SULZER

Capital Markets Day | June 15, 2021

Disclaimer

This presentation contains forward-looking statements, including but not limited to, projections of financial developments, market activities, future performance of products and solutions or planned transactions, containing risks and uncertainties. These forward-looking statements are subject to change based on known or unknown risks and various other factors, which could cause the actual results, performance or events to differ materially from the statements made herein.

This presentation is not an offer to sell or a solicitation of offers to purchase or subscribe for shares of Sulzer or medmix and is not a prospectus in the sense of art. 35 of the Swiss Financial Services Act.

Any offering of securities mentioned herein will not be registered under the United States Securities Act of 1933, as amended (the "Act"), and such securities may not be offered or sold in the United States of America absent registration or an applicable exemption from registration requirements under the Act.

Notice to shareholders in the United Kingdom
The communication of this presentation and any other documents or materials relating to this presentation are not being made, and such documents and/or materials have not been approved by, an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, this presentation and such documents and/or materials are not being distributed to, and must not be passed on to, persons in the United Kingdom ("UK") other than (i) persons falling within Article 43(2) of the Financial Services and Markets Act (Financial Promotion) Order 2005 (as amended, the "Order"), including existing creditors and members of Sulzer, or (ii) persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) may otherwise lawfully be communicated or caused to be communicated (all such persons described in (i) and (ii) above together being referred to as "Relevant Persons". In the UK, any investment or investment activity to which this presentation or any related documents and/or materials relate is available only to Relevant Persons and will be engaged in only with Relevant Persons. Any person in the UK who is not a Relevant Person should not act or rely on this presentation or any related documents and/or materials or any of its or their contents.

Note on Alternative Performance Measures (APM): all bridges from APM to reported figures can be found in the financial section of Sulzer's reports.

Agenda

Overview	Greg Poux-Guillaume
ESG	Armand Sohet
Pumps Equipment	Frédéric Lalanne
Rotating Equipment Services	Daniel Bischofberger
Chemtech	Torsten Wintergerste
Financials and Targets	Jill Lee
Takeaways	Greg Poux-Guillaume

Overview

Greg Poux-Guillaume - CEO

Sulzer (pro-forma post spin-off)

Pure play flow control company with attractive technology portfolio in growth markets driven by sustainability

1’298m

4.3%

Pumps Equipment

Standard to highly engineered pumps and other specialized equipment, for water, industry and energy

1’131m

13.9%

Rotating Equipment Services

Parts, service and refurbishment for pumps, turbines, compressors, motors & drives, etc.

621m

9.6%

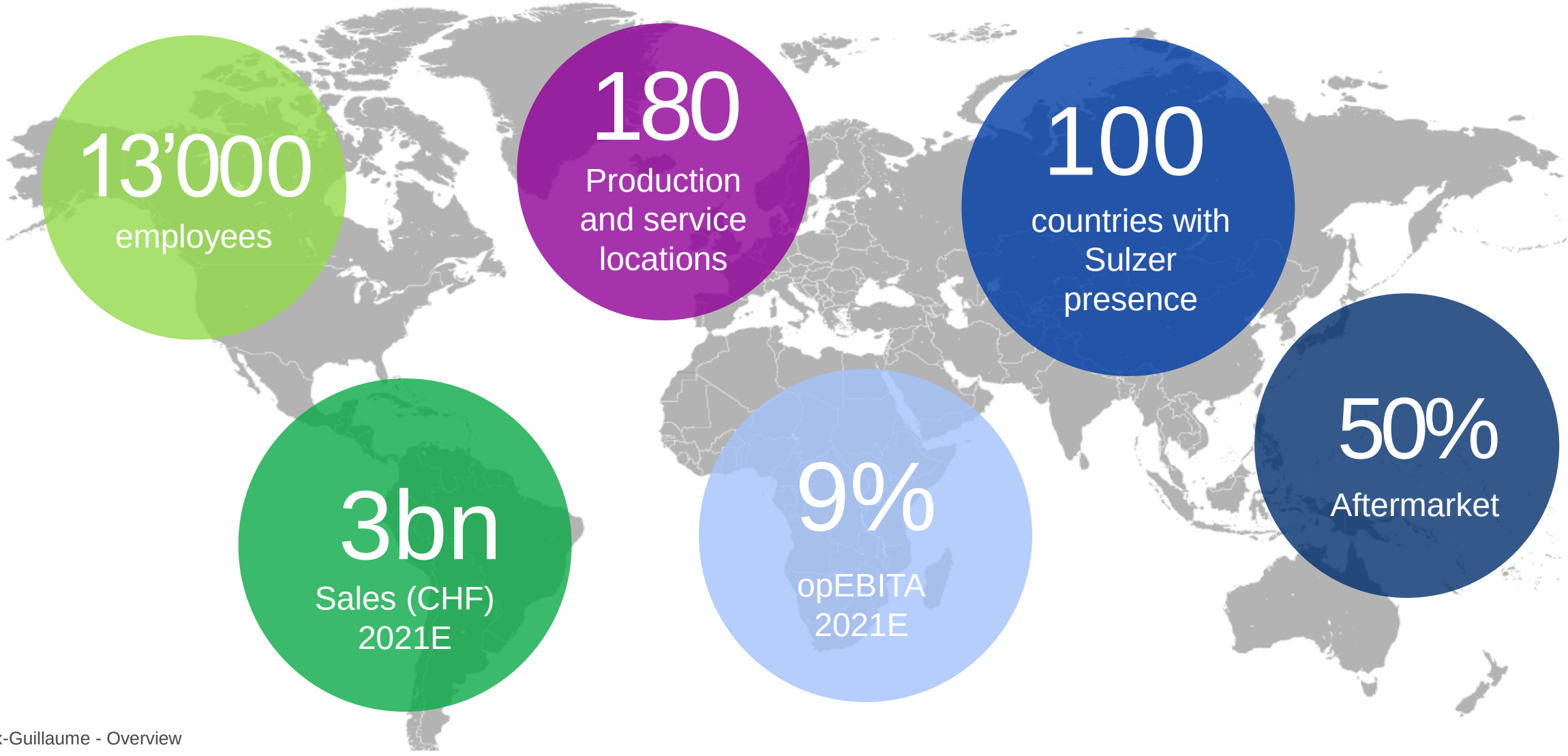
Chemtech

Separation technology for chemicals and refining, with a strong position in emerging biopolymers and recycling

