ANDRITZ GROUP

INNOVATIVE TECHNOLOGIES FOR THE PLANET

A GLOBAL PARTNER FOR KEY INDUSTRIES THAT SHAPE THE WORLD

MARCH 2022

ANDRITZ
ENGINEERED SUCCESS

THE ANDRITZ GROUP

ANDRITZ is a globally leading supplier of plants, equipment, systems, and services for the pulp and paper industry, the metalworking and steel industries, hydropower stations, pumps, solid/liquid separation in the municipal and industrial sectors as well as for animal feed and biomass pelleting
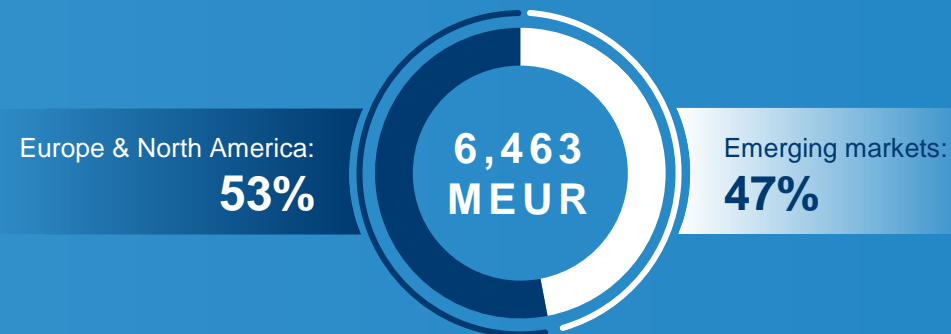
GLOBAL PRESENCE

Headquarter
GRAZ, AUSTRIA

Production sites and service/ sales companies worldwide:
**OVER 280**

REVENUE BY REGION 2021

Europe & North America:
53%

6,463 MEUR

Emerging markets:
47%

KEY FINANCIAL FIGURES

	UNIT	2021	2020
Order intake	MEUR	7,879.7	6,108.0
Order backlog (as of end of period)	MEUR	8,165.8	6,774.0
Revenue	MEUR	6,463.0	6,699.6
Net income (including non-controlling interests)	MEUR	321.7	203.7
Employees (as of end of period; without apprentices)	-	26,804	27,232

# A WORLD MARKET LEADER WITH FOUR BUSINESS AREAS

48%*

PULP & PAPER

- Equipment for production of all types of pulp, paper, tissue, and board
- Boilers for power generation
- Flue gas cleaning systems
- Recycling and shredding solutions plants for the production of nonwovens and panelboard

22%*
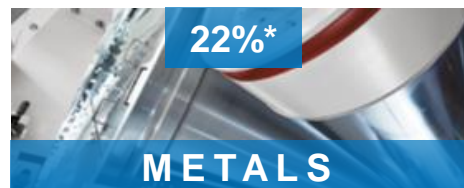
METALS

- Presses/press lines for metal forming (Schuler)
- Systems for production of stainless steel, carbon steel, and non-ferrous metal strip
- Industrial furnace plants

20%*

HYDRO

- Electromechanical equipment for hydropower plants (turbines, generators)
- Pumps
- Turbo generators

10%*
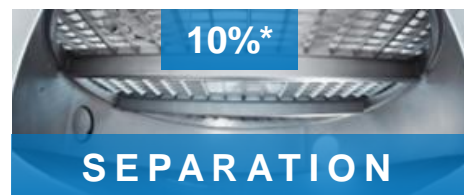
SEPARATION

- Equipment for solid/liquid separation for municipalities and various industries
- Equipment for production of animal feed and biomass pellets

*Share of total Group order intake 2021

LONG-TERM GROWTH BASED ON ACQUISITIONS AND ORGANIC EXPANSION

Revenue (MEUR) values by year:
- 2010: 3,554
- 2011: 4,596
- 2012: 5,177
- 2013: 5,711
- 2014: 5,859
- 2015: 6,377
- 2016: 6,039
- 2017: 5,889
- 2018: 6,032
- 2019: 6,674
- 2020: 6,700
- 2021: 6,463

