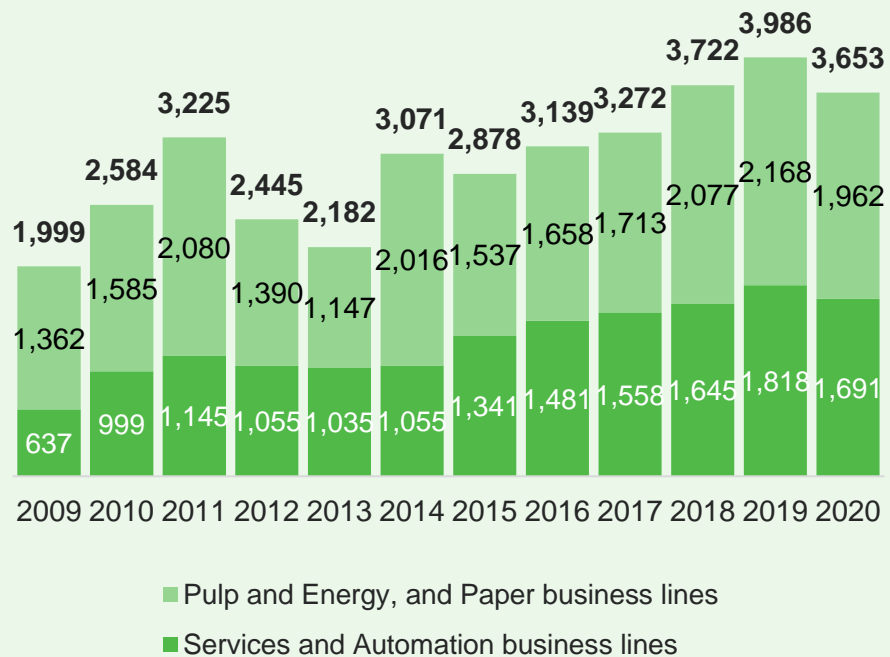


Cash flow provided by operating activities
Net working capital

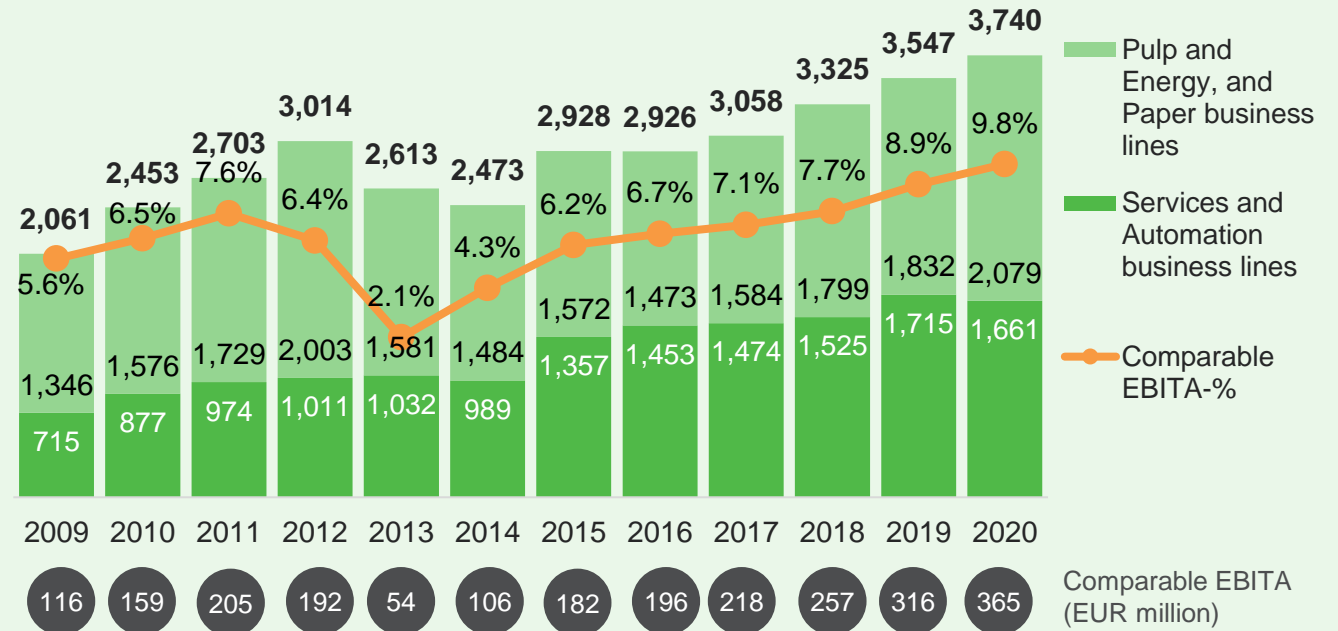


Orders received and profitability development, annual

Orders received (EUR million)¹



Net sales and Comparable EBITA (EUR million)¹



1) Carve-out figures for 2010-2013; as reported for Metso's Pulp, Paper and Power segment for 2006-2009. Automation has been consolidated into Valmet's financials since April 1, 2015, when the acquisition of Automation was completed.



Appendix

Growth and profitability improvement

Recent development at Valmet



Customer

Valmet acquired PMP Group

Valmet's way to serve concept launched for globally-unified services approach

Stronger utilization of Valmet's local presence in areas in sales and projects



Technology

Collaboration project with Metsä Spring to produce fossil free 3D fiber products

Valmet DNA User Interface received well: dozens of projects sold and delivered with new technology

Wider utilization of Industrial Internet applications and remote connections



Process

Good development in project management

Capacity cost reductions

Remote commissioning and start-up of new tissue and board machine installations

ERP renewal proceeding

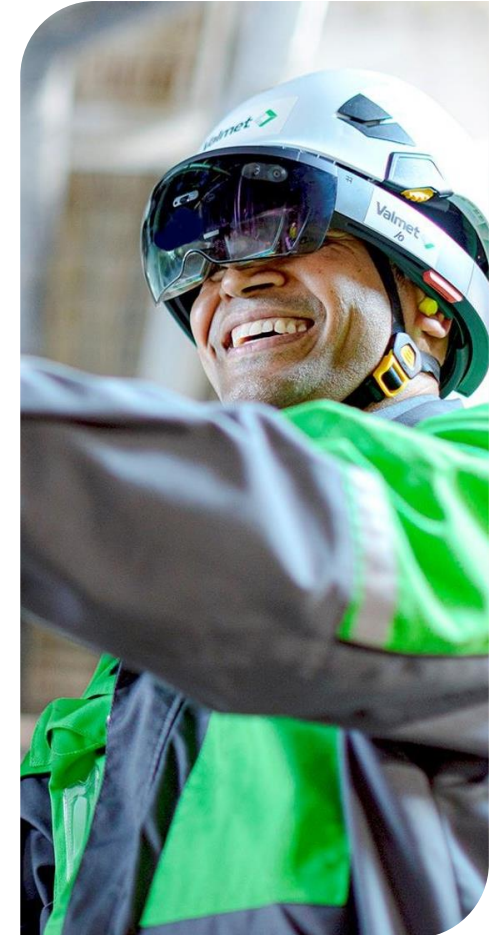


People

Staying safe, operational and efficient during challenging times in 2020

Record-low LTIF for own employees (1.5) reached in 2020 and in Q1/2021

Several internal training programs established and continuing



Actions to keep growing faster than the market

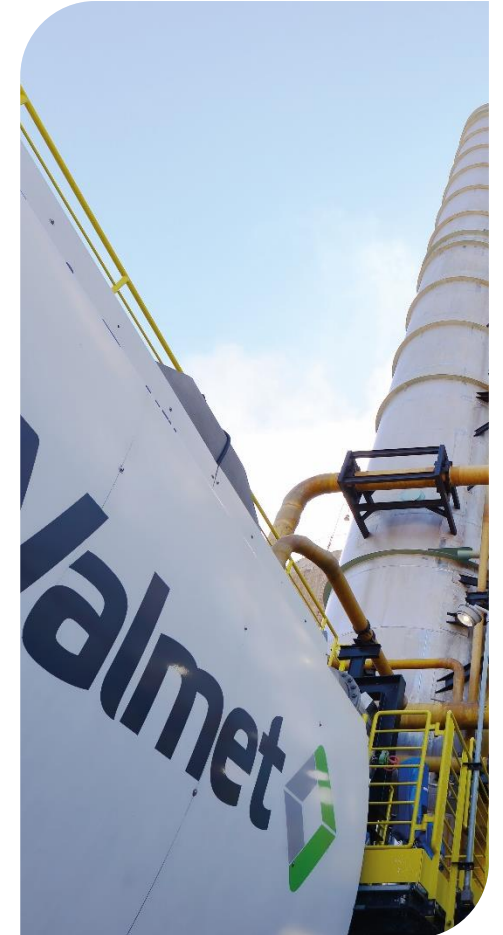
Net sales growth

Stable business

- Win new customers and increase share of wallet with existing customers
- Grow service sales and multi-year service agreements with project sales
- Add customer value with on-site and remote services
- Continue to develop Field services as a differentiator
- Competitor replacements in Automation
- Grow through new industries in Automation
- Leverage the new Valmet DNA User Interface to win new business in Automation