order intake 2020 (CHF) Operational Profitability 2020

Global and agile

We combine reach with responsiveness



Sulzer senior leadership

Stable and experienced

Greg Poux-Guillaume

CEO

Jill Lee

CFO

Armand Sohet

CHRO & Chief Sustainability Officer

Frédéric Lalanne

Division President
Pumps Equipment

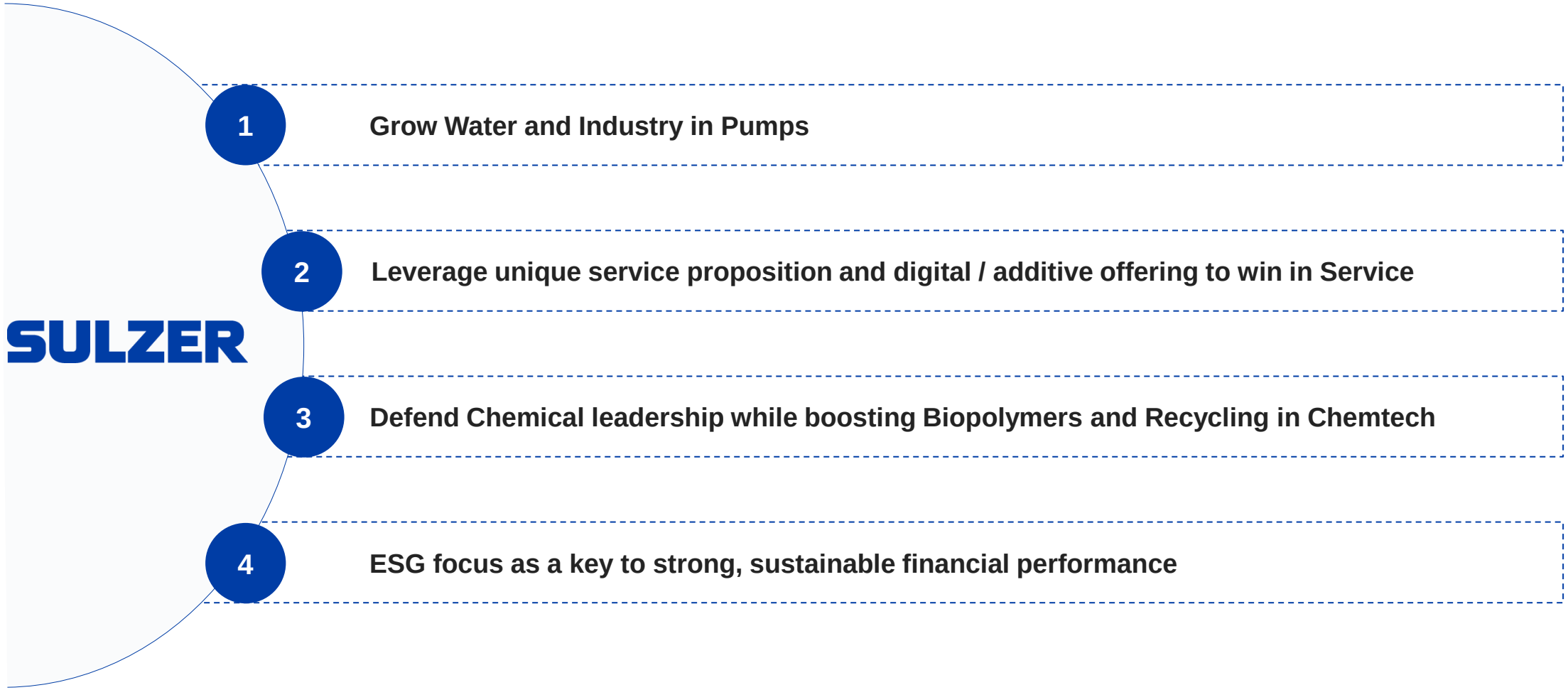
Daniel Bischofberger

Division President
Rotating Equipment Services

Torsten Wintergerste

Division President
Chemtech

Sulzer strategic priorities



Sustainability at Sulzer

Armand Sohet – Chief Sustainabilty Officer & CHRO

Sustainability at Sulzer

Minimize – Enable - Engage

Minimize

our carbon footprint

We operate in a sustainable way

Enable

a low carbon society

We contribute to a circular economy

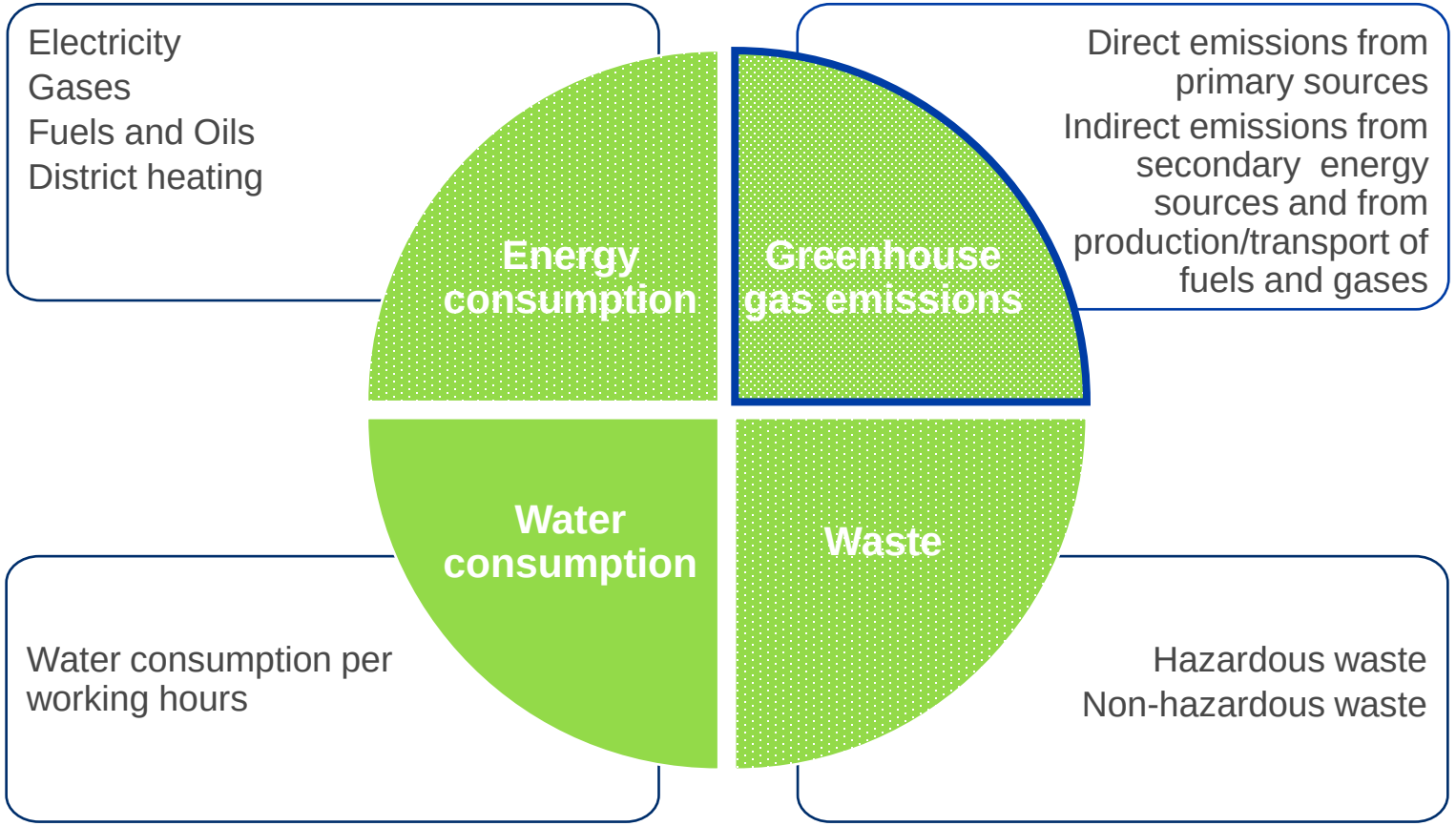
Engage

our employees and communities

We make life better for those around us

Minimize our carbon footprint

An ambitious target: **“30 by 30, neutral by 50”**

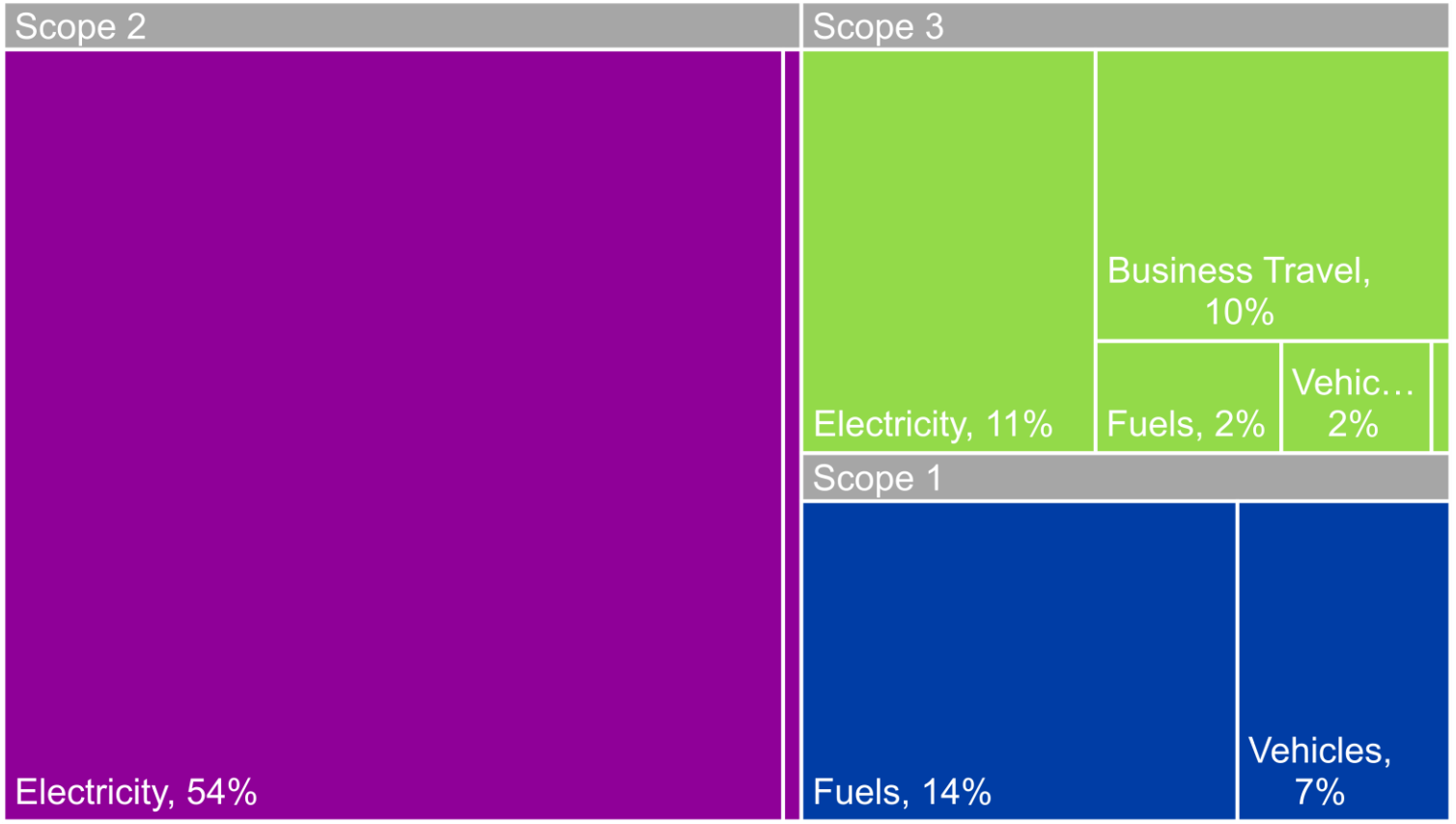


- The **Greenhouse Gas Protocol** (GHG Protocol) was selected as the relevant standard for calculating emissions and for reporting.
- Comprehensive **reporting system** in place, Intelex
- **Waste reduced** by 6.9% in 2020
- **Water consumption** reduced by 4.1% in 2020

Reduce our carbon footprint 30% by 2030 and become neutral by 2050

Minimize our carbon footprint

A clear path towards reducing our GHG emissions



RAMBØLL

CALCULATION OF THE CORPORATE CARBON FOOTPRINT 2020

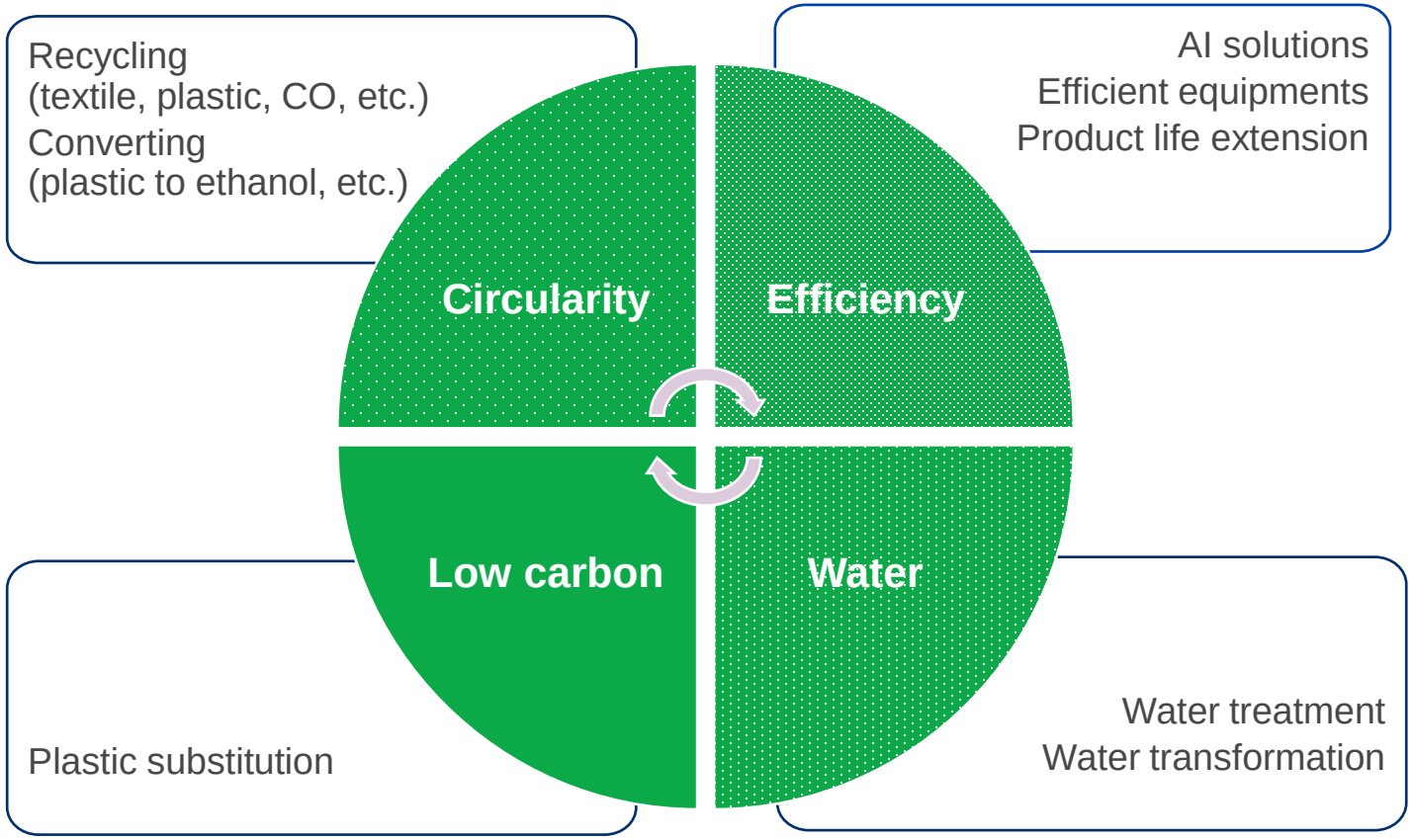
SULZER AG

- **Electricity** has been identified to be Sulzer's main source of carbon emissions, **65% in 2020 (54% scope1 + 11% scope 3)**
- **95%** of our **UK sites** have already switched to **renewable electricity sources**.
- In 2020, our **greenhouse gas emissions** reduced by 6.4% in absolute terms and by **6.3%** in comparable terms (tons per working hours)

➢ **Switch to renewable sources** for Sulzer sites across Europe and other locations in 2021 and beyond.

Enable a low carbon society

Unique expertise to address environmental challenges



Recycling technology:

- «WornAgain» for textile with H&M
- «Steelanol» for CO with ArcelorMital
- «Quantafuel» for plastics

AI Solutions

- **Blue Box** helps avoid 665 k.T of CO2 per annum at Atlantica solar plant

Water

- «Europe's biggest wastewater plant transforms from major energy consumer to net producer with Sulzer technology»

Plastic substitution

- Biopolymers: **PLA** (Polylactic acid)

Intensify our efforts and accelerate the shift towards CleanTech

Enable a low carbon society

We bring unique solutions to the planet's sustainability challenge

Groundbreaking textile recycling technology

In partnership with H&M and Worn Again, we are developing pioneering technology that enables the recycling of old textiles back into virgin-like raw material, with the aspiration to enable full circularity in the garment industry

Cutting-edge Swiss biopolymer and plastic recycling technologies

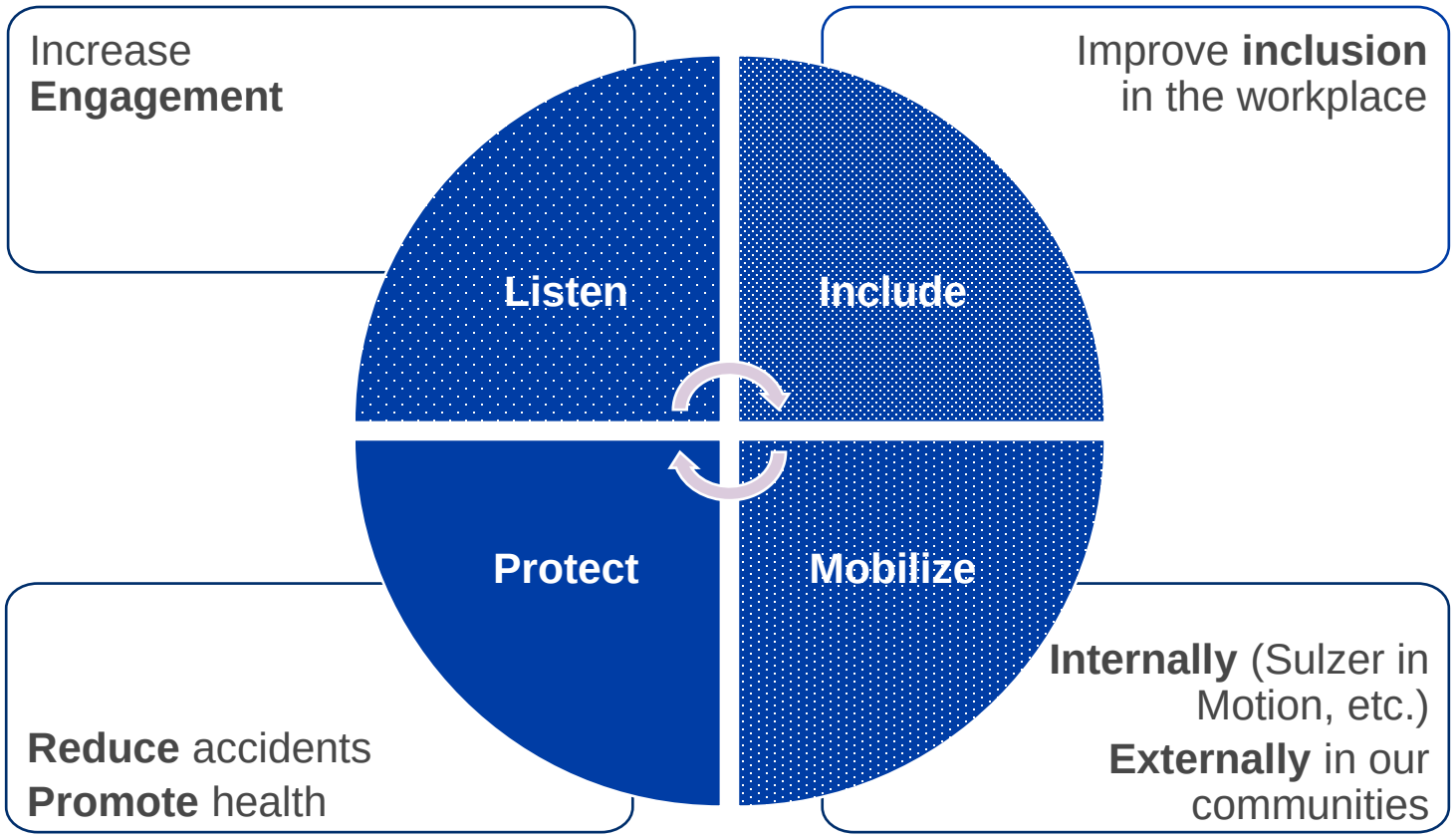
We are the leading provider of polylactic acid (PLA) solutions. With extensive R&D capabilities, we support the commercialization of pioneering biopolymer processes and plastic recycling technologies

Artificial intelligence solution for solar power plants

Atlantica, a global player with sustainable infrastructure assets all over the world, has deployed Sulzer's BLUE BOX advanced data analytics platform to monitor and optimize the performance of its solar power plants.

