



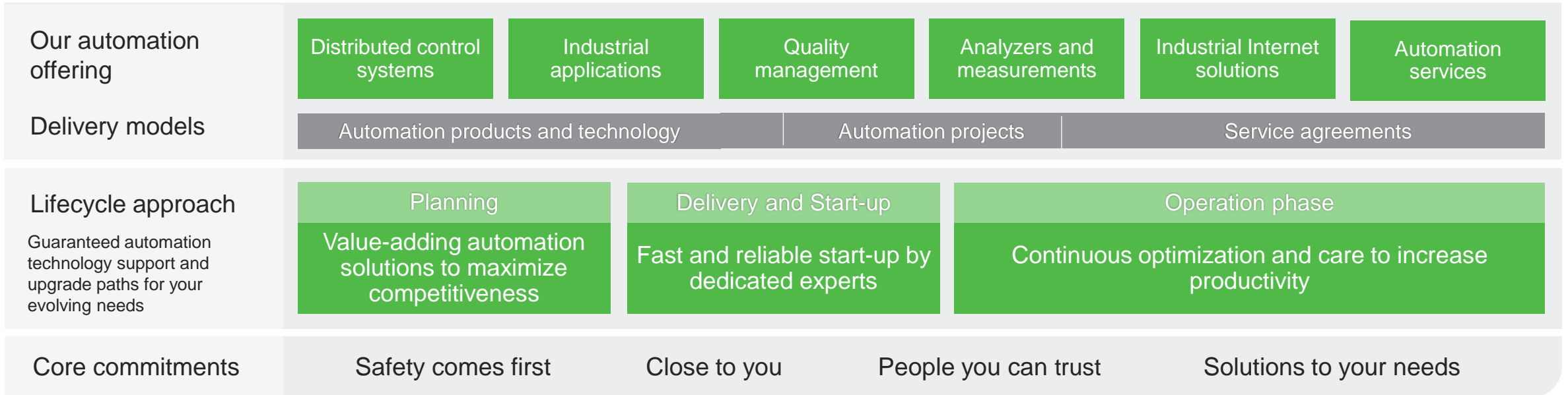
Continuing profitable growth in Automation

Sami Riekkola

President, Automation Business Line

Valmet Capital Markets Day 2021

Future-proof automation solutions and services



Automation business line offering

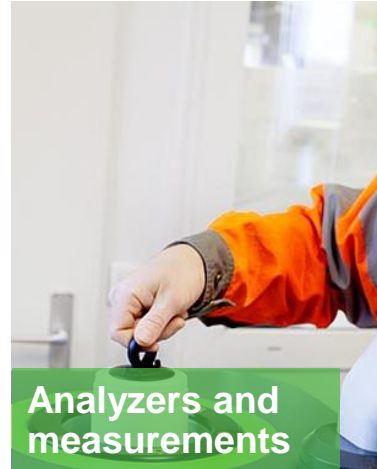
Delivered as products and technology, projects and service agreements



- 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.

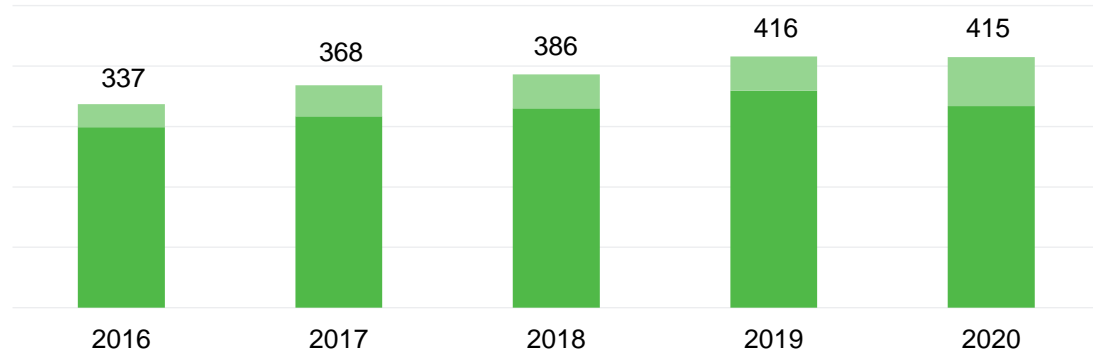


- Services for high availability, intelligent maintenance, process performance and risk control.