Capital business

- Benefit from strong favorable megatrends in Board, Tissue, Pulp and Energy
- Continue to bring advanced technology to the market
- Leverage strong R&D for new product innovations
- Continued focus on product cost competitiveness
- Create customer value with digitalization and Industrial Internet



Actions to reach Comparable EBITA target of 10–12%

Comparable EBITA: 10–12%

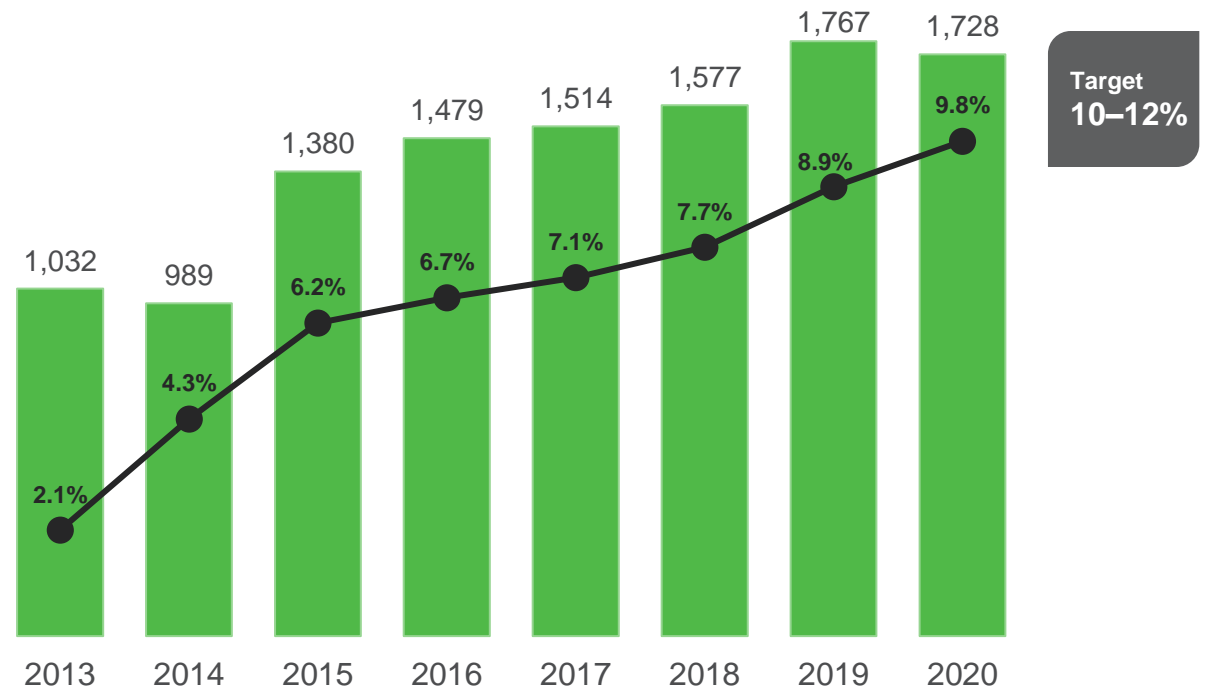
Actions to reach Comparable EBITA target:

- Grow the stable business
- Focus on improving project management and execution
- Positive margin deviation in capital projects
- Continue to identify savings opportunities in procurement through design-to-cost and supplier relationship management
- Increase flexibility in operations through global footprint development
- R&D and new product launches
- Internal efficiencies through digitalization
- ERP project (from 2023 onwards)

Track record

Stable business net sales (EUR million)

Comparable EBITA margin (%)



Actions to maintain ROCE at target level

Comparable return on capital employed (pre-tax): >20%

Main drivers for ROCE:

- Improvement in Comparable EBITA is the biggest driver for ROCE
- Capital employed has increased due to acquisitions

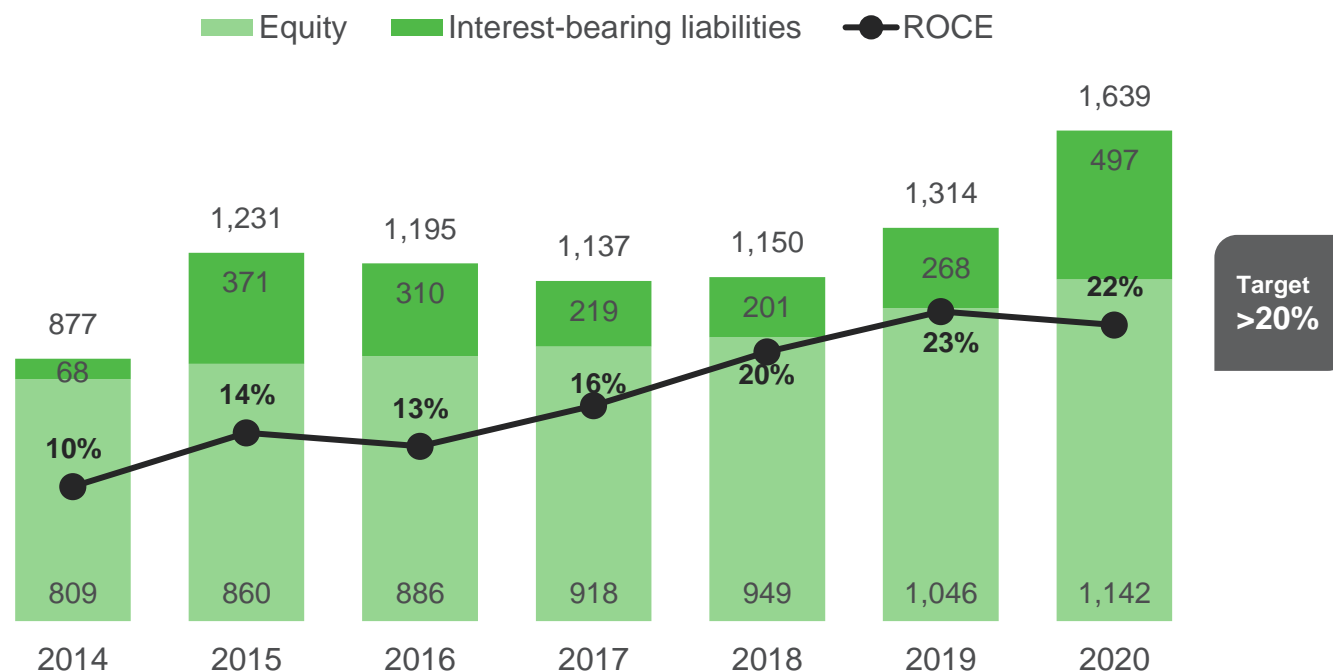
ROCE at target level in 2020

- Valmet's ROCE of 22% is clearly higher than 2020 peer average of 11%
- Strong balance sheet needed for big projects and swings in market activity

Track record

Capital employed (EUR million)

Comparable ROCE (% , before taxes)



Systematically building the future

Continuous renewal and improvement of operational capability

ERP renewal

- ERP renewal was started in 2016 and will be completed in 2023
- Project proceeding well
- Benefits are based on digitalization, process efficiency and IT platform simplification
- Enabler for several other platform renewals
- Savings expected from 2023 onwards