Engage our Employees and Communities

A comprehensive approach to increase engagement



Build on our engagement level:

- 86% of Sulzer Employees feel engaged**. +4 points** above Manufacturing benchmark

Increase inclusion:

- **Gender** diversity
- **Leadership** diversity

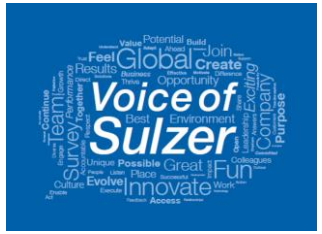
Mobilize:

- Sulzer in Motion -Health and Wellbeing initiative- in place since 2017; **4000 employees** signed-up for Sulzer in Motion Sprint 2 in June 2021**.**

Deliver year on year improvements across all key indicators

Sulzer Employee Opinion Survey 2021

Positive performance compared to Manufacturing Norm



- Voice Of Sulzer 2021: Third edition. **88%** participation rate
- Compared to the Manufacturing industry, **10 out of 10 categories are above the norm**
- The Manufacturing norm is an external **benchmark of 2,350,000 employees** surveyed during the last 18 months in a large number of organizations including *BMW Group, Hyundai Motor Group, Mattel, Nestlé, Nokia, Schindler, Sealed Air, ThyssenKrupp, Toshiba Corporation, Whirlpool etc.*

	Total Favorable Score	Sulzer results 2019	Manufacturing Norm
Strategy & Leadership	81	3*	4*
Innovation & Change	64	3*	1*
Operational Excellence	77	3*	3*
Communication	75	3*	1*
Customer Focus	85	2*	4*
Collaboration	85	2*	6*
Line Management	82	3*	6*
Personal Development	73	3*	1
Sustainable Engagement	86	1*	4*
Retention	68	2*	2*

How MSCI rates us vs. Industry peers

MSCI ESG RATINGS

AA

CCC | B | BB | BBB | A | AA | AAA

LAST UPDATE: February 12, 2021

Building on our double AA rating

Peers	**4.9**
Sulzer	**5.6**

Minimize
our carbon footprint

We operate in a sustainable way

Enable
a low carbon society

We contribute to a circular economy

Engage
our employees and communities

We make life better for those around us

Pumps Equipment

Frédéric Lalanne – Division President

Pumps Equipment (PE)

Full range provider, from standard to engineered, with leading positions

Water — 40%

Standard and configured pumps

Sold direct or through distributors

Strong in wastewater and desal, emerging player in clean water and domestic & commercial

#2 in Waste Water

Xylem, KSB, Ebara, Grundfos, etc.

Industry — 30%

Configured pumps

Sold direct, key is process expertise

Leader in Pulp and Paper Industry, biofuels, fertilizers, emerging player in Food & Beverage, Metals & Mining, Chemicals

Top 3 in multiple segments

ITT, Andritz, Weir, KSB, etc.

Energy — 30%

Engineered pumps, made to spec

Sold direct or through EPCs

Leading positions in O&G (e.g. water injection, pipelines), CO_2/CCS, nuclear, emerging in alt. energy

#2 in O&G, top 5 in Power

Flowserve, KSB, Ebara, Ruhrpumpen

x% % of H1 2021 Orders

Market Trends

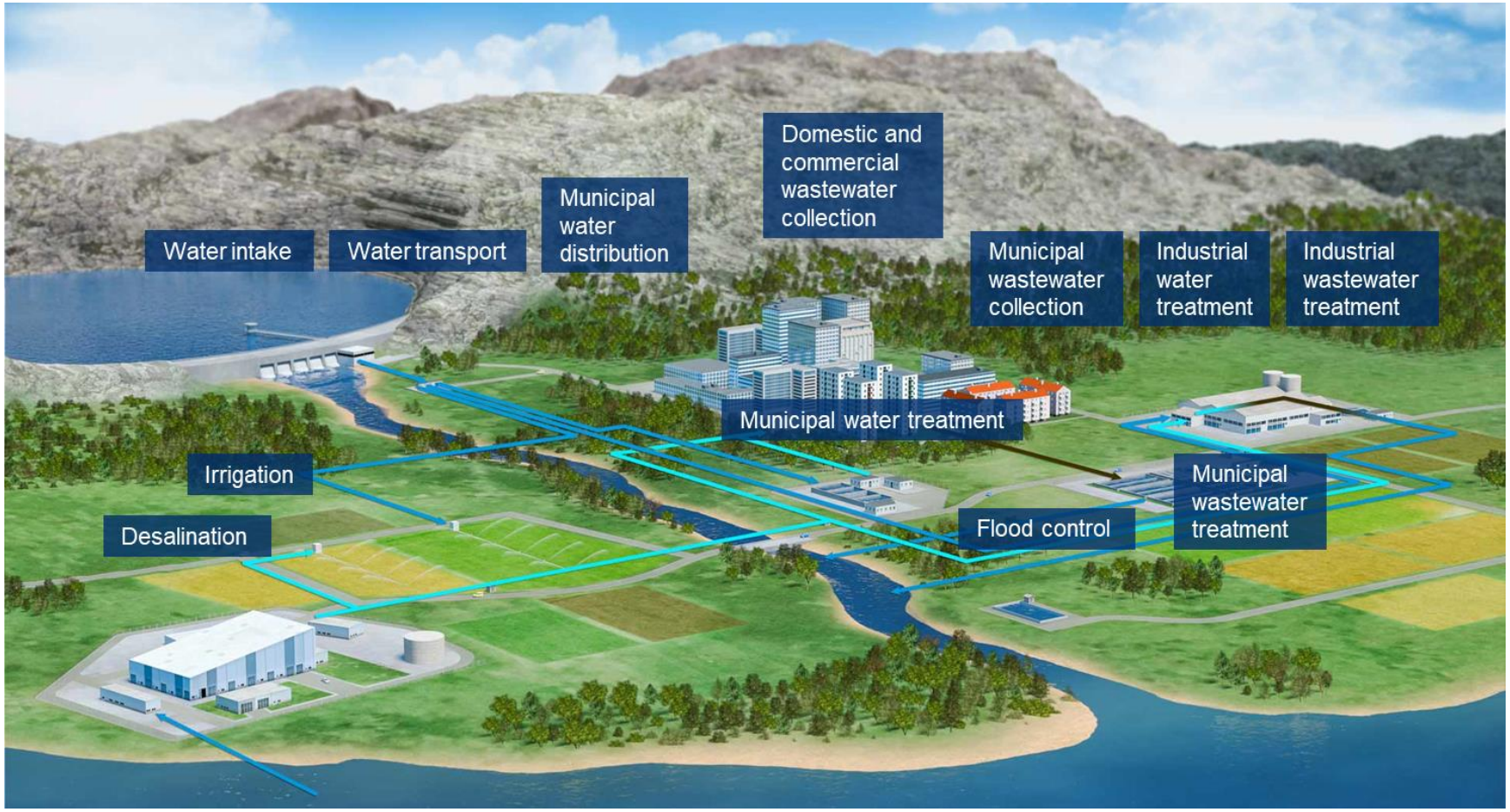
Steady growth in Water and Industry, Energy rebound starting in 2022

Active Markets	Market Growth	Market Outlook
Wastewater	2021 2022 2023	**Water & Wastewater:** maintenance and replacement robust. Project spending increasing as Covid restrictions ease. Investment stimulus expected in many markets in period – upside.
Clean Water		
Desalination		**Desalination:** growth driven by large projects in Egypt, UAE & Saudi Arabia.
Pulp & Paper	early cycle markets	**Pulp & Paper:** market recovering after Covid downturn. Growth in board and tissue continues, Investments for new fiber-based products increasing
Metals, Mining, Fertilizer		**Metals, Mining and Fertilizers:** commodity cycle in full boom.
Food, Biofuels, Industry		**Food and Biofuels:** increasing price levels in Sugar and Starch, but high storage levels and grain price slows investments. Oil price rebound will boost.
O&G	late cycle markets	**Oil and Gas:** market has bottomed, recovery from 2022 onwards. NOCs continue to invest.
Power		**Power:** recovery with transition towards renewables, nuclear and some gas, phase-out of coal.

< -3% -3% to <0% 0% >0% to 3% > 3%

Water Solutions

Critical equipment supplier throughout the water ecosystem



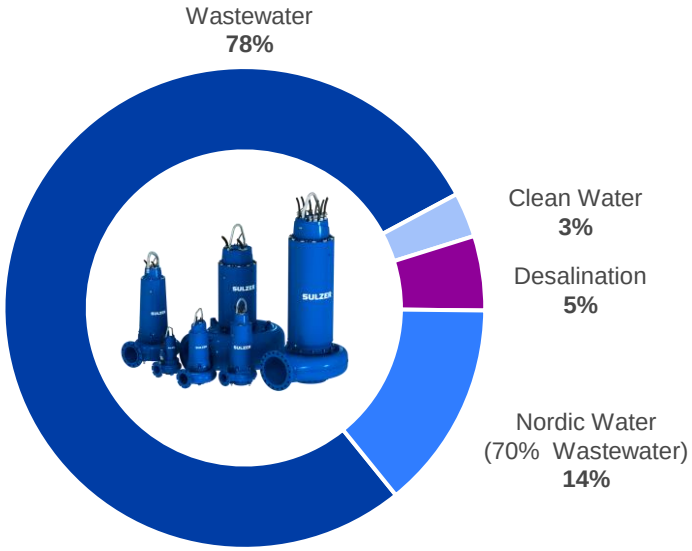
Product Portfolio

- Submersible pumps
- Compressors and aeration diffusers
- Sewage grinders
- Submersible mixers and agitators
- Progressing cavity pumps
- Axially-split pumps
- Grinders & Screens
- Scrapers
- Separators
- Disc, Drum, Cloth & Belt Filters
- Continuous flow sand filters
- Ring section pumps
- Vertical pumps
- Control and monitoring solutions
- Single stage pumps
- Dewatering pumps
- Lifting stations

Water Overview

Targeting 5-7% growth through technology and global leverage

Orders by segment



Split based on orders (H1 2021)

EBITA% approaching 10%
Market leader > 15% (scale!)
Mid-term upside 150-300 bps

Market growth drivers

Growing population + urbanisation

Push towards sustainability, scarce natural resources

Rapidly changing legislation and aging infrastructure

Largely non-cyclical $12 bn water market growing at 4% p.a.

Sulzer profitable growth priorities

Consolidate #2 position in Wastewater

Expand Clean Water presence – many product synergies

Continue Industrial Water penetration (with Industry BU)

Scale acquisitions (JWC, Nordic) through global sales network

Expand product portfolio beyond pumps

Technology-based solutions to sustainability challenge

Water Products

Driving growth beyond pumps

Sedimentation and Filtration (Nordic)

- Nordic Water acquisition (2021): leading provider of screening, sedimentation and filtration solutions for municipal and industrial water treatment
- Focus on sustainable solutions. Products optimized for water, energy and space savings
- Mainly Europe focused, roll out internationally through Sulzer network

Solids Reduction and Removal (JWC)

- JWC (acquisition 2018): leader in solids reduction and removal products for municipal, industrial and commercial wastewater applications
- Complementary to pumps and improves access to key US municipal market
- Expand into in EMEA and Asia through Sulzer network

Magnetic Bearing Turbo Compressors

- The HST™ turbo compressors used in wastewater treatment and low-pressure industrial processes
- Maintenance free and higher energy efficiency vs legacy technologies. Real installations show biological stage energy savings of 50% or more
- Significant market share gains, displacing legacy blower technologies

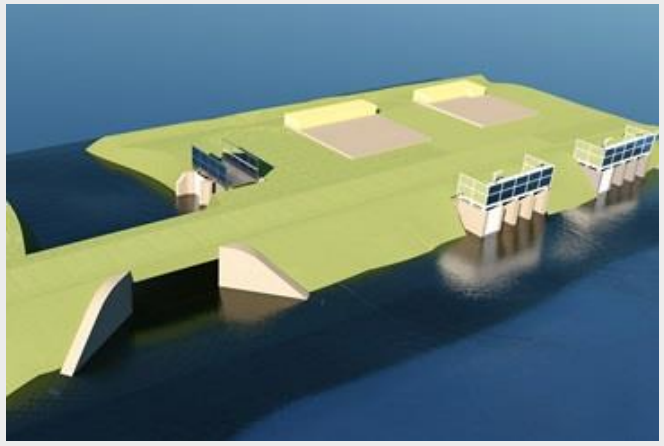
Water Success Stories

Transforming one of biggest European Wastewater Treatment Plants

- Wastewater treatment plant turned from a major energy consumer into a net producer, reducing annual carbon emissions by 40’000 tonnes
- Site processes up to 1’000 cubic meters of wastewater per minute
- Sulzer helped to ensure that processes across the site were designed to maximum energy efficiency

Flood Defense

- Sulzer primary pump supplier for a major flood defense project in Ringkobing, Denmark
- Two new pumping stations are being constructed to mitigate the impact of rising water levels in the Ringkobing Fjord

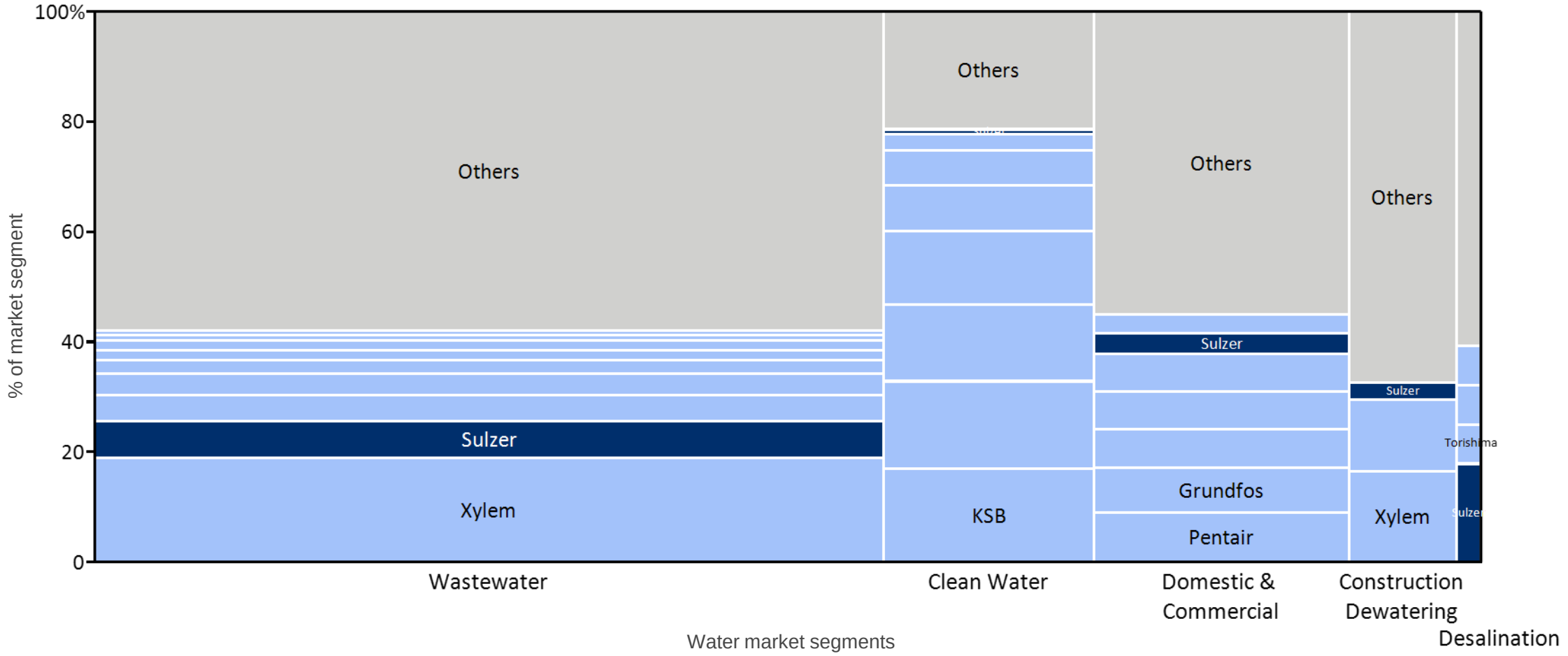


Desalination

- The Shuqaiq 3 desalination plant in Saudi Arabia will produce 450’000 cubic meters of clean water per day, supplying 2 million people
- Sulzer’s higher efficiency high pressure pumps lead to a significant reduction of energy costs for the customer