■ Revenue (MEUR)   ■ Order intake (MEUR)
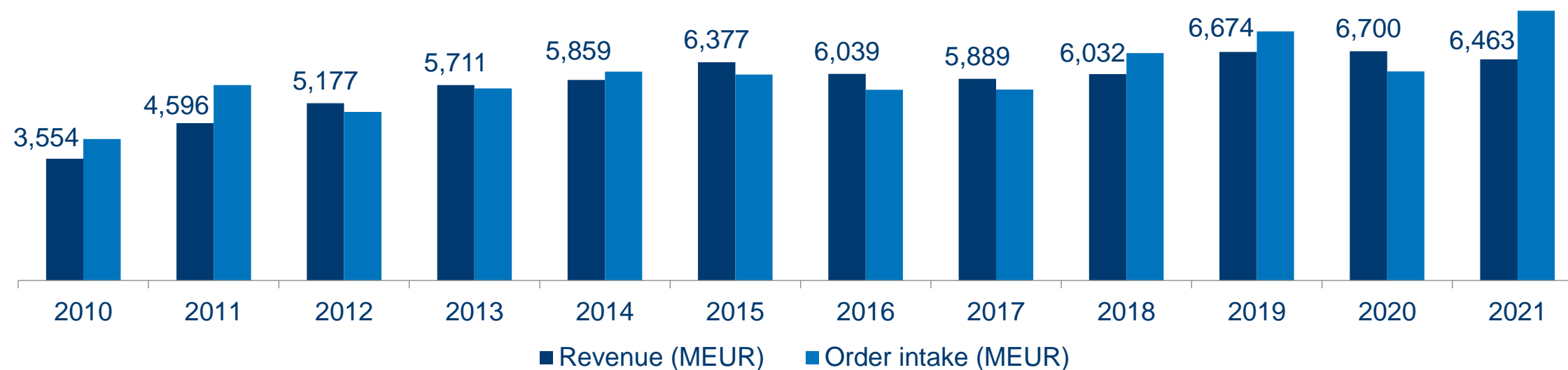
Compound Annual Growth Rate (CAGR) of Group revenue 2010-2021: +5.6% p.a. (thereof approximately half from organic growth)

STRENGTHENING OF MARKET POSITION BY ACQUISITIONS

Acquisitions by business area since 2000

PULP & PAPER				METALS		HYDRO		SEPARATION	
2000	Ahlstrom Machinery	2010	DMT/Biax	2000	Kohler	2006	VA TECH HYDRO	2000	UMT
2000	Lamb Baling Line	2011	AE&E Austria	2002	SELAS SAS Furnace Div.	2007	Tigép	2002	3SYS
2000	Voith Andritz Tissue	2011	Iggesund Tools	2004	Kaiser	2008	GE Hydro business	2004	Bird Machine
2002	ABB Drying	2011	Tristar Industries	2005	Lynson	2010	GEHI (JV)	2004	NETZSCH Filtration
2003	IDEAS Simulation	2011	Asselin-Thibeau	2008	Maerz	2010	Precision Machine	2004	Fluid Bed Systems
2003	Acutest Oy	2012	AES	2012	Bricmont	2010	Hammerfest Strøm	2005	Lenser Filtration
2003	Fiedler	2013	MeWa	2012	Soutec	2010	Ritz	2006	CONTEC Decanter
2004	EMS (JV)	2015	Euroslot	2013	Schuler	2011	Hemicycle Controls	2009	Delkor Capital Equipment
2005	Cybermetrics	2016	SHW CastingTechnologies	2013	FBB Engineering	2018	HMI	2009	Frautech
2005	Universal Dynamics Group	2017	Paperchine	2014	Herr-Voss Stamco			2010	KMPT
2006	Küsters	2018	Novimpianti	2016	Yadon			2012	Gouda
2006	Carbona	2018	Diatec	2016	AWEBA			2013	Shende Machinery
2006	Pilão	2018	Xerium	2017	Powerlase (80%)			2016	ANBO
2007	Bachofen + Meier	2019	Kempulp	2018	Farina Presse				
2007	Sindus	2020	Enviroburners	2018	ASKO				
2008	Kufferath	2021	Laroche						
2009	Rollteck	2021	GE Steam Power						
2010	Rieter Perfojet								

GROUP STRATEGY AND LONG-TERM GOALS

SAFETY, TECHNOLOGICAL & COST LEADERSHIP

- Become preferred supplier by virtue of safety, technology, quality, and references
- Development of innovative and sustainable technologies through intensive R&D
- Focus on digitalization to support our customers in reaching their goals with regard to safety, productivity, operating costs, energy efficiency, and environmental protection
- Offer best ROI for our customers

EXTEND MARKET POSITION

- Serving markets with long-term and sustained growth potential
- Extending existing position in Europe and North America
- Making use of the growth and revenue opportunities in the emerging markets of South America and Asia