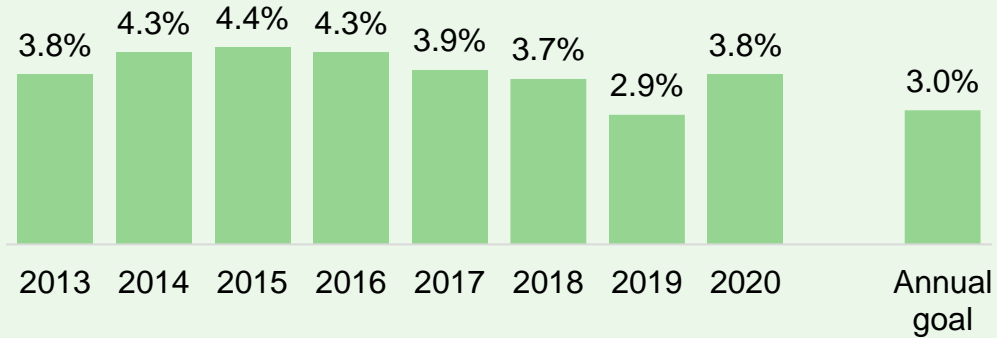
Operational development

- Procurement transformation towards world-class performance continues
- Adding focus on global processes to decrease quality costs
- IT continues modernizing the core platforms to drive business transformation and to accelerate digitalization
- Continue the work on project management culture and effective processes & practices
- New project portfolio management tool for R&D implemented Valmet wide



Procurement and quality cost development

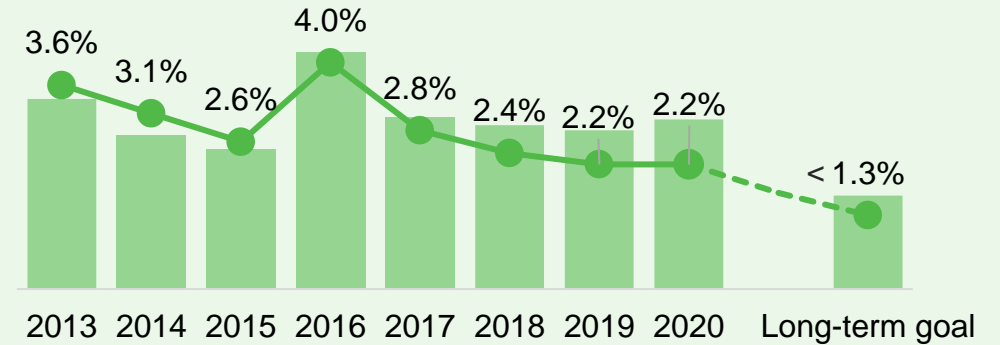
Implemented procurement savings of annual direct spend



Targeting >3% of procurement savings annually

- Increasing design-to-cost (DTC) to create new sources for savings
- More supplier involvement through supplier relationship management
- Continuing sustainable supply chain implementation

Quality costs (% of net sales)



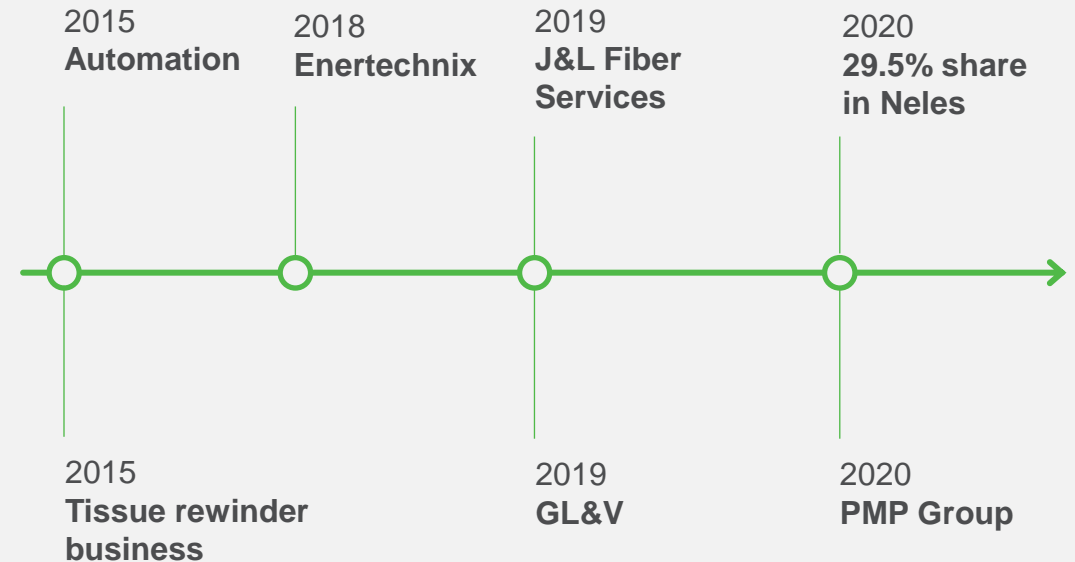
Long-term quality costs goal <1.3% of net sales

- Adding focus on global processes and Global Management System
- Focused quality development projects related to supplier quality, quality assurance and quality control, continuous improvement, audit and risk management

Acquisitions

- Valmet's acquisition strategy is to make selective acquisitions with a clear industrial logic to support organic growth
 - Focus on strengthening services and automation and expanding business in the pulp, paper and energy value chain
- Approximately 50 cases evaluated annually
- Seven acquisitions made since becoming independent company in 2014
- Total investment in acquisitions about EUR 1 billion

Track record of successful acquisitions



Valmet strengthened its business by acquiring PMP Group

Focus on small and medium-sized tissue machines and board and paper machine rebuilds

- PMP Group supplies process technologies and services for tissue, board and paper machines globally
 - New tissue machines
 - Rebuilds and machine sections for paper and board machines
 - Spare parts and services
- Focus on small and medium-sized tissue machines and board and paper machine rebuilds
- The acquisition complements Valmet's offering and builds further our local presence especially in Central Europe and China
 - Widens Valmet's portfolio to small and medium-sized tissue machines
 - Access to new customer and product segments
- Operations in four countries: Poland, China, USA and Italy
- The acquisition was announced on September 11, 2020 and was completed on October 1, 2020

Key information about the acquisition

Net sales in 2019	EUR ~70 million
Number of employees	~650
Value of acquisition	EUR ~64 million ¹

1) plus a conditional and capped earn-out component

Operations in Poland, China, USA and Italy



Valmet strengthened its stable business through acquisitions

Valmet completed the acquisitions of GL&V and J&L Fiber Services in Q2/2019

- **GL&V** is a supplier of technologies, upgrade and process optimization services, rebuilds and spare parts for the pulp and paper industry globally
 - Focus in chemical pulping, stock preparation, papermaking and finishing
 - Key locations in the US and Canada, operations also in Europe, India and South America
- Majority of the business is reported in the Services business line

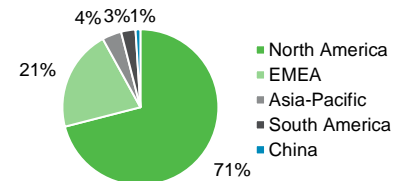
- **J&L Fiber Services** is a manufacturer and provider of refiner segments to the pulp, paper and fiberboard industry
 - Most of the employees are located in Wisconsin, U.S, with global operations through a sales representative and distribution network.
- The acquired business became a part of Valmet's Services business line

Key information

Net sales in 2018	EUR ~160 million
EBITA margin in 2018	~11%
Number of employees	~630
Value of acquisition ¹	EUR ~113 million

¹) Value on a cash and debt free basis subject to ordinary post-closing adjustments

Approximate split of net sales

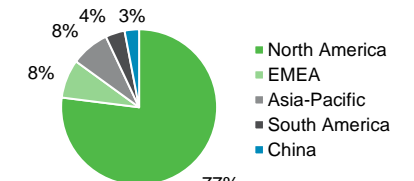


Key information

Net sales in 2018	EUR ~30 million
EBITA margin in 2018	~15%
Number of employees	~100
Value of acquisition ¹	EUR ~51 million

¹) Value on a cash and debt free basis subject to ordinary post-closing adjustments