Water Market Dynamics

Opportunities in fragmented market



Source: Sulzer estimates based on publicly available market sources

Industry Solutions

Pumps, mixers and compressors for process-critical applications

Pulp & Paper Industry
- Pulp & paper
- Board
- Tissue
- Wood-based products for textiles and for packaging

Food & Biofuels
- Sugar & starch
- Edible oil
- Amino acids
- Animal feed
- Bioethanol and biodiesel

Fertilizers
- Phosphate
- Potash
- Compounds

Chemical & Process Industry
- Acids
- Pigments
- Industrial chemicals
- Caustic soda

Metals & Mining
- Copper, nickel, lithium
- Ferrous metals
- Minerals
- Mine Water

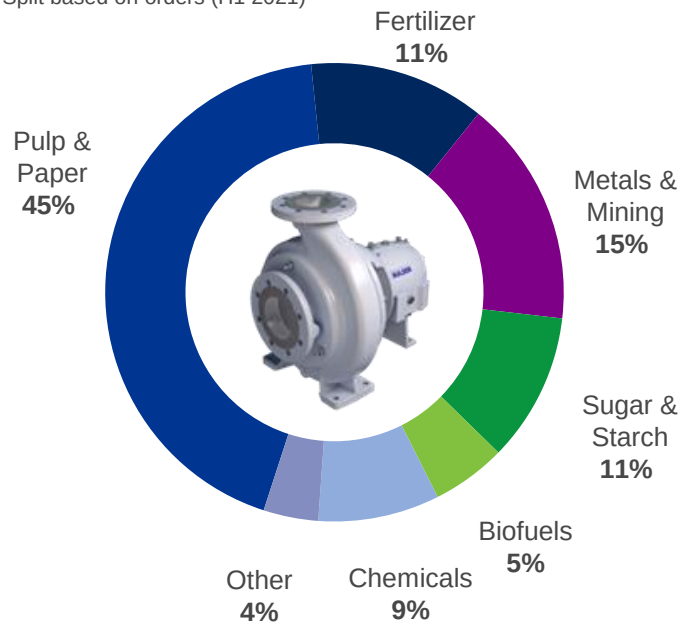
Industrial Water & Effluent Treatment
- Water intensive industries
- Various treatment processes
- Effluents from biological to highly contaminated

Industry Overview

Targeting 4-5% growth building on PPI and fertilizer leadership

Orders by segment

Split based on orders (H1 2021)



EBITA% in mid teens
At par with leaders
Mid-term upside 100 bps though mix

Market growth drivers

Push towards sustainability, development of bio textiles and bio packaging

Growing population and fertilizer demand

Tightening legislation for industrial effluents

Early cycle $8 bn market, target segments growing at 3% p.a.

Sulzer profitable growth priorities

Capitalize on Pulp & Paper leadership to ride the fiber-based boom

Replicate Fertilizers and Metals success from EMEA into Americas

Build magnetic bearing compressor offering

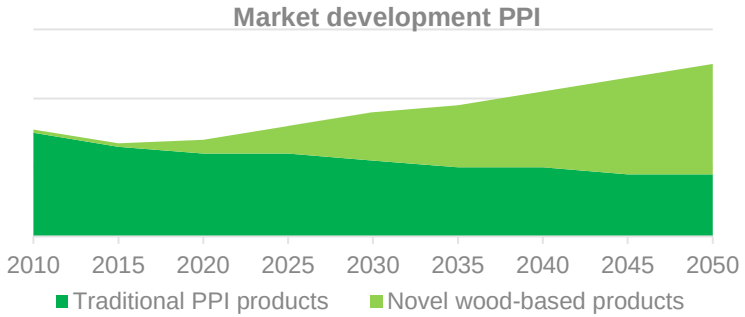
Develop Industrial Water and Effluent Treatment

Grow profitable aftermarket with more spare parts and Sulzer seals

Leverage application knowledge for growth

Pulp & Paper industry transformation

Sulzer ideally positioned to enable the fiber-based economy



Reduce carbon emissions and clean water usage

- Textiles based on wood fiber and recycled raw materials
- Packaging processes and molded structures to replace plastics
- Cellulose-based hygiene materials
- Bioplastics and biochemicals

Product portfolio and solutions

- Pumping solutions
- Mixing and agitation equipment
- Magnetic bearing high speed turbo compressors
- Development of new products in cooperation with partners

Source: Sulzer estimates based on publicly available market sources

Industry Success Stories

Pumps and mixers for bioproduct mill

- Metsä Fibre is a leading producer of wood-based bioproducts
- Sulzer is the chosen partner for process pumps and mixers for main processes of new Metsä Fibre bioproduct mill in Kemi, Finland

Same performance, 25% less energy

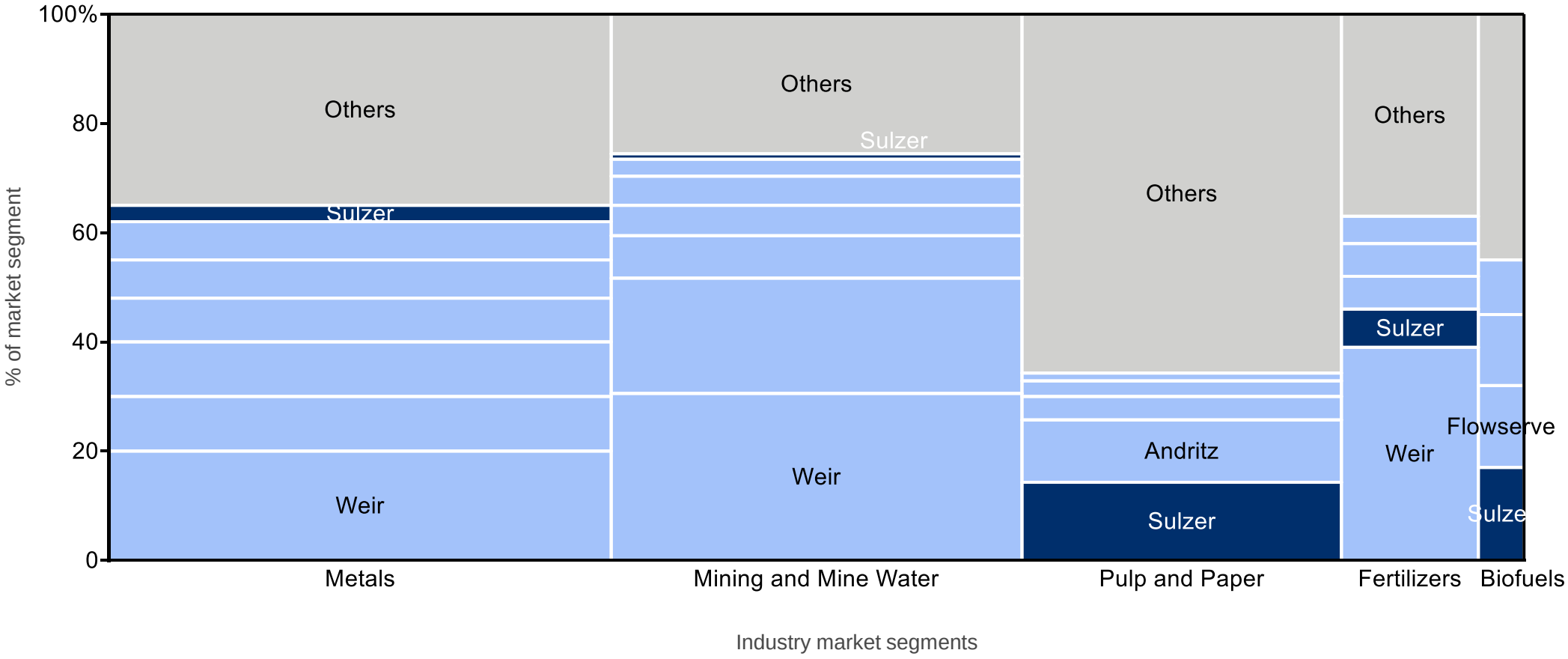
- A pulp & paper customer installed SALOMIX agitators in its fiber recovery
- While keeping the same agitation level, power consumption was cut by more than 25%
- Sulzer leads the market

Strong position in fertilizer

- The pumped liquid in fluorine salts production is both corrosive and abrasive
- Sulzer's AHLSTAR WPP wear-resistant pump achieves a longer lifetime for the wetted parts
- Sulzer leads the market in EMEA

Industry Market Dynamics

Strong in PPI and biofuels, opportunities in Fertilizers & Metals



Source: Sulzer estimates based on publicly available market sources. 1) Mineral based Fertilizers, 2) Non-ferrous Metals

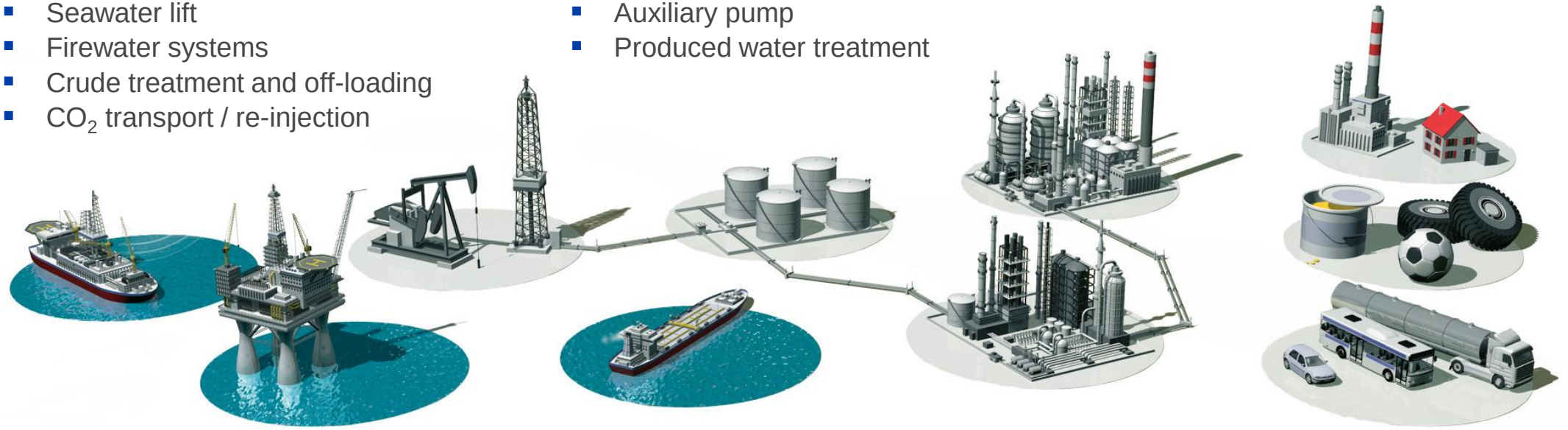
Energy Solutions

Technology leader in energy pumping applications

Offshore production, FPSO, FLNG
- Water injection
- Seawater lift
- Firewater systems
- Crude treatment and off-loading
- CO_2 transport / re-injection

Onshore production
- Water injection and transfer
- Auxiliary pump
- Produced water treatment

Pipelines
- Oil transport and boosting



Subsea processing
- Multiphase and single phase pumping

Refining, petrochemical, gas processing
- Process pumps for cracking, coking, gas-to-liquids, and coal-to-liquids processes
- CO_2 capture through gas separation

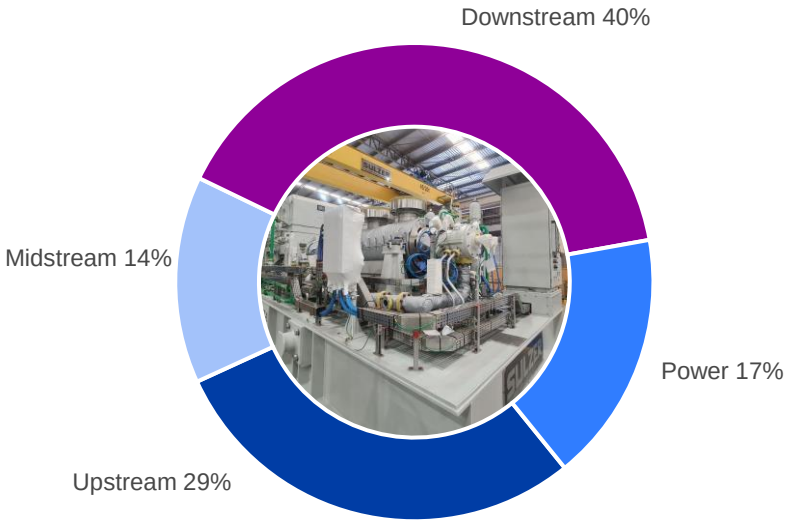
Power Generation
- Combined cycle
- Nuclear
- CCS, Solar thermal and Geothermal

Energy Overview

Strong position and diversified, opportunities in Energy transition

Orders by segment

Split based on orders (H1 2021)



GM stable in mid teens
At par with main competitors
Operational leverage during rebound

Market growth drivers

Recovery of energy consumption

National Oil Companies continue to invest

Accelerated development of low CO_2 and renewable technologies

$4.5 bn energy market will grow 2-3% p.a.