GOAL: GLOBAL MARKET LEADER

GLOBAL AND LOCAL PRESENCE

- Continue expanding worldwide presence
- Offer best possible service close to our customers
- Further relocate manufacturing capacities to emerging markets
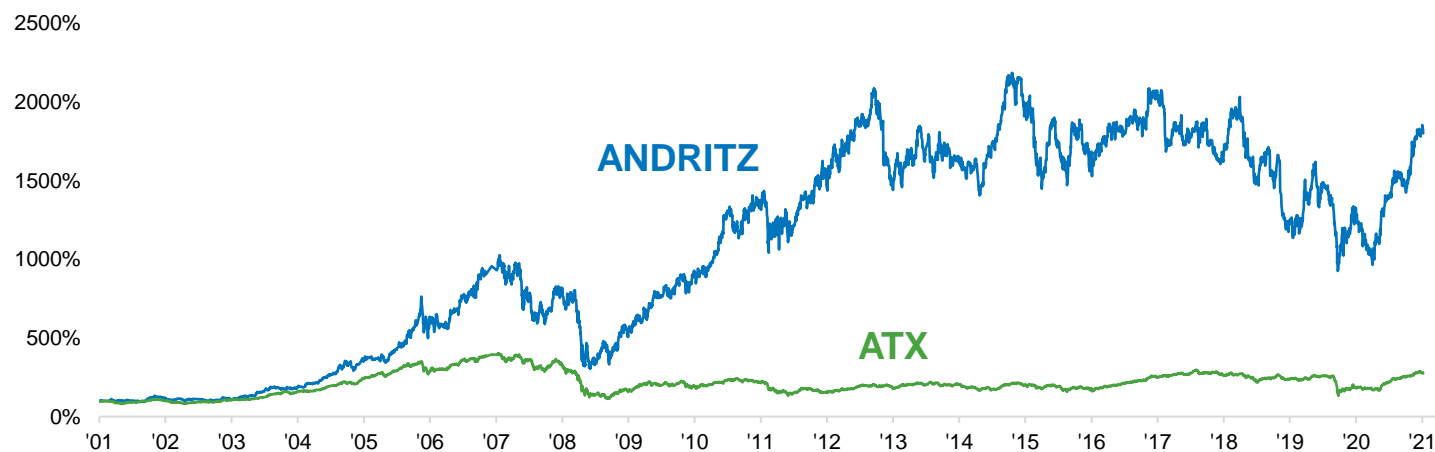
LONG-TERM PROFITABLE GROWTH

- Focus on markets with high growth rates
- Expansion of product portfolio through organic growth (R&D) and acquisitions
- Achieve annual revenue growth averaging 5-8% depending on market growth and acquisitions
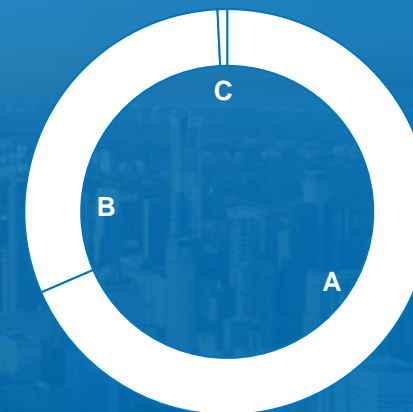
ANDRITZ SHARE

MARKET CAPITALIZATION (AS OF DECEMBER 31, 2021)
4.7 BILLION EUR

SHAREHOLDER STRUCTURE
AS OF DEC. 31, 2021

A	Free float	68.51%
B	Custos Vermögensverwaltungs GmbH	30.72%
C	Cerberus Vermögensverwaltung GmbH	0.77%

CEO Wolfgang Leitner

BROAD PRODUCT OFFERINGS IN DIGITALIZATION

With the **technology brand Metris,** ANDRITZ offers a broad portfolio of intelligent, digital solutions and products

FULLY TAILORED
▶ for individual customer needs
▶ to optimize industrial procedures and processes

RESULTS FOR THE CUSTOMERS

- Improving safety
- Enhancing plant efficiency and profitability
- Optimizing the use of resources
- Constant and highest product quality

- Avoiding production downtime
- Maximum user-friendliness, e.g. easy control via smartphone/tablet PC/smartglasses

Metris
ANDRITZ Digital Solutions

„WE CARE" - THE ANDRITZ ESG PROGRAM

Sustainability has always been an integral part of ANDRITZ's corporate policy

It is a decisive factor in order to be successful in the long-term and is an important element of the company's corporate policy and strategy

OUR ESG VISION

We are amongst the best in class regarding sustainability in the markets we serve and we create maximum value added for all our stakeholders.

As a leader in sustainability, we focus on responsible corporate governance and on ensuring a safe and viable future for society, our employees, and all other stakeholders as well as on creating sustainable and durable products that contribute towards conserving natural resources and protecting the environment and climate.