Approximate split of net sales




Valmet's 29.5% ownership in Neles

- Valmet acquired 29.5% of Neles in 2020
- Valmet's goal is to have an active long-term role in the development of Neles
- In the long term, combination of Valmet and Neles would create a Nordic based global leader with a unique offering for process industries

Valmet and Neles together

- Stronger margin profile and globally balanced operations
- Increased share of high-margin and growing stable business including services, automation systems and valves
- A platform for further growth in automation business
- Tangible revenue, technology development and cost synergy potential





Appendix
**Shareholders and share price
development**

Largest shareholders on March 31, 2021

Based on indicative data collected by Modular Finance

#	Shareholder name	Number of shares	% of shares and votes
1	Solidium Oy	16,695,287	11.1%
2	Handelsbanken Funds	5,328,750	3.6%
3	Ilmarinen Mutual Pension Insurance Company	4,275,000	2.9%
4	Norges Bank	3,913,666	2.6%
5	Vanguard	3,370,904	2.3%
6	BlackRock	3,102,067	2.1%
7	Elo Mutual Pension Insurance Company	2,673,044	1.8%
8	Swedbank Robur Funds	2,598,497	1.7%
9	OP Funds	2,565,340	1.7%
10	Oddo BHF Asset Management	2,565,012	1.7%
	10 largest shareholders, total	47,087,567	31.4%
	Other shareholders	102,777,052	68.6%
	Total	149,864,619	100.0%

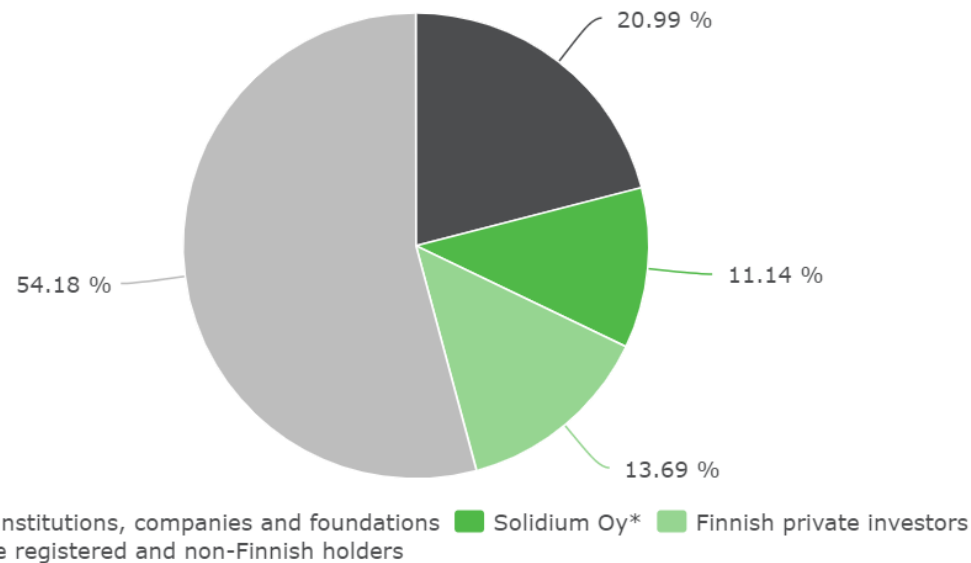
Five latest flagging notifications

Date of transaction	Shareholder	Number of shares	% of shares and votes
Aug 9, 2019	The Goldman Sachs Group, Inc.	7,523,217	5.02%
Aug 12, 2019	The Goldman Sachs Group, Inc	7,275,810	4.85%
Aug 28, 2019	BlackRock, Inc.	Below 5%	Below 5%
Aug 29, 2019	BlackRock, Inc.	7,740,836	5.16%
Aug 30, 2019	BlackRock, Inc.	Below 5%	Below 5%



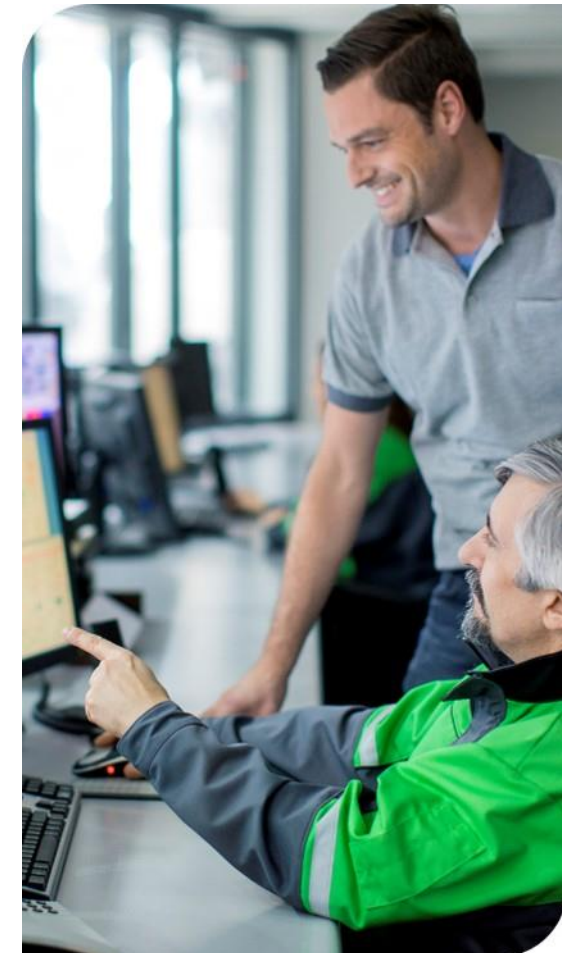
Shareholder structure on March 31, 2021

Based on Euroclear data. The classification of sectors determined by Statistics Finland.