Sulzer profitable growth priorities

Well positioned to capture Energy market rebound

Leverage technology leadership in FPSO

Grow CO_2 pumping applications in O&G production and in Power (CCS)

Increase share of nuclear and renewables

Remain selective and focus on quality of backlog

Technology leading pumping solutions for energy transition

Energy Success Stories

CO2 storage and Enhanced Oil Recovery

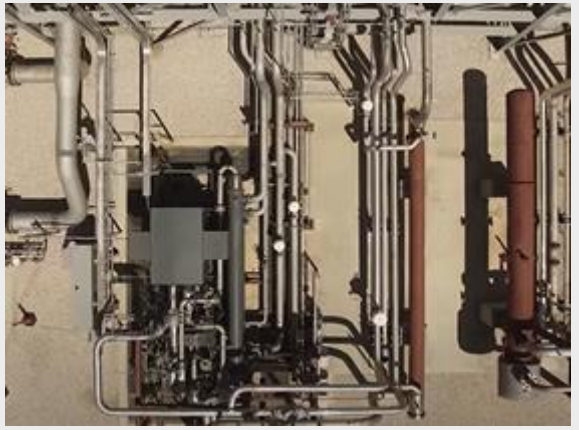
- Sulzer pumps are used by Qatargas to pump supercritical CO_2 into oil wells to improve recovery rates (EOR) and to store carbon dioxide
- The process is energy efficient and supports carbon capture and storage
- We designed and supplied the core multi-stage pump for the pilot project

Ultra-deep water FPSO

- Sulzer designed and supplied four 9 MW high pressure barrel pumps for a Floating Production, Storage and Offloading vessel (FPSO) in the MERO oil field offshore Brazil
- Winning combination of Sulzer's global manufacturing network with local capabilities to supply, install, and commission

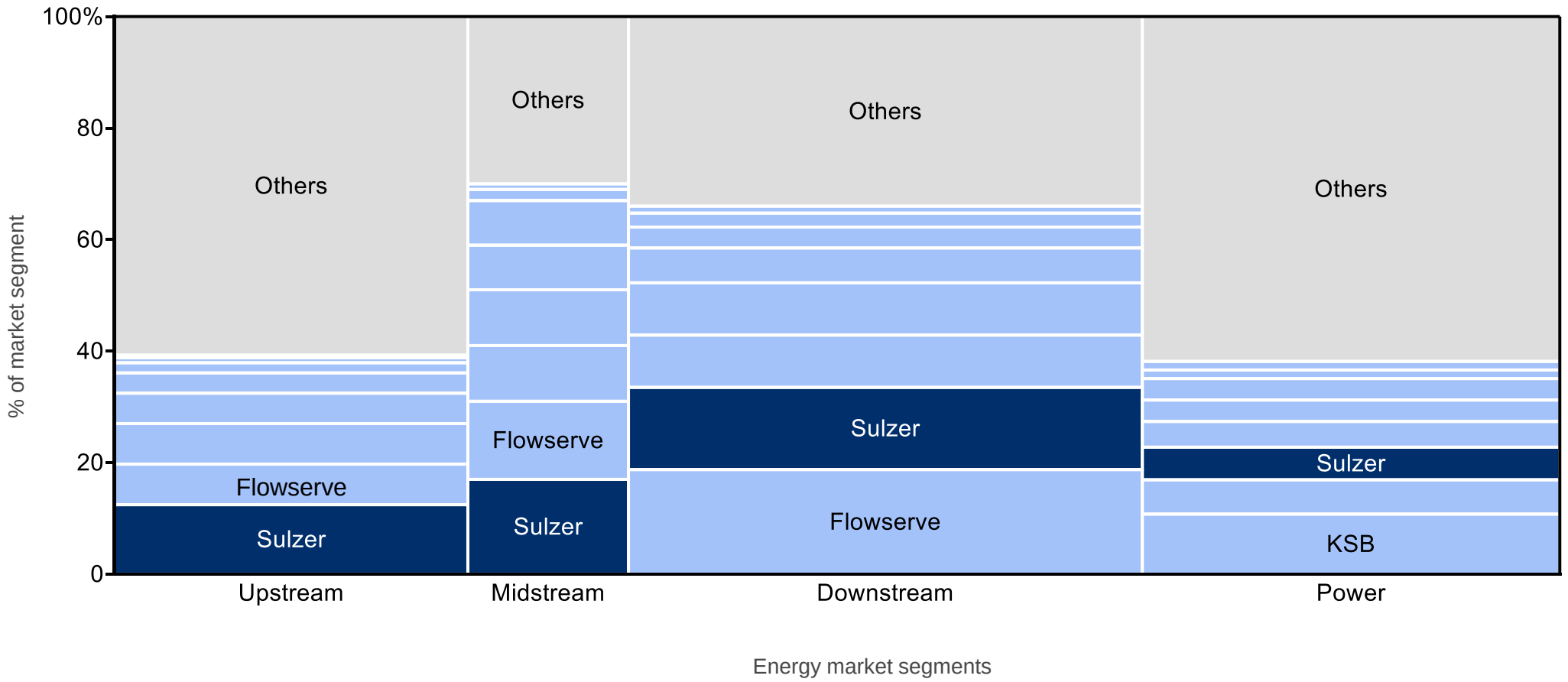
Emissions-free power

- An industrial-scale gas-powered energy plant is using supercritical CO_2 in an advanced cycle to produce electricity without emissions
- Sulzer's expertise is key to pump the CO_2 within the cycle
- CO_2 is captured during the process for storage and for industrial use



Energy Market Dynamics

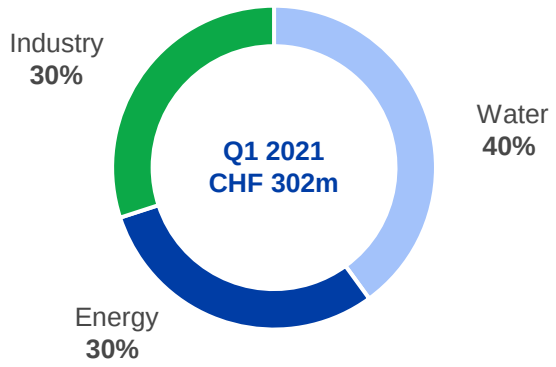
Strong NOC focus in O&G, overall #2 in Energy



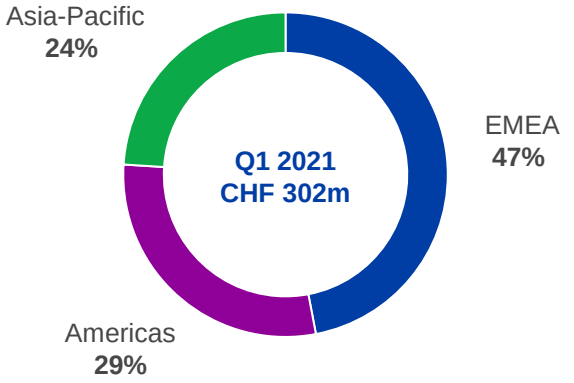
Source: Sulzer estimates based on publicly available market sources
Note: NOC = National Oil Companies (e.g. Aramco, Petrobras, etc.)

Financials

Order intake by Market



Order intake by Region



In CHF millions	2016[3]	2017[3]	2018[2]	2019	2020
Order intake	1'067	1'180	1'372	1'459	1'298
% growth FX adj [1]		*9.6%*	*16.5%*	*8.3%*	*(4.1%)*
Sales	1'155	1'120	1'284	1'477	1'296
% growth FX adj [1]		*(4.2)*	*14.1%*	*17.2%*	*(5.7%)*
Operational profit (opEBITA)	13	(4)	41	60	55
operational profitability	***1.1%***	***(0.3%)***	***3.2%***	***4.0%***	***4.3%***

1. Adjusted for currency effects
2. The growth rates for order intake as well as for sales in 2018 are based on 2018 pre-IFRS15
3. 2017 and 2016 numbers are pre-application of IFRS15

Outlook

Shift towards Water and Industry pushes profitability to 7-8%

	2020	Outlook 2021*	Mid-term Target
Order intake	1,298	1%	
Sales	1,296	8 - 10%	3 - 4%
opEBITA%	4.3%	> 5%	7 - 8%

* FX adjusted including already announced acquisitions. 2020 orders and sales in m CHF.

- Water up mid-single digit + Nordic Water
- Industry 4-5% up
- Energy 20% down

- Water orders up 5-7% pa with opEBITA% upside of 150-300 bps
- Industry orders up 3-5% pa with opEBITA% upside of 100 bps
- Energy orders expected to rebound starting H2 21, continued selectivity

June 15, 2021

Rotating Equipment Services

Daniel Bischofberger – Division President

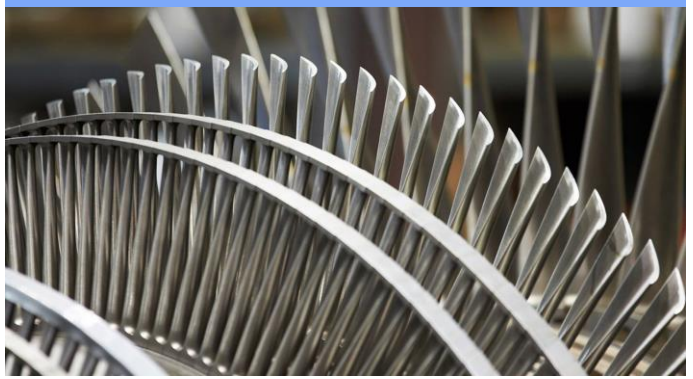
Rotating Equipment Services (RES)

Unique breadth of OEM and ISP service offering

Pump Services — 54%

Fast, integrated solutions to service, upgrade, and repair **Sulzer** and **non-Sulzer pumps**

Turbo Services — 29%



OEM-like solutions for parts, maintenance, upgrades, and repairs of turbomachines

Electro-Mechanical Services — 17%

Fast-response, **technology-driven solutions** for industrial users of electric motors and generators.

OEM	**ISP with OEM heritage**	**ISP**
#1	Leading ISP with most advanced technology	
Flowserve, KSB, Ruhrpumpen, etc.	Siemens, GE *(GT, ST/C, EMS)*	
ISPs (repairs)	Ebara (pumps) / Elliot (ST/C)	Ethos, PSM / MAN / MHI *(GT, ST/C)* / ABB, Nidec, WEG

x% % of revenue

GT Gas Turbine; ST Steam Turbine; C Compressor; ISP Independent Service Provider; OEM Original Equipment Manufacturer

Unique Selling Proposition

Highly diversified, technical and resilient service business

What makes RES unique

Broad product & services offering

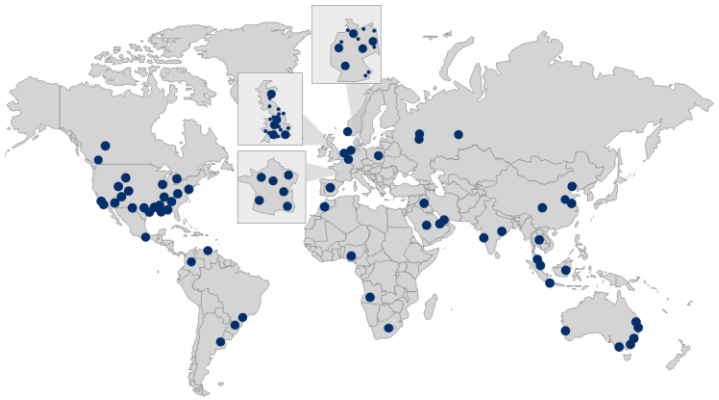
CHF 20+B service market
60% sales on 3rd Party equip.
From energy to cruise ship

Broad technical competence

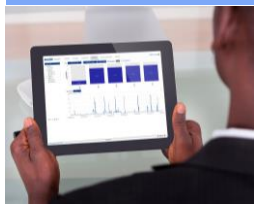
Complex repair technologies
Regional competence centers

103 Service Centers

Direct sales network
Geographical reach
Local entrepreneurship



Predictive Maintenance



Additive Manufacturing

RES advantage

- **Broad addressable market**
  Geographies, segments, products, services
- **Customer interaction / engagement**
  Offerings & footprint creates more engagement
- **One-stop shop: footprint synergies**
  Economies of scope across equipment types
- **Upgrades on any rotating equipment**
  Sulzer and non-Sulzer
- **Connectivity: Additive Manufacturing & Blue Box**
  Strong enablers for customer penetration

Growth Drivers

Mining the installed base and supporting the energy transition

Increase Market share on own and 3rd party pumps
Share of service spend, extend reach & penetration

Strong in Americas, Europe, and high energy pumps
Opportunities in Asia and low energy pumps

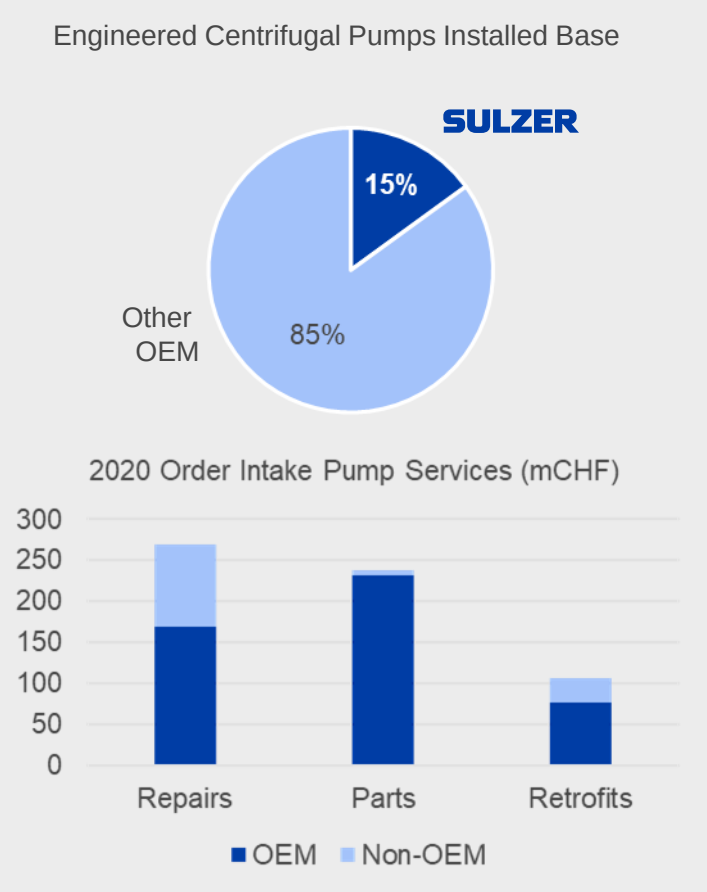
Life extension & decarbonization of customer assets
Retrofits, decentralized power & electrification

Technical play with high entry barriers = high margin
OEM dominated market with few reputable ISP

Growth Driver Installed Base

Drive growth from own and 3rd party pumps

Sulzer position in pumps aftermarket



Source: Sulzer estimates based on publicly available market sources

235'000 Engineered pumps

50% Penetration own installed base

17'000 End-user sites

30% Share of service spend

Increase our penetration using:

- Existing and new footprint (MEA, APAC)
- Potential on low energy pumps
- Customers of Turbo & Electromechanical

Capture a greater share of spend with:

- Data-driven sales transformation
- Faster delivery times
- Digital offerings

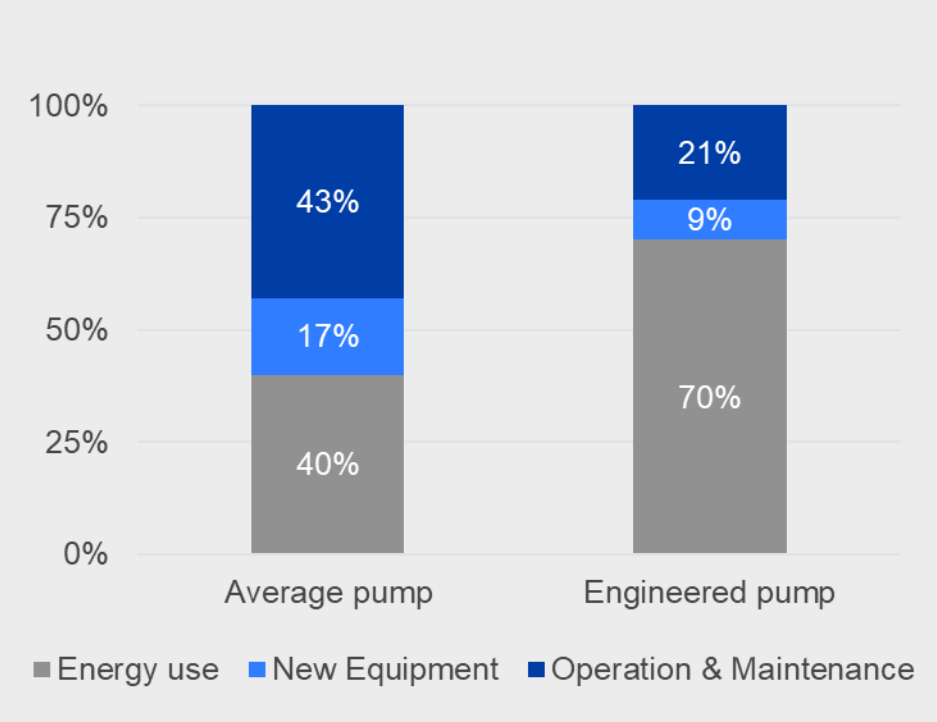
Grow non-OEM through:

- Better proximity than other OEMs
- Better technology to capture non-OEM retrofits
- Joint approach with Turbo/Electromechanical
- Additive manufactured parts

Growth Driver Energy Transition

Global retrofit leader for high energy pumps

Pump 20-year lifecycle cost



Source: Lifecycle cost: US Hydraulic Institute, DoE & Sulzer own Environmental Product Declarations

Retrofits are more sustainable

- Lowers energy consumption
- Lowers operating costs
- Reduces material waste
- Improves system performance

Retrofits are less disruptive

- Shortens lead time vs. new
- Avoids changing foundation / piping

Retrofits turn all pumps into Sulzer pumps

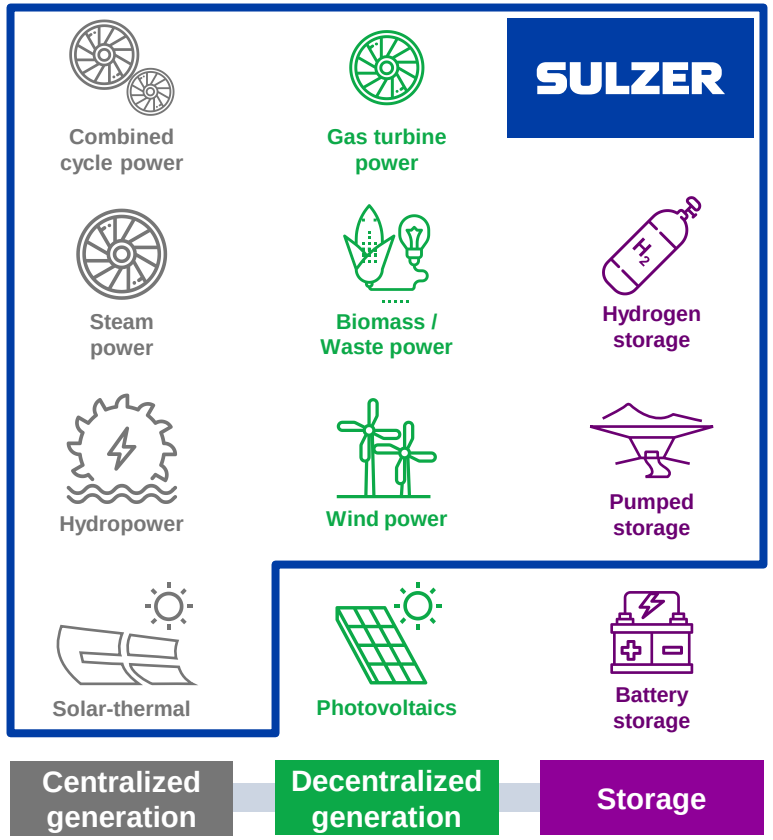
- Sulzer hydraulics inside a non-Sulzer casing
- Increases our installed base
- Positions us for future service revenue

Highly technical and great payback for customer

Growth Driver Energy Transition

Enabling the decarbonization of the energy value-chain

Distributed power & storage drive new growth



Growing demand for retrofits & upgrades in our field of expertise

- Pumps, steam turbines & compressors
- Gas turbine combustor upgrades (NOx emissions, H2 Fuel)

Growing installed “green” base

- Wind power, biomass, waste-to-energy
- Hydrogen and pumped storage
- Green refineries (synthetic & bio-fuel, sustainable aviation fuel)

Transition into distributed power

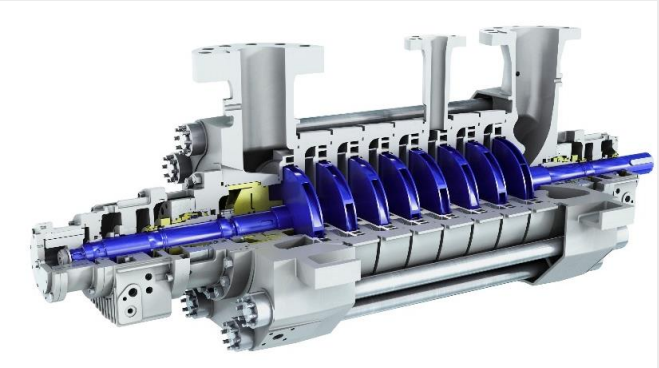
- Required to stabilize power grids due to intermittent new-renewables
- Strong position in aeroderivative and light industrial gas turbine

Success Stories

Improving the output of a chemical plant

Lifting production and improving reliability through a pump retrofit

- Sulzer was asked to increase production at a chemical plant without an outage
- Sulzer repaired and upgraded 32 pumps without interrupting plant operation
- Ethylene production increased by 160’000 tons per year, propylene by 110’000 tons



Repairing a steam turbine in the mountains

Only 45 days downtime thanks to mobile services in a mountainous area

- Geothermal sites are often located in areas that are difficult to access
- Sulzer in Indonesia has developed specialized mobile repair equipment
- Sulzer repaired and recommissioned a steam turbine … halfway up a mountain!

Upgrade wheel motor for metal mining

Increasing uptime through exchanges & retrofits of wheel motors

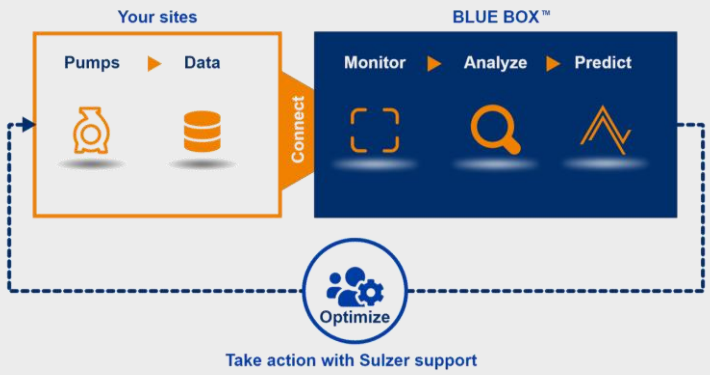
- Haulage trucks are a crucial part of the mining process; 20% of them are electrically driven
- Sulzer minimizes downtime by offering an exchange program for the wheel motors
- Phased-out DC wheel motors were retrofitted to AC in 8 weeks, vs. 52-week OEM quote

Advanced Data Analytics

AI “Digital Twin” BLUE BOX enables new business models

Three pillars of service model reinvention

1. Digital Eco-system
2. BlueBox™
3. Additive Manufacturing



Over 400 large engineered pumps worldwide under contract …and growing

Next level customer engagement

- Identify **retrofit** opportunities and **bad actor** pumps
- **Optimize pump availability and performance** with just-in-time spares and retrofits
- **Digital warehouse for spares** – virtual inventory for customers
- **Offer outcome-based business models** / product as a service

Additive Manufacturing

Reinventing how we do business

Castings within 2 weeks for pumps

Faster & better parts for turbomachinery

Hybrid parts (4 days)

For spare parts and retrofits ➔ faster & more flexible

- No tooling → significant lead time reduction
- Worldwide manufacturing network
- Enables the “sell availability” model

Focused repair ➔ less waste, more efficiency

- Local material addition on a worn or damaged part

Design for AM ➔ Better materials, better accuracy

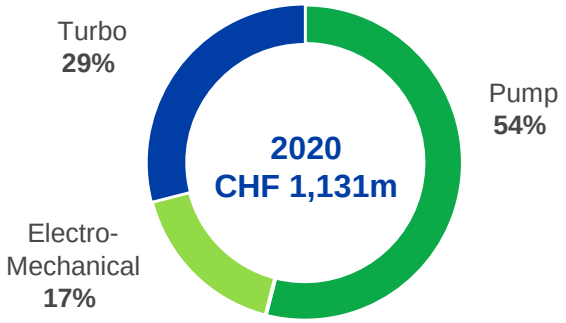
- Larger accessible range materials
- Complex shapes that would be difficult & expensive

Additive Manufacturing

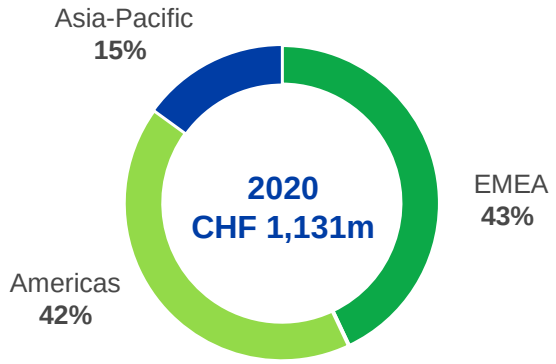
Financials

Growth and margin stability through the cycle

Order intake by Product line



Order intake by Region



In CHF millions	2016[3]	2017[3]	2018[2]	2019	2020
Order intake	986	1,048	1,110	1,193	1,131
% growth FX adj [1]		*5.3%*	*7.6%*	*10.7%*	*2.5%*
Sales	1,003	1,030	1,064	1,167	1,078
% growth FX adj [1]		*2.0%*	*4.8%*	*12.8%*	*0.1%*
opEBITA	140	144	146	165	150
% operational profitability	**13.9%**	**14.0%**	**13.7%**	***14.1%***	***13.9%***

1. Adjusted for currency effects
2. The growth rates for order intake as well as for sales in 2018 are based on 2018 pre-IFRS15
3. 2017 and 2016 numbers are pre-application of IFRS15

Outlook

Resume growth, push profitability towards 15%

	2020	Outlook 2021*	Mid-term Target
Order intake	1,131	2 - 3%	
Sales	1,078	4 - 5%	3 - 5%
opEBITA%	13.9%	14%	15%

* FX adjusted including already announced acquisitions. 2020 orders and sales in m CHF.

- **2020 best-ever order intake** in RES. RES grew 2.5% amidst markets/competitors declining double digit
- **2021 growth of 2 - 3%** against high base 2020 and pandemic constraints (e.g. restricted site access) still in place

- **Retrofits, non-Sulzer pumps and distributed power** driving growth (5%), while Electro-Mechanical at lower end of range (3%)
- **APAC** strongest growth (>6%), AME and EMEA around 4%
- **Margin improvement** driven by high margin business (retrofit, digital offerings, energy transition) and cost improvements (additive, digital)

SULZER

Chemtech

Torsten Wintergerste – Division President

Chemtech (CT)

We develop chemical processing and separation technologies that enable our customers to operate world-class plants producing high value products



Our business

We develop and sell, around our core expertise in separation and purification:

- Process technologies and licenses
- Components, equipment and chemicals
- Process know-how and services

Our customers

We sell to:

- Chemicals manufacturers
- Polymer and plastic producers
- Refining and energy companies

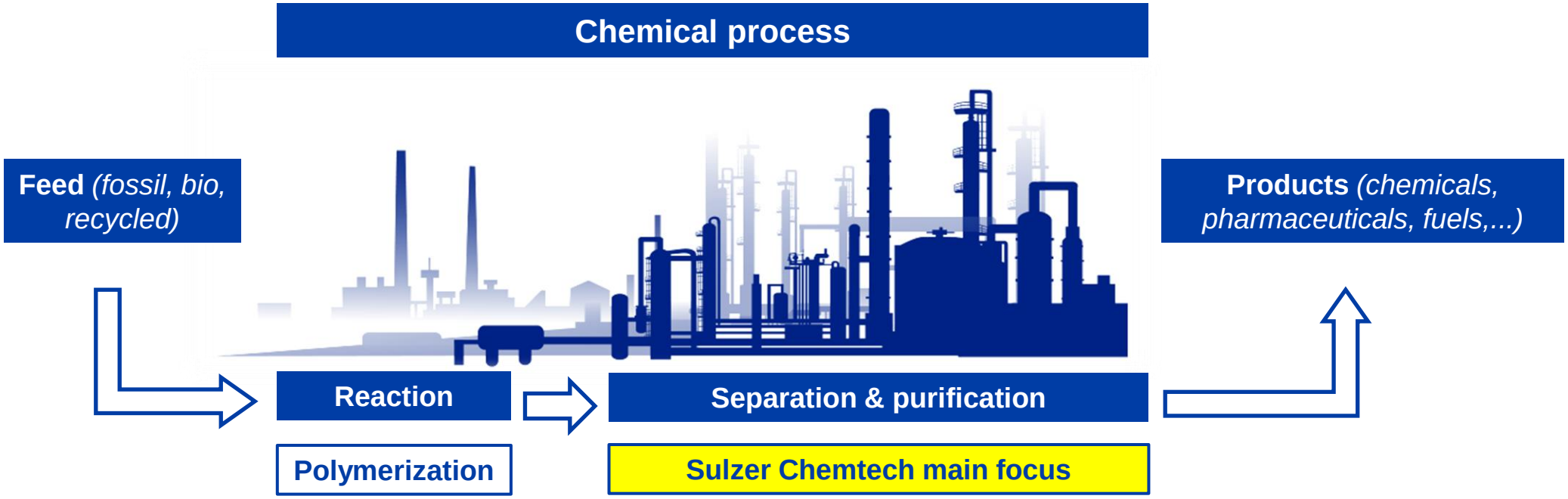
Our customers' products

Our customers produce:

- Premium chemicals & pharmaceuticals
- Plastics (incl. bio-based and recycled)
- Cleaner / efficient fuels (incl. biofuels)

At the Core of the Chemical Process

Separation and purification key to all chemical processes



The separation and purification defines the value of the end-products, independent of feedstock and chemical reaction: CT offers a unique portfolio and application know-how

Why Separation & Purification matter

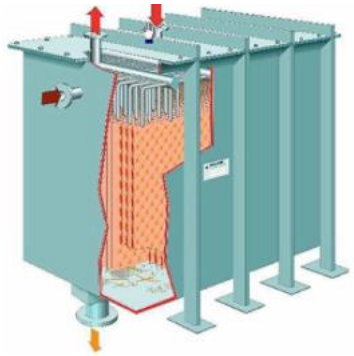
Separation and purification key to all chemical processes

Separation: distillation

By far the most used separation technology in the chemical industry

Since 1940, > 100 000 columns with Sulzer equipment, in > 500 different applications

- Purifications of monomers
- Solvent and active ingredients purification for pharma
- Flavors and fragrances



Purification: crystallization

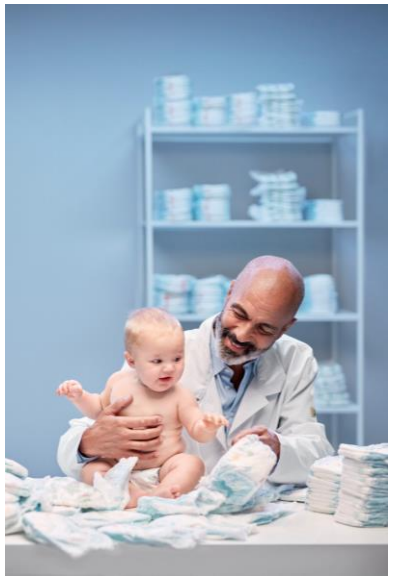
Core purification technology, 40 years of Sulzer leadership

Extremely efficient in combination with Distillation

- Absorbents for diapers
- Monomers for high tech polymers
- Freeze concentration of high-quality fruit juices

Practical Applications

Our technology is everywhere



Diapers (Superabsorbents)

We are one of the reasons your babies are happy!

Acrylic acid is used as an absorbent in diapers and other personal care products. These products require a purity as high as 99.9% for the acrylic acid.

Crystallization is one of the most powerful purification techniques available in process engineering. Our unique **crystallization solution produces 1.8 million tons of glacial acrylic acid every year, or 80% of total world production.**

That's billions of diapers, personal care products and more, all produced with crystallization technology to provide high-performance absorption we rely on every day.

Crystallization is an environmentally friendly, energetically efficient and economically competitive process for separation and purification of organics.

Vanilla

Vanilla is one of the most popular and marketed aromas in the world, yet its global shortage is forcing food manufacturers and perfumeries to turn to cheaper, more accessible artificial alternatives.

The typical vanilla aroma comes from one single compound, vanillin, which is among the world's most popular plant-derived flavors and fragrances. Its annual worldwide consumption exceeds 20'000 metric tons, yet only a small fraction comes from vanilla pods.

Today, approximately **85% is synthesized in a two-step process** from the chemical precursors guaiacol and glyoxylic acid.

Our liquid-liquid separation supports this process for a high-performance and efficient solution.

Unique Selling Proposition

We lead the market because …

We offer unique solutions

We know our customers' processes inside and out, they call us at the concept stage

We are the innovator with huge application know-how, largest market share

Our technologies are unique and optimized

Our products are a small part of the plant cost – but a big part of the value creation

We invest in the future

3-4% of its revenues in R&D

1592 patents + applications, of which 1191 granted in 193 families

20% of patent families < 3 years old

Annual patent applications doubled

65 active patents + 112 pending in bio

We are global and we scale

We are where it matters, with main factories in China, India and Mexico + smaller sites in US, Russia and Korea

5 R&D + testing facilities, 11 service centers

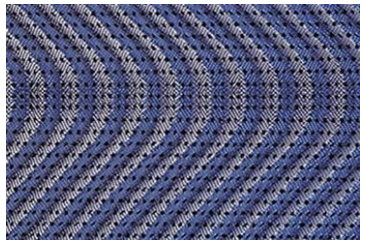
We are able to meet the specific needs of large-scale facilities

Our execution track record speaks for itself

Commercial & Technical Offering

Application know-how based sales & growing licensing

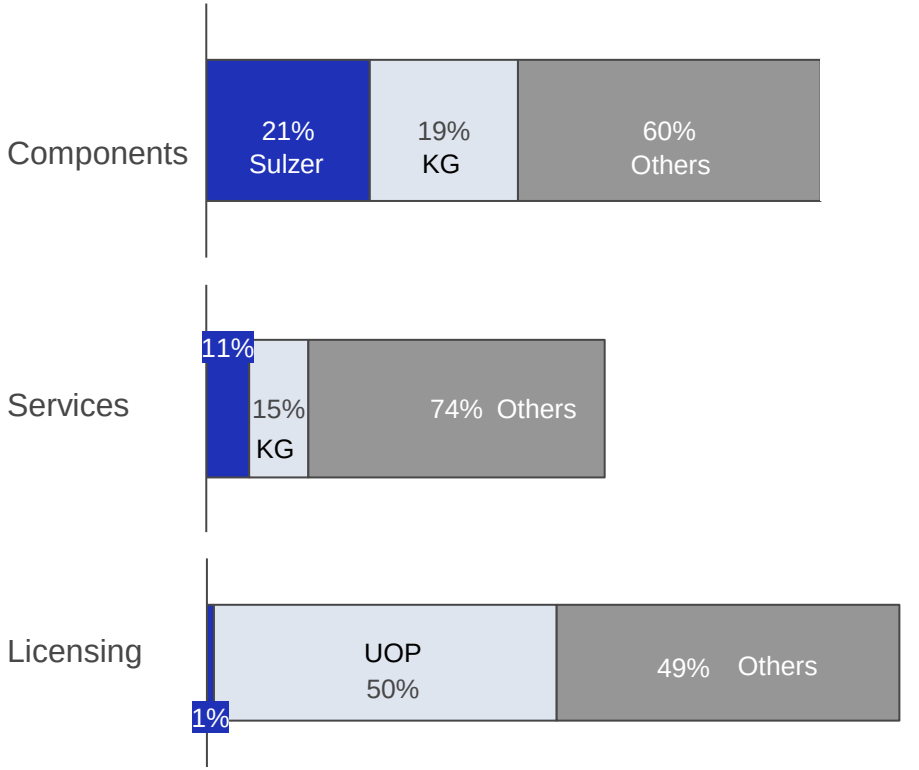
What we do



Technologies	Products	Services
Separation/Purification	Tower internals	Supervision
Polymerization	Skids/System	Maintenance
Concentration	Key equipment	Installation
Recycling	Mixers	Corrosion protection
CO2 capture		
Flotation		

Process application know-how based sales
Growing technology licensing activity

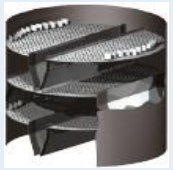
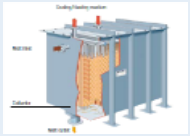
How we are positioned

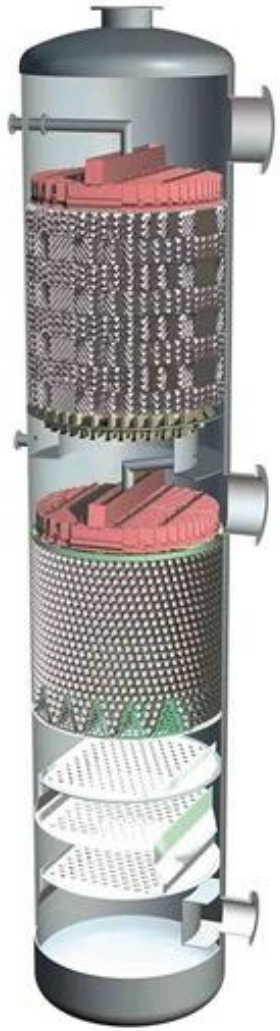


Source: Sulzer estimates, 2019 data

Components

Optimized internals for unrivalled process performance

Structured packing	Distillation trays	Random packing	Gas/liquid separators
▪ MellapakPlus™ structured packing ▪ Mellapak™ structured packing 	▪ High performance trays ▪ Conventional trays 	▪ NeXRing™ random packing ▪ Equivalent packings 	▪ Inline separators ▪ Shell VersiSwirl™ ▪ Conventional separators 
Crystallizers	**Polymer equipment**	**Liquid/liquid extraction**	**Mixers**
▪ Fractional Crystallizer ▪ Static Crystallizer ▪ Suspension Crystallizer 	▪ Reaction ▪ Devolatization ▪ Upgrading 	▪ Agitated Columns ▪ Static Columns (Packing/Tray 	▪ General Mixing ▪ Dispersion Mass Transfer 



Chemtech success stories

Our columns are in the largest and most advanced chemical plants

Sadara Chemical Complex
Saudi Arabia

CT unlocked the potential of Sadara's columns and minimizes downtime through columns revamp in record time. The complex is one of the largest ever built in one phase.

Major deliveries include:

- Distillation
- Emergency delivery
- Tower Field Service

Applications: Chemicals

Hengli PTA columns
China

CT supports Hengli to become one of the world largest PTA producers, needed for polyester fiber production, with annual design capacity of 17MMT/a and the largest PTA column in the world.

Major deliveries include:

- Distillation
- Extraction
- Mixing and Phase Separation

Applications: Chemicals, PTA

Wanhua MDI
China

With CT technology, Wanhua became the world largest MDI producer with multiple footprints across China, Europe and USA, with a total capacity of 3.3MMT/a.

Major deliveries include:

- Distillation
- Evaporation
- Crystallization
- Mixing and Phase Separation

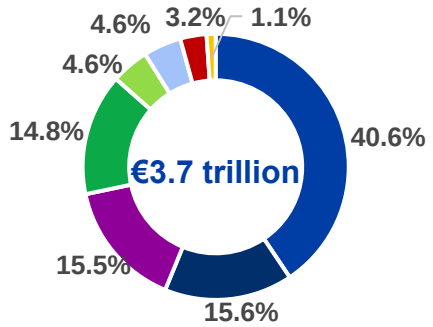
Applications: Chemicals, MDI

Market Dynamics

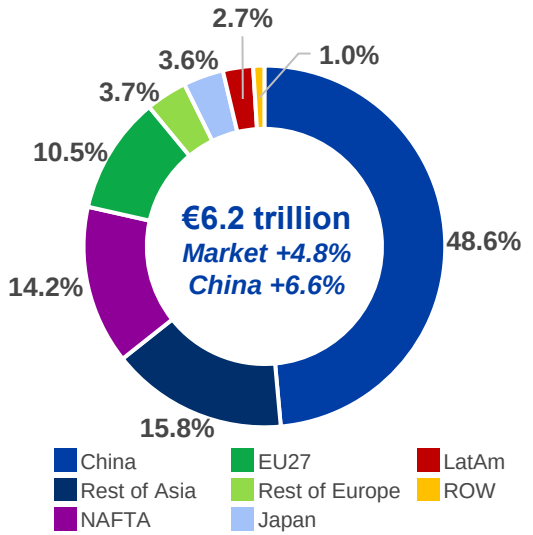
> 60% of CT in fast growing Chemicals and Renewables

Industries	Market position	Outlook	Focus Growth Areas
Chemicals 54%	• Market leader • Global footprint • Growing market	Market growing 5% p.a.	• Specialty chemicals • Mono-/ polymers production • Personal care
Renewables 8%	• Market leader in PLA • Strong in bio-based chems • Global footprint	Early stages, will boom	• Recycling (plastic, textile) • Bioplastics • Bio-based chemicals • Carbon capture
Gas/ Refining 21%	• Top 2 player • Global footprint	GDP	• Refining-chemicals integration • Plant optimization/ upgrading
Water 3%	• Niche • US-only at this point	GDP+	• Global roll-out
Service 14%	• Strong in US, India, M.E. • Weld overlay profitable niche • Many local low end competitors	GDP+ but Sulzer refocus	• Synergies with components • Focus on US, India, M.E.