OUR APPROACH TO SUSTAINABILITY

Multi dimensional, comprehensive, and practice-oriented

OUR VISION
We are leader in sustainability in our chosen markets

ENVIRONMENTAL
Sustainable solutions

Climate protection

Protection of resources

SOCIAL
Attractive employer

Occupational Health & Safety

GOVERNANCE
Fair and ethical business practices

Risk management

Responsible Supplier relations

Focus

Innovation & Digitalization

Stakeholder management

Corporate Compliance

Foundation

SUSTAINABLE SOLUTIONS AND PRODUCTS (I)

ANDRITZ REALIZES AROUND **40% OF ITS REVENUE** FROM SUSTAINABLE SOLUTIONS AND PRODUCTS

ANDRITZ'S GREEN PRODUCTS help to protect the environment and contribute towards decarbonization or carbon neutrality

PULP & PAPER

- Recovery boilers
- Steam generating plants
- Biomass boilers
- Drying and pelleting of biomass

- Recycling technologies
- Energy generation from waste of papermaking processes
- Flue gas cleaning plants
- Exhaust gas cleaning for vessels

METALS

- Schuler presses / press lines for battery cases and electric vehicles
- Lightweight material for automotive applications to reduce CO_2 emission

- Technologies to recycle rinse water, reduce NO_x and CO_2 emissions, and avoid toxic substances

SUSTAINABLE SOLUTIONS AND PRODUCTS (II)

ANDRITZ ALREADY REALIZES AROUND **40% OF ITS REVENUE** FROM SUSTAINABLE SOLUTIONS AND PRODUCTS

ANDRITZ'S GREEN PRODUCTS help to protect the environment and contribute towards decarbonization or carbon neutrality

HYDRO

- Electromechanical equipment and services for hydropower plants
- Operation & maintenance

SEPARATION

- Municipal and industrial wastewater treatment
- Thermal sludge treatment
- Production of biomass pellets

AUTOMATION

- With Metris - ANDRITZ Digital Solutions customers are able to reduce the consumption of any raw materials and energy, as well as to reduce greenhouse gases

ESG GOALS AT A GLANCE

REDUCE GREEN HOUSE GAS EMISSIONS

By **50%** until end of 2025

REDUCE WASTE VOLUME

By **10%** until end of 2025

AUDITED SUPPLIERS BY 2025*

85% of procurement volume

REDUCE WATER CONSUMPTION

By **10%** until end of 2025

INCREASE REVENUE FROM SUSTAINABLE SOLUTIONS AND PRODUCTS

To over **50%** until end of 2025

REDUCE ANNUAL ACCIDENT FREQUENCY RATE (> 1 day's absence)

By **30%** compared to the preceding year

INCREASE THE PROPORTION OF WOMEN IN THE WORKFORCE

REDUCE FLUCTUATION RATE DUE TO VOLUNTARY DEPARTURES

To **5%** by the end of 2022

IMPLEMENT AND CONTINUOUSLY MONITOR HIGHEST CORPORATE COMPLIANCE STANDARDS

Goal: no infringements

DETECT COMPANY RISKS AT AN EARLY STAGE

Goal: no event-driven profit warnings

* Accumulated external purchasing volume from suppliers with an annual purchasing volume of over 250,000 EUR and who are audited using the standardized, online Supplier Relationship Management tool

SAFETY AT ANDRITZ

We strive for **ZERO ACCIDENTS**

OVER THE PAST YEARS

AFR* reduced
BY APPROX. 30%
(every year)

TARGET 2022

Reduce the AFR*
BY FURTHER 30%
(AFR 2021: 3.1)

We are **constantly improving** and **monitoring** our safety performance

MEDIUM-TERM GOAL

- have all employees working under ISO 45001 certification
- get them comprehensive safety training

TAKE GOOD CARE OF YOURSELF!

*The accident frequency rate (AFR) is the number of accidents causing one or more days of absence per one million working hours

OUR MISSION, VISION, AND VALUES

OUR MISSION

We drive the success of our customers through **innovative and quality engineering and services**, and we form strong and sustainable relationships – with a positive impact for key industries and for the planet. The world keeps changing, our passion stays the same.

OUR VISION

In our chosen markets, we are **global leaders with a passion for innovative engineering solutions**. As technology and quality leader, we create sustainable value for our customers and shareholders, thus ensuring the continuation of our long-term profitable growth.

OUR VALUES

PASSION

PARTNERSHIP

PERSPECTIVES

VERSATILITY