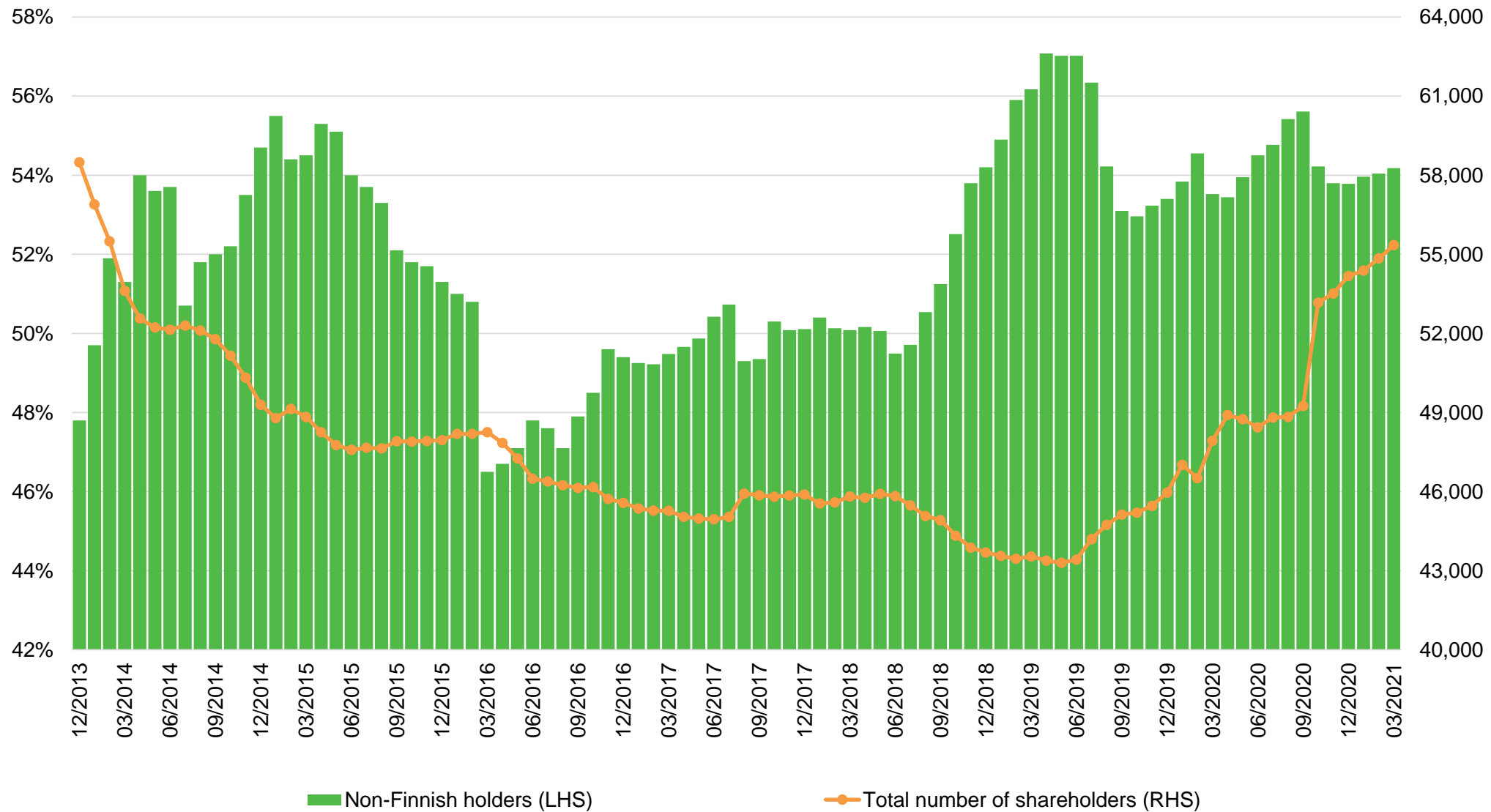


Sector	Number of shareholders	% of total shareholders	Number of shares	% of shares
Nominee registered and non-Finnish holders	352	0.64	81,188,912	54.17
Finnish institutions, companies and foundations	2,749	4.97	31,456,970	20.99
Solidium Oy*	0	0.00	16,695,287	11.14
Finnish private investors	52,248	94.40	20,515,470	13.69
On issuer account	0	0.00	7,980	0.01
Total	55,349	100.00	149,864,619	100.00

* Solidium is a holding company that is wholly owned by the Finnish State



Share of non-Finnish holders and number of shareholders



Valmet's total shareholder return

Development since January 2, 2014:

- Valmet's total shareholder return has been 380%
- Share price has increased by 318%
- Cumulative dividend payout EUR 610 million, including year 2020
- Total shareholder value creation of EUR 3.8 billion





Appendix
Strategy and offering

Valmet's way forward

Our Mission

Converting renewable resources into sustainable results

Our Strategy

Valmet develops and supplies competitive process technology, services and automation to the pulp, paper and energy industries.

We are committed to moving our customers' performance forward with our unique offering and way to serve.

Our Must-Wins

- Customer excellence
- Leader in technology and innovation
- Excellence in processes
- Winning team

Growth accelerators

- Field services
- Industrial Internet and digitalization

Our Vision

To become the global champion in serving our customers

Our Values



Customers

We move our customers' performance forward



Renewal

We promote new ideas to create the future



Excellence

We improve every day to deliver results



People

We work together to make a difference

Megatrends

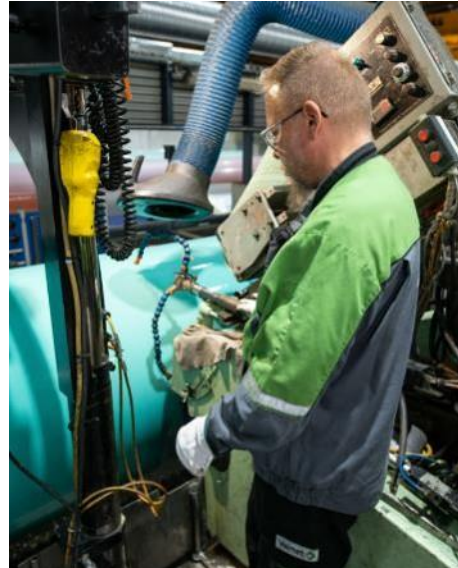
- Resource efficient and clean world
- Digitalization and new technologies
- Urban, responsible and global consumer

Services business units



Performance Parts

Spare parts and consumables



Rolls and Workshop Services

Rolls, roll covers and maintenance, workshop services



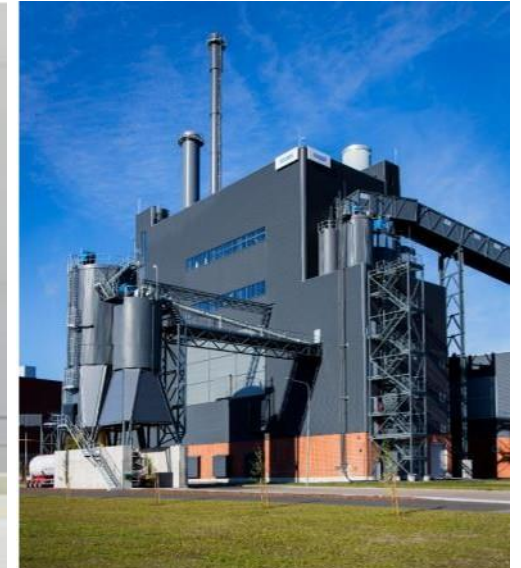
Fabrics

Paper machine clothing and filter fabrics



Board, Paper and Tissue Solutions

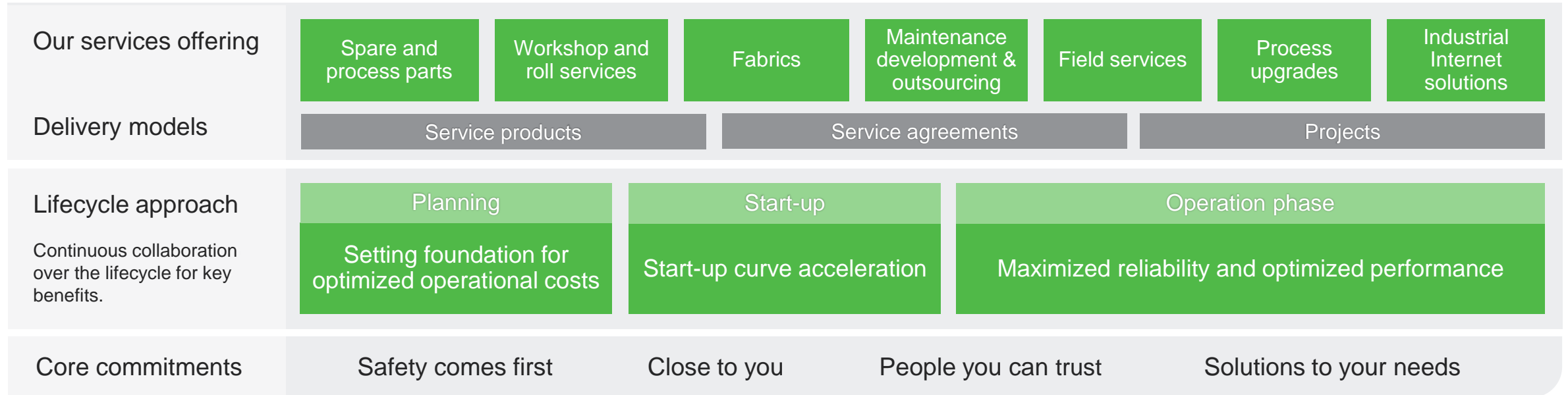
Improvement Projects, Field Services, Life Cycle Agreements, Outsourcing



Pulp and Energy Solutions

Improvement Projects, Field Services, Life Cycle Agreements, Outsourcing

Our way to serve - Right combination of services for every stage in the lifecycle



Automation business line offering

Delivered as products and technology, projects and service agreements



- Highly integrated automation system for process control and condition monitoring.



- Quality control system, quality management applications.



- For measuring and optimizing different variables in industrial processes.