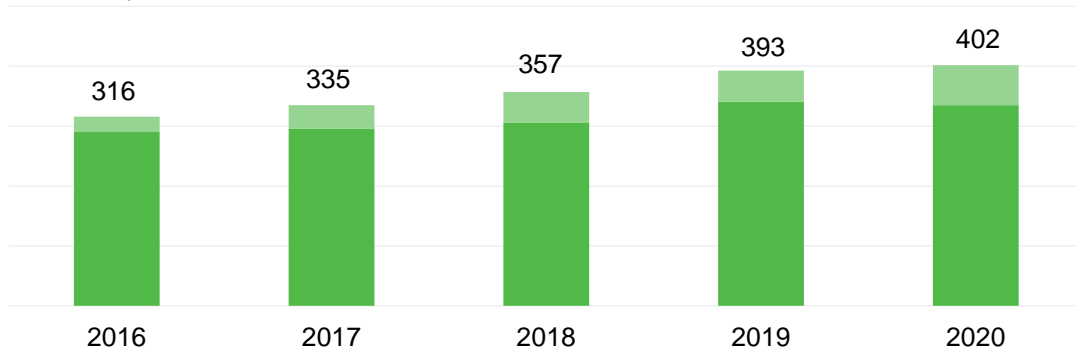
Key figures at a glance

Automation

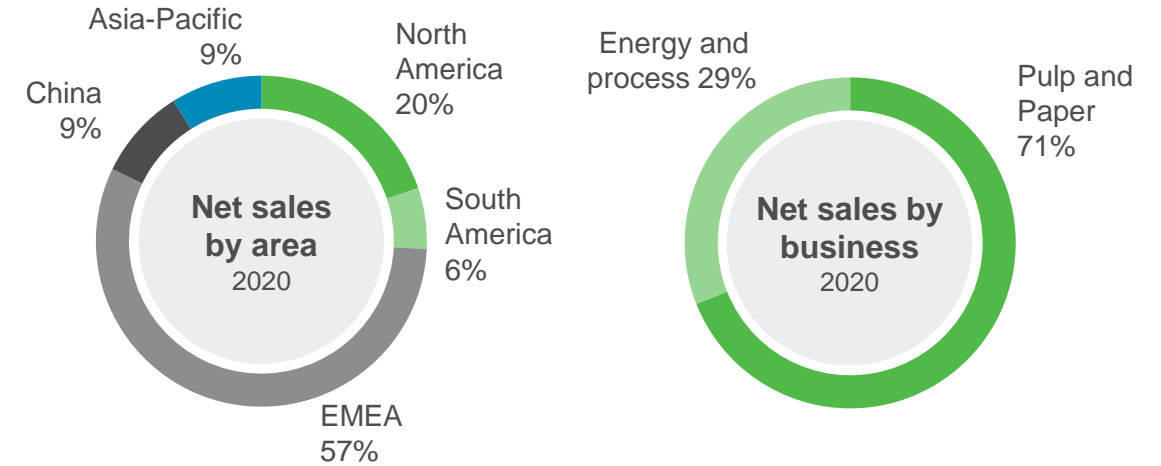
Orders received
(EUR million)



Net Sales
(EUR million)



Includes internal orders received and net sales from other Valmet business lines (in light green).



	Market position	Market share	Estimated market size	Long-term end market growth
Pulp & Paper	#1-3	~ 25%	EUR ~ 1.1 bn	1 to 2%
Energy & Process	#2-4 ¹	~ 11%	EUR ~ 1.0 bn	-1 to 1%

¹#4 in Energy target market

¹#2 in Marine target market

¹Total DCS market ca. EUR 12 billion

Market position, market share and estimated market size calculated from year 2020



Market drivers

Automation



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

Outlook

Automation

- Business outlook
 - Market outlook is good
 - Services demand will remain on good level driven by local capabilities and strong offering
 - Good demand continues for digitalization of existing assets and with new projects
 - Remote services continue to develop
 - Introducing new technology driving demand



Must-win #1 – Customer

New offering driving growth

Customer



Technology



Process



People



Recent development

- Good start selling new DNA User Interface as control room application
- First web-based user interface projects and new cybersecure Valmet Industrial Internet solutions delivered to customers

Next steps and development actions

- Combination of automation and Industrial Internet to speed up growth with projects
- Continue market share growth through replacements
- Growth outside of pulp and paper

New DNA User Interface: centralized remote control room enabling remote management of 8 PVO hydropower plants



- Web-based intelligent control room using new Valmet DNA user interface technology for operation
- ***“This is a higher-level control system whose geographical location is irrelevant.”***

Must-win #2 – Technology

Continuous technology renewal supporting growth

Customer



Technology



Process



People



Recent development

- Valmet DNA User Interface received well: dozens of projects sold and delivered with new technology
- Industrial Internet integrated to control space adding customer value

Next steps and development actions

- New technology boosting service growth through upgrades
- Technology renewal and new development continues

New web-based user interface deliveries at full speed



- Many customer deliveries with new technology
- Service revenue from upgrades of existing installed base

Must-win #3 – Process

New processes and offering supporting competitiveness

Customer



Technology



Process



People



Recent development

- Operational efficiency increased with new technology
- Certified cybersecurity embedded in system offering and operations
- Supply center capacity increased

Next steps and development actions

- Continuous development to deliver certified cybersecurity products and services

Cybersecurity part of processes and system offering



- Valmet DNA automation system with certified cybersecurity
- Cybersecurity increasing part of service agreements
- ISO27001 received

Must-win #4 – People

Developing global capability

Customer



Technology



Process



People



Recent development

- Step change in boosting local capabilities by utilizing technology-enabled remote support
- Strong focus on building career paths for technology experts close to customers

Next steps and development actions

- Further develop utilization of virtual support concepts to strengthen local competencies close to customers
- Focused efforts in globalization of strategic technology competencies through capability boost programs

Increasing local competence level with remote specialist support



- Smart remote tools enabling efficient collaboration and support
- In China, a rebuilt machine started up by 100% local forces
- Control system support from Valmet Performance Center
- Local skill level increased during travel restrictions

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