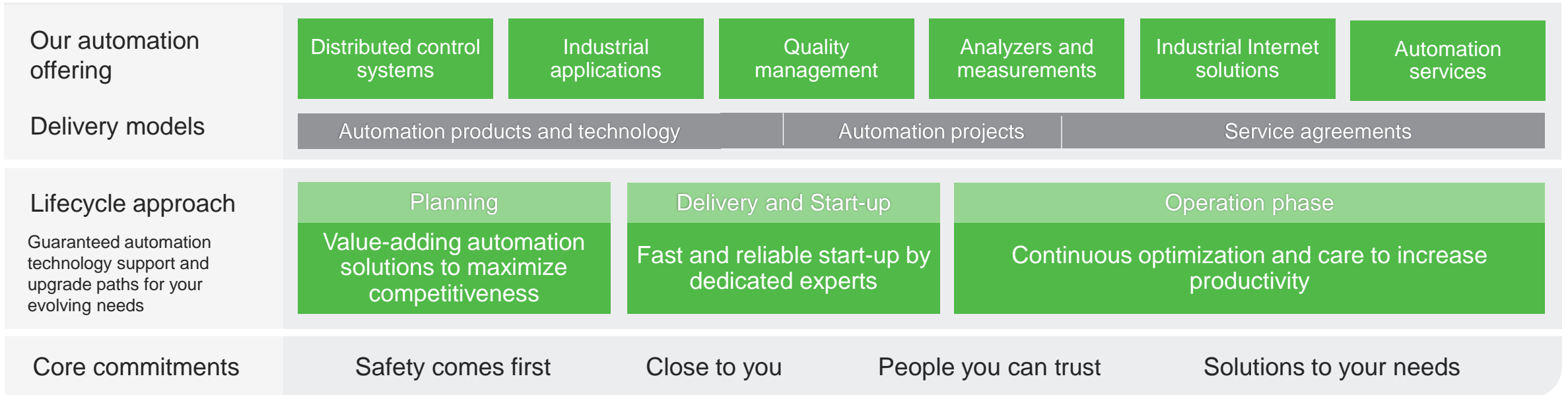


- Advanced controls and data-driven applications for assisted decision making and mill-wide optimization.
- Remote expert support from Valmet Performance Center.
- Valmet Customer portal for relevant information and collaboration.



- Services for high availability, intelligent maintenance, process performance and risk control.

Future-proof automation solutions and services



Automation business line offering and market overview


Advanced automation and process monitoring solutions and services:

- Distributed Control System (DCS) – Valmet DNA
- Performance solutions
- Quality Control System (QCS)
- Profilers
- Analyzers and measurements
- Industrial internet solutions
- Automation services
- Process simulators
- Safety systems and solutions

Over 4,500 automation systems and over 40,000 analyzers and measurements delivered

Distributed Control System (DCS)  #3

Quality Management System  #1-2

Analyzers and measurements  #1

Scope/product	Market size	Main competitors
<ul style="list-style-type: none"> • DCS for process and plant controls • Condition monitoring • Information management • APC (advanced process control) • Industrial Internet applications 	Pulp and paper DCS market: <ul style="list-style-type: none"> • EUR 900 million Power DCS market: <ul style="list-style-type: none"> • EUR 700 million 	<ul style="list-style-type: none"> • ABB • Honeywell • Emerson • Siemens • Yokogawa
<ul style="list-style-type: none"> • QCS (Quality Control Systems) • Profilers • Web inspection and web break analysis systems 	Estimated market size: <ul style="list-style-type: none"> • >EUR 200 million 	<ul style="list-style-type: none"> • ABB • Honeywell • Voith • Paperchine • Procemex • Cognex • Isra Vision
<ul style="list-style-type: none"> • Paper analyzers • Pulp analyzers • Pulp consistency measurements • Conductivity measurements • Power analyzers 	Estimated market size: <ul style="list-style-type: none"> • <EUR 200 million 	<ul style="list-style-type: none"> • ABB • BTG



Pulp and Energy business line offering

Leading global technology supplier



Pulp

- Chemical pulp mill
 - Woodhandling
 - Cooking and fiberline
 - Pulp drying and baling
 - Chemical recovery
- Mechanical pulping
- Fiberboard defibrator systems
- Industrial Internet and remote support

Biomass conversion

- Pretreatment for bioethanol production
- Black pellets
- Lignin extraction



Energy

Technology for biomass and municipal and industrial residual waste

- Fluidized bed boilers
- Modular power plants
- Gasification
- Pyrolysis process
- Industrial Internet and remote support

Emission control

- Power plant flue gas cleaning
- Flue gas heat recovery
- NOx control
- Marine scrubbers

Paper business line offering



- **Stock preparation lines**

- Recycled fiber lines
- Stock preparation systems
- Approach flow systems
- Broke collection and handling

- **Rebuilds**

- Modernization and upgrades for performance improvements

- **Stand-alone products**

- E.g., refiners, screens, pulpers

- **Board and paper production lines**

- Technologies for all board and paper grades
- Technologies for all size of machinery
- Tailor-made board and paper machines
- Modularized board and paper machines

- **Rebuilds**

- Modernizations and grade conversions

- **Stand-alone products**

- E.g., headboxes, sizers, winders

- **Tissue production lines**

- Technologies for all tissue grades and products
- Technologies for all size of machinery
- Conventional, textured and structured tissue production

- **Rebuilds**

- Upgrades for energy, product quality, safety and efficiency improvements

- **Stand-alone products**

- E.g., headboxes, Yankee cylinders, rewinders

Full scope offering for the pulp and paper industry

Technologies

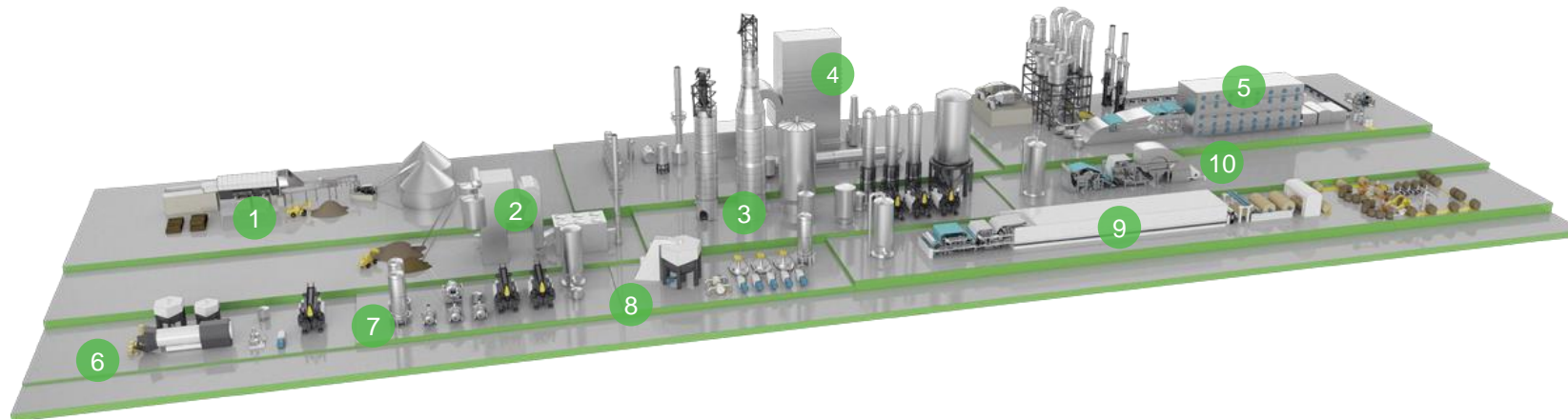
- 1 Wood handling
- 2 Heat and power production
- 3 Chemical pulping
- 4 Chemical recovery
- 5 Pulp drying
- 6 Recycled fiber
- 7 Mechanical fiber
- 8 Stock preparation
- 9 Board and paper making
- 10 Tissue making

Automation

- Distributed Control System (DCS)
- Performance solutions
- Quality Control System (QCS)
- Profilers
- Analyzers and measurements
- Industrial internet solutions
- Automation services
- Process simulators
- Safety systems and solutions

Services

- Mill and plant improvements
- Spare and wear parts
- Paper machine clothing and filter fabrics
- Roll services
- Services for evaporation plants, power and recovery boilers
- Services for environmental equipment



Our offering for energy industry and biotechnologies

Technologies

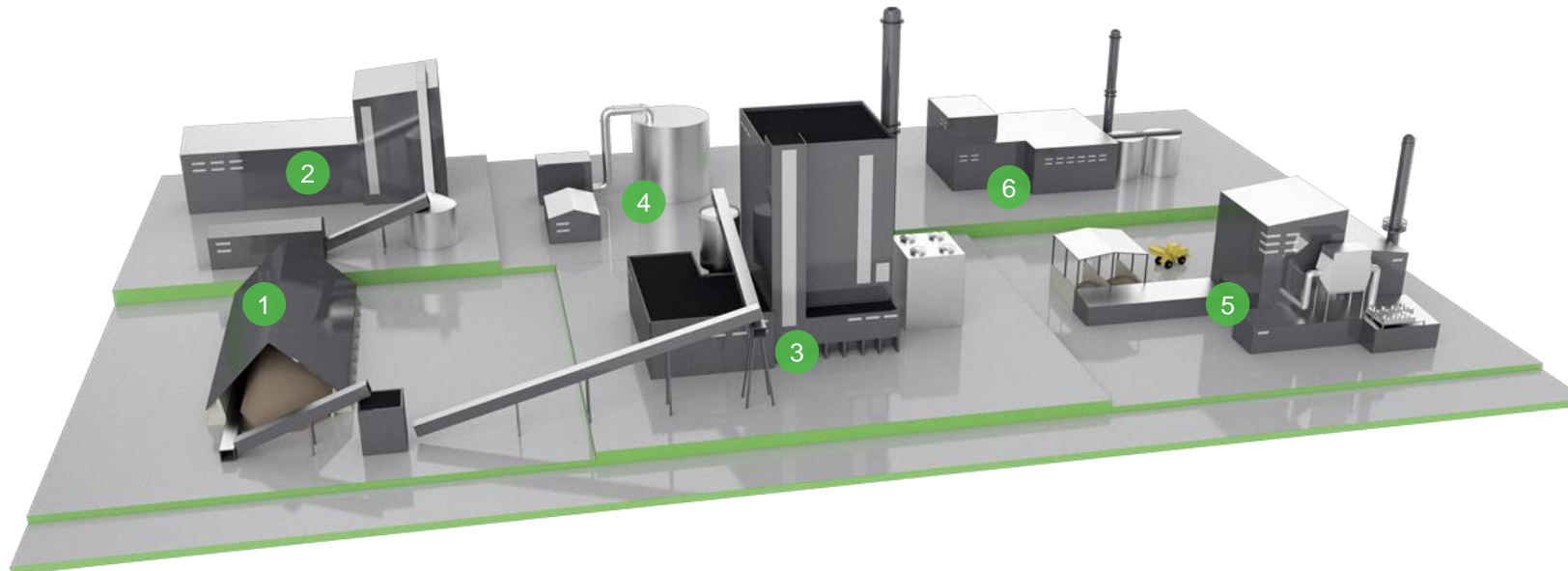
- 1 Fuel handling
- 2 Gasification
- 3 Boiler and flue gas cleaning
- 4 Bio-oil production
- 5 Modularized power plants
- 6 Prehydrolysis
For biofuels, biomaterials and biochemicals, and bio coal production

Automation

- Distributed Control System (DCS)
- Performance solutions
- Analyzers and measurements
- Industrial internet solutions
- Automation services

Services

- Plant improvements
- Rebuilds
- Performance services
- Services for environmental equipment
- Components and spare parts
- Training



Continuous investment in research and development to improve customers' processes



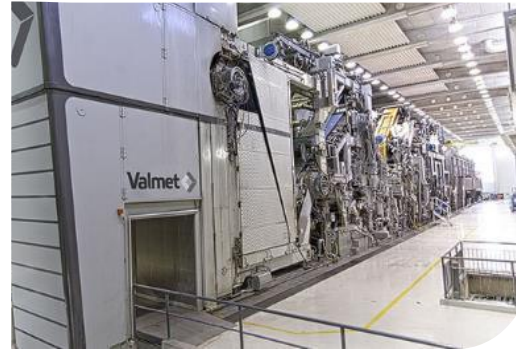
Customers' needs

- Increase production efficiency
- Improve competitiveness
- Maximize value of raw materials
- Widen raw material base
- Provide high-value end products
- Develop new innovations and technologies



Valmet's R&D focus

- Modularized and standardized products
- Energy, water and raw material efficiency
- Automation technology
- Biomass conversion technologies



Valmet's R&D resources

- Own R&D centers and pilot facilities
- Annual R&D spend EUR 75 million (2020)
- Around 1,300 protected inventions
- Cooperation with universities and research institutions



Example of our R&D work – OptiConcept M board and paper machine

- Cost-efficient, high-quality, safe and flexible board making concept
- Significant savings in energy, water and raw material use
 - Energy efficiency improvement up to 30%
- Modular and compact size
 - Short delivery times, quick start-ups, and less production space
- Functional design brings increased safety and accessibility
 - Design acknowledged in Finnish design competition in 2014

Growth accelerator: Valmet Industrial Internet - VII

Dialogue with data to move our customers performance forward

Recent development

- VII solutions launched for all customer segments
- Development of Mill Wide Optimization application
- Asset Performance Manager for installed base monitoring and fleet management

Next steps and development actions

- Augment competence of people in control room through VII applications and Valmet DNA user interface
- Move towards more autonomous mills leveraging automation and process technology

Valmet Performance Center delivering remote support



1,500
Remote support cases solved in 2020

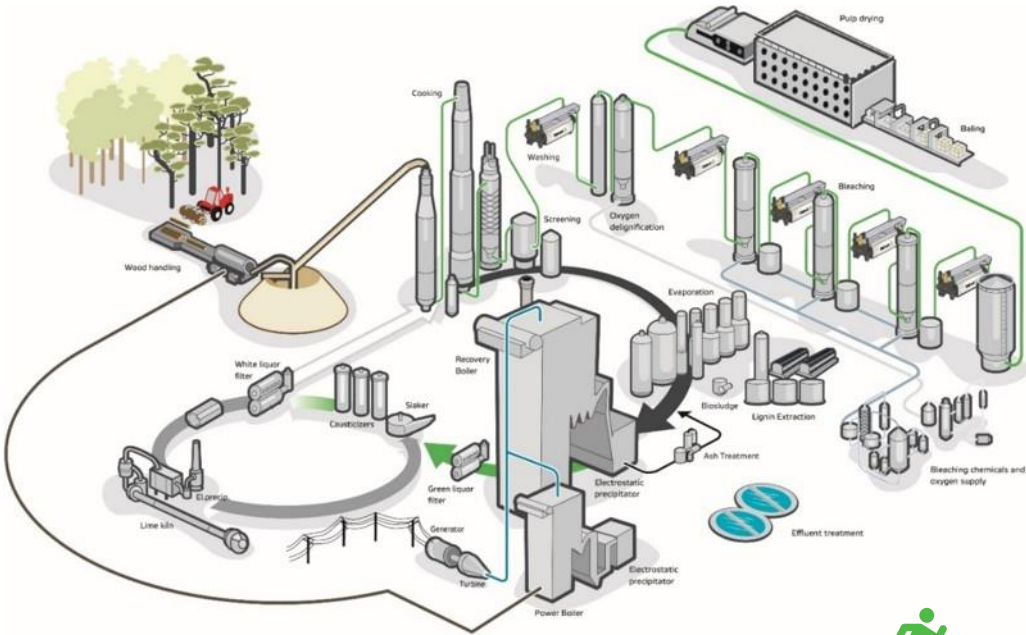
80
Customers connected to Valmet cloud

800
Remote connections

380
Advanced Process Controls

Typical dimensions of pulp mills, and paper, board and tissue machines

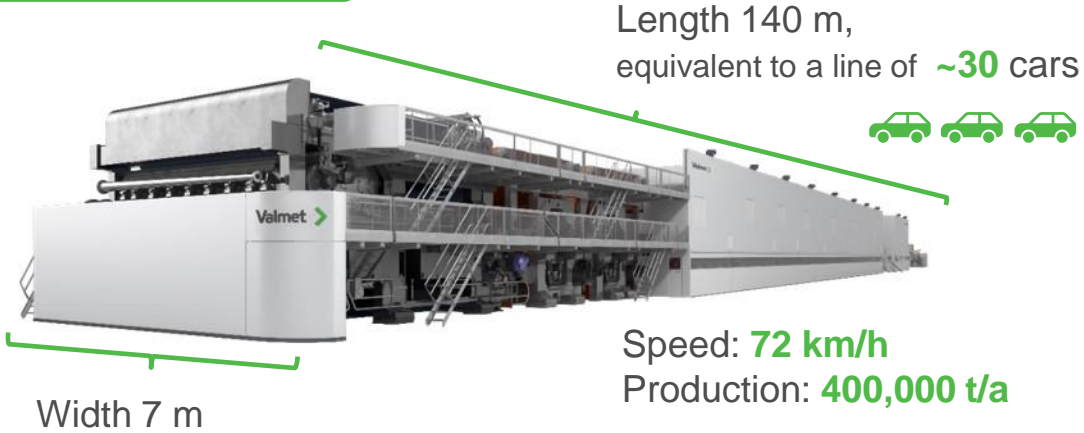
Pulp mill



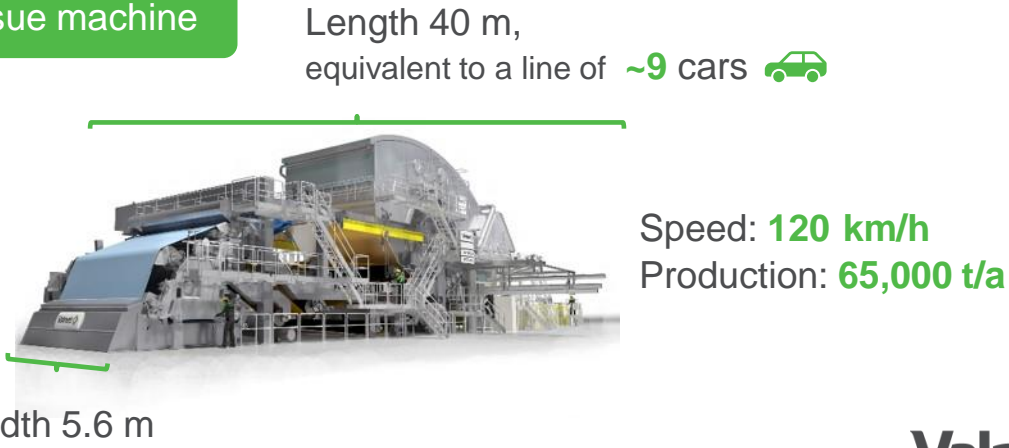
- Mill site area: 500,000 – 5,000,000 m², equivalent to **~70–700** football fields
- Built area: 40,000 – 100,000 m², equivalent to **~6–14** football fields



Paper and board machine



Tissue machine





Appendix
Management and remuneration

Board of Directors



Mikael Mäkinen
(b. 1956)
Chairman of the Board
Finnish citizen

- M.Sc. (Eng.)
- Selected experience:
 - Member of the BoD of Finnlines Oyj
 - President, Marine at Rolls-Royce Plc
- Share ownership: 3,642
- Independent of company: Yes
- Independent of owners: Yes



Aaro Cantell
(b. 1964)
Vice-Chairman of the Board
Finnish citizen

- M.Sc. (Tech.)
- Selected experience:
 - CoB of Normet Group Oy
 - Vice-Chairman of the BoD of Solidium Oy
- Share ownership: 6,608
- Independent of company: Yes
- Independent of owners: No



Pekka Kempainen
(b. 1954)
Board member
Finnish citizen

- Lic.Sc. (Tech.)
- Selected experience:
 - Member of the BoD of Bittium Oyj, Junttan Oy, Nestor Cables Oy
 - Several positions within KONE
- Share ownership: 2,944
- Independent of company: Yes
- Independent of owners: Yes



Monika Maurer
(b. 1956)
Board member
German citizen

- Diploma in Physics and Chemistry, Diploma in Pedagogy
- Selected experience:
 - Vice Chairman of the BoD of Nokia Shanghai Bell, Co. Ltd.
 - CEO of Radio Frequency Systems
- Share ownership: 2,944
- Independent of company: Yes
- Independent of owners: Yes



Eriikka Söderström
(b. 1968)
Board member
Finnish citizen

- M.Sc. (Econ.)
- Selected experience:
 - CFO of F-Secure Corporation
 - Member of the BoD of BeKaert
- Share ownership: 4,074
- Independent of company: Yes
- Independent of owners: Yes



Tarja Tyni
(b. 1964)
Board member
Finnish citizen

- LL.M.
- Selected experience:
 - CoB of Mandatum Life Investment Services Ltd
 - SVP, Corporates and Private Wealth Management at Mandatum Life
- Share ownership: 5,870
- Independent of company: Yes
- Independent of owners: Yes



Rogério Ziviani
(b. 1956)
Board member
Brazilian citizen

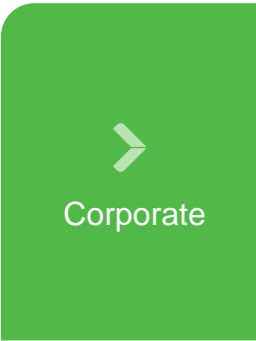
- B.Sc. in Business Management, MBA
- Selected experience:
 - Member of the BoD of Innovatech Negócios Florestais
- Share ownership: 10,057
- Independent of company: Yes
- Independent of owners: Yes



Per Lindberg
(b. 1959)
Board member
Swedish citizen

- M.Sc. Mechanical Engineering
- PhD, Industrial Management and Economics
- Selected experience:
 - Senior Advisor at Peymar Holding AB
 - Chairman of the BoD of Premium Svensk Lax AB and Permascand AB
- Share ownership: -
- Independent of company: Yes
- Independent of owners: Yes

Executive Team



Pasi Laine
President and CEO
Share ownership: 157,581



Kari Saarinen
CFO
Share ownership: 47,655



Julia Macharey
SVP, Human Resources and
Operational Development
Share ownership: 32,709



Anu Salonsaari-Posti
SVP, Marketing, Communications,
Sustainability and Corporate Relations
Share ownership: 27,053



Aki Niemi
Business Line President,
Services
Share ownership: 57,754



Sami Riekkola
Business Line President,
Automation
Share ownership: 11,624



Bertel Karlstedt
Business Line President,
Pulp and Energy
Share ownership: 37,825



Jari Vähäpesola
Business Line President,
Paper
Share ownership: 55,305



Jukka Tiitinen
Area President,
North America
Share ownership: 87,704



Celso Tacla
Area President,
South America
Share ownership: 85,784



Vesa Simola
Area President,
EMEA
Share ownership: 46,755



Xiangdong Zhu
Area President,
China
Share ownership: 24,606



Petri Paukkunen
Area President,
Asia Pacific
Share ownership: -

Remuneration of the President and CEO

- The remuneration of the President and CEO is comprised of
 - the total salary (monthly base salary and customary fringe benefits*),
 - short-term and long-term incentives, and
 - pension benefits and customary insurances.
- The total annual base salary and customary fringe benefits* of the President and CEO in 2020 was EUR 680,104
- The relative proportion of the variable pay elements at maximum level is 2–3 times the fixed pay
- Additional pension benefit in the form of a defined contribution pension plan, 20% of base salary

Performance share plan

	2021	2021–2023
Incentive based on	Comparable EBITA as % of net sales, and orders received growth in the stable business (Services and Automation business lines)	Predefined strategic targets for a three-year performance period
Reward payment	In spring 2022	In spring 2024
Restriction period	2 years	

* Such as a car and a mobile phone, according to the local legislation and market practice.

Remuneration of the Executive Team

- The remuneration of the Executive Team members comprises
 - a monthly total salary (including monthly salary and customary fringe benefits¹),
 - a supplementary pension plan, and
 - short-term and long-term incentives
- Additional pension benefit in the form of a defined contribution pension plan equaling 15–20% of base salary depending on role
- Notice period is six months for both parties. If the company terminates the agreement, there is an additional severance pay equaling six times the last total monthly salary

Performance share plan

	2021	2021–2023
Incentive based on	Comparable EBITA as % of net sales, and orders received growth in the stable business (Services and Automation business lines)	Predefined strategic targets for a three-year performance period
Reward payment	In spring 2022	In spring 2024
Restriction period	2 years	

¹ Such as a car and a mobile phone.

² Calculated in the beginning of the performance period.