Chemical Market Size 2019



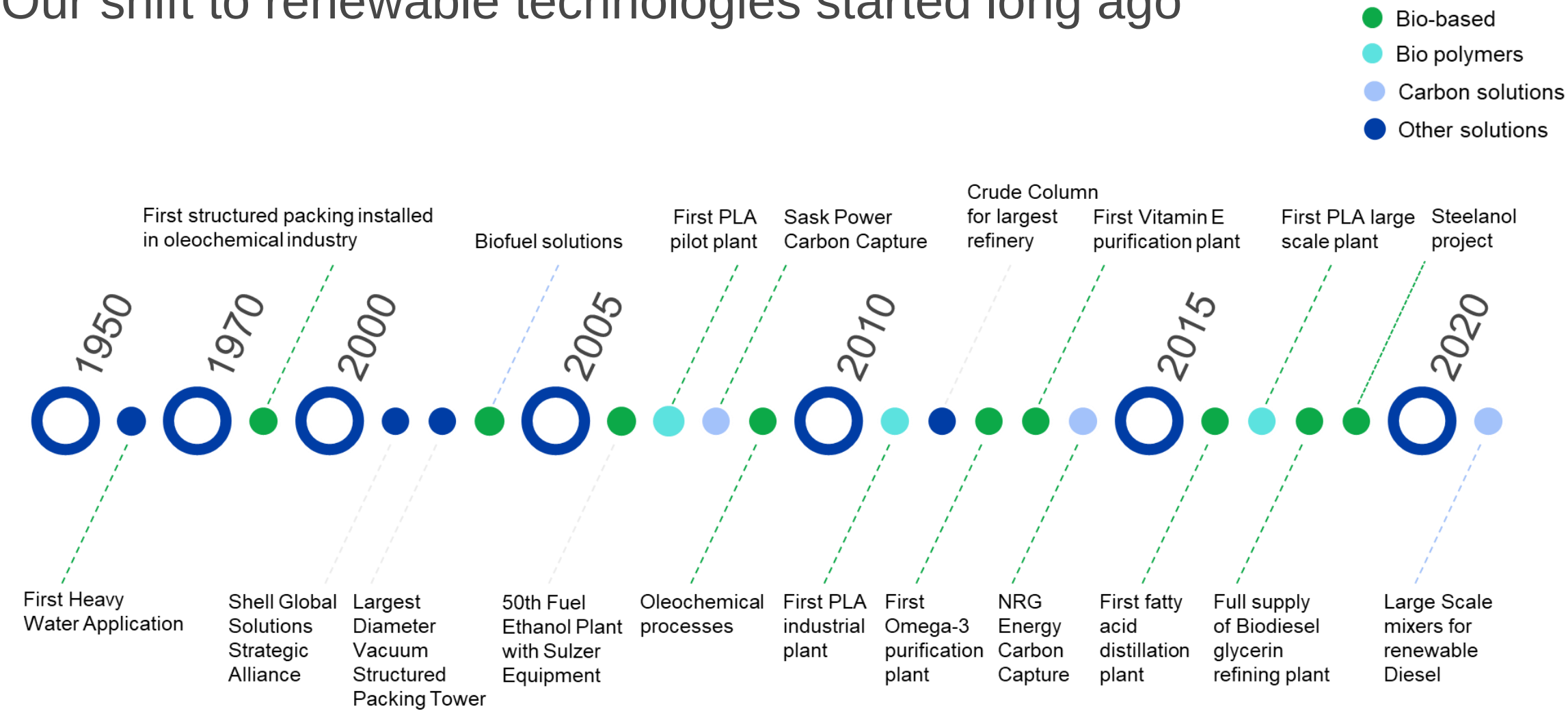
Chemical Market Size 2030



Source: CEFIC Chemdata International 2020

The Future needs a Past

Our shift to renewable technologies started long ago



Renewables: Industry Transformation

Supported by unique Sulzer technologies, driven by sustainability

Bio-Based
biopolymers, biofuels, biochemicals

- Consumer preference
- Global population growth
- Sustainability push, evolving regulation
- **Market for PLA, a biopolymer in which we lead, to more than double in next 5 years**

Polymer Recycling
plastics, textiles

- Public concerns on plastic waste
- Global population growth
- Taxes and regulations
- > 750 new chem. recycling plants bef. 2030
- **Clear advantage of our chemical approach vs. mechanical recycling**

Carbon Reduction
carbon capture/recycling, plant optimization

- Awareness on global warming
- Carbon neutrality pledges
- Taxes and incentives
- **Innovative solutions developed by/with Sulzer gaining traction**

Renewables: a leader for PLA biopolymer

Sustainable and circular, the bio-based alternative to plastics

Advantages of PLA (Poly Lactic Acid)

- PLA is a sugar-based biopolymer
- Generated from crops or plant-based biomass

Properties

- Bio-based and biodegradable
- The most scalable and industrialized biopolymer
- One of the best biobased alternative to conventional plastics for applications like packaging
- Not based on a bio-based drop-in monomer, new plants are required to meet strong growing demand

Position of Sulzer in PLA

- **Sulzer is the leader in distillation, crystallization and polymerizationfor the production of PLA**
- Can address all PLA markets (e.g. packaging, medical)

Market

- 80% of global PLA capacity runs on Sulzer technology
- Today 2 new plants a year on average
- Market expected to grow significantly, driven by regulation and public sentiment

Renewables: PLA success stories

80% of PLA plant capacity runs on Sulzer technology

Total Corbion 75 kta PLA Plant
Thailand

CT proprietary technologies for monomer purification and PLA production enable Total Corbion to produce 75,000 tons per year of high-quality polylactic acid in Rayong (Thailand).

Key process solutions include:

- Distillation
- Melt Crystallization
- Polymerization unit

Applications: bio-monomers, biopolymers, PLA

NatureWorks' Lactide Upgrading
USA

CT delivered its proprietary lactide purification solution enabling NatureWorks facility in Blair (Nebraska, US) to offer:

- A broaden PLA portfolio with high-end resins for injection molding and fibers applications
- An increased capacity from 140'000 to 150'000 tons per year

Applications: bio-monomers

B&F 30 kta integrated PLA plant
China

Chemtech supported B&F PLA in setting up China's first fully-integrated sugar-to-PLA plant in Bengbu (China).

30'000 tons per year facility uses Sulzer's:

- Distillation
- Melt Crystallization
- Polymerization unit
- Granulation and pellet crystallization

Applications: bio-monomers, biopolymers

Renewables: PEF Bioplastic

Superior mechanical, barrier and thermal properties vs. PET

Advantages of PEF

- PEF is a fructose-based polymer
- Exceptional properties go beyond PLA - and PET
- Suitable for food and liquids, complex packaging

Properties

- Better stability vs. PET and other fossil-based plastics
- Drop-in solution to commodities polyesters
- Better barrier properties against oxygen and carbon dioxide = longer shelf-life of PEF-bottled products
- 100% bio-based and recyclable

Position of CT in PEF

- Sulzer proprietary technology at pilot-plant stage
- Build demonstration plants using our technology
- Work with partners to develop PEF applications

Top potential applications

1. **Films:** replacement of petroleum-based multi-layered films with one single mono-layer of PEF with better gas barrier properties and better recyclability
2. **Bottles:** replacement of PET bottles especially for carbonated drinks thanks to prolonged shelf life; potential application in the beer industry

Renewables: Recycling

Our technology powers the most promising recycling applications

Mixed plastics recycling

PE, PP
for recycled mixed plastics

CT developed key separation technology for a project in record time and completed the entire installation in less than 10 months.

The facility handled over 20 000 tpa of feedstock in 2020 and transforms more than 80% of the non-recyclable plastic it consumes into hydrocarbons for new fuels and chemicals.

More projects in the pipeline

Applications: fuel, packaging, other plastics

Food grade polystyrene

PS
Purification of styrene monomer

CT developed a step-out purification technology to purify styrene solving all issues of removing the smallest impurities.

Enables production of Ultra High Purity Styrene (>99.95%) which can be used for food packaging, fully closing the loop.

Applications: packaging, appliances, etc.

Closed loop for mixed textiles

Polymers/ Natural fibers

CT develops an innovative process to recycle textiles made of different materials through Worn Again Technology (WAT)

CT largest shareholder of WAT, which it controls with H&M, provides state-of-the-art separation and polymer technologies.

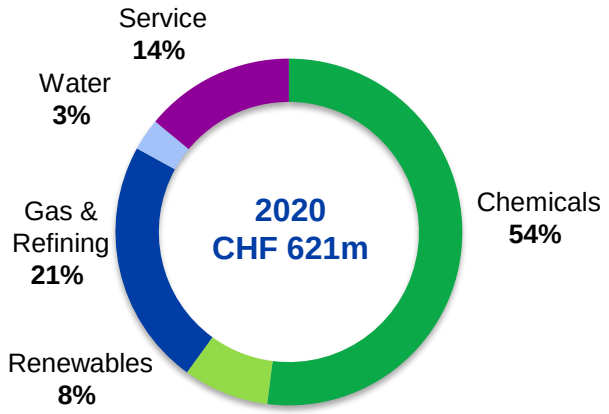
Process allows for return to virgin-like fibers, ready for re-use = fully circular

Applications: all mixed textile

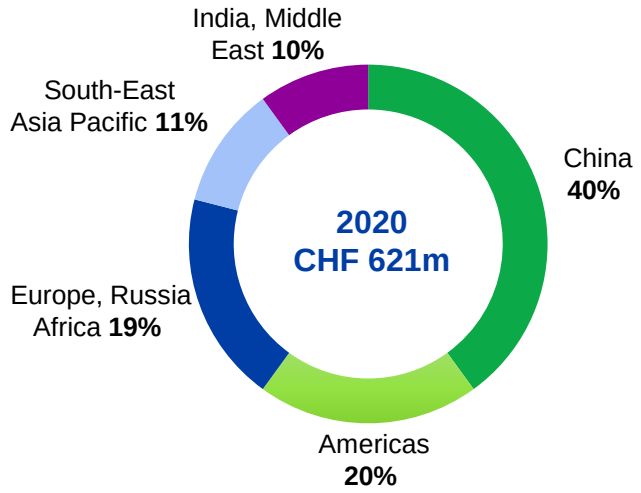
Financials

China & Chemicals fuel profitable growth, Renewables accelerating

Order intake by Segment



Order intake by Region



In CHF millions	2016[3]	2017[3]	2018[2]	2019	2020
Order intake	472	502	600	670	621
% growth FX adj [1]		*5.8%*	*20.5%*	*12.8%*	*(1.1%)*
Sales	446	478	563	664	593
% growth FX adj [1]		*6.9%*	*18.6%*	*19.0%*	*(4.8%)*
opEBITA	18	25	50	64	57
% operational profitability	**4.0%**	**5.2%**	**8.9%**	***9.6%***	***9.6%***

1. Adjusted for currency effects
2. The growth rates for order intake as well as for sales in 2018 are based on 2018 pre-IFRS15
3. 2017 and 2016 numbers are pre-application of IFRS15

Outlook

Chemicals & Renewables drive growth and profitability to 11-12%

	2020	Outlook 2021*	Mid-term Target
Order intake	621	5 - 7%	
Sales	593	7 - 9%	5 - 7%
opEBITA%	9.6%	~10%	11 - 12%

* FX adjusted including already announced acquisitions. 2020 orders and sales in m CHF.

- **Resilience** demonstrated during the pandemic
- **Recovering markets** in the US and Europe
- **Renewables** are gaining momentum

- **Chemical market** growth is expected to be 4.8%
- **China** to continue on its strong momentum
- **Renewables** segment grows to >20% of CT overall
- **Margin improvement** supported by continuous operational optimization and economies of scale

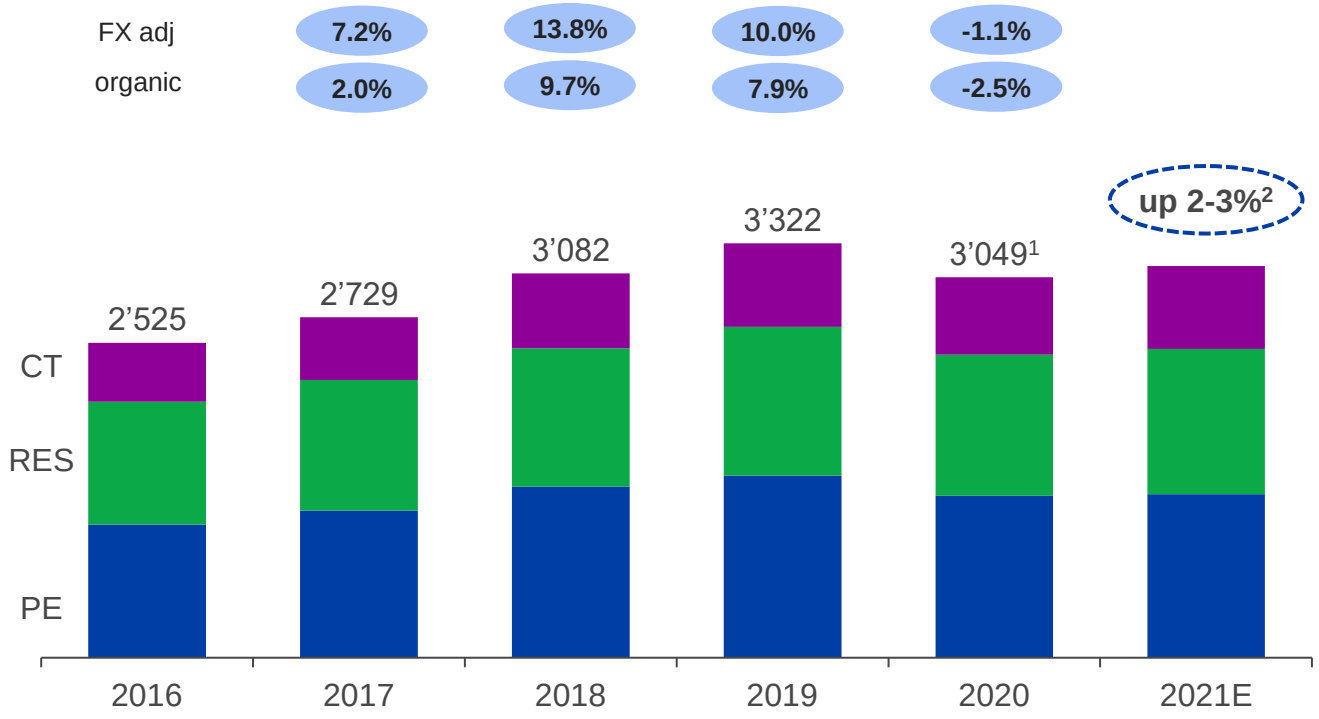
Financials and Targets

Jill Lee – CFO

Orders

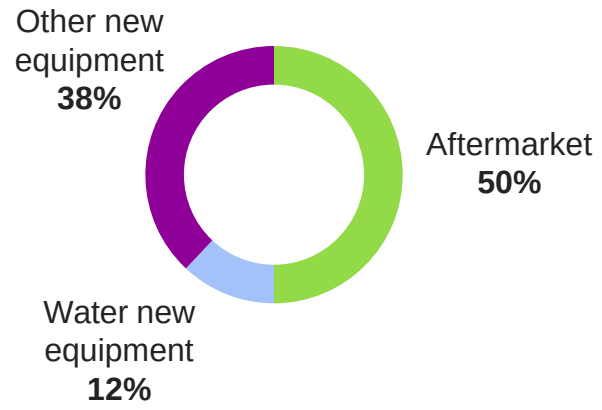
Growth driven by superior innovation combined with cost discipline

Order growth (in CHF million)

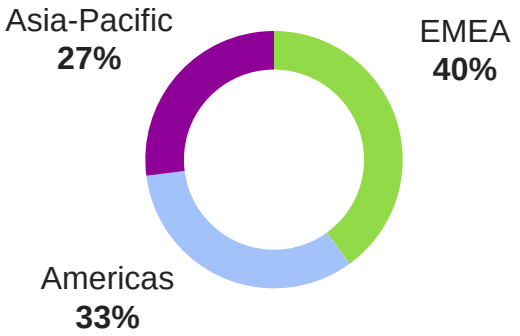


1 negative FX impact of 235m
2 adjusted for FX, including acquisitions already closed
3 2020 orders Including pro-forma Nordic Water

High portion of aftermarket business[3]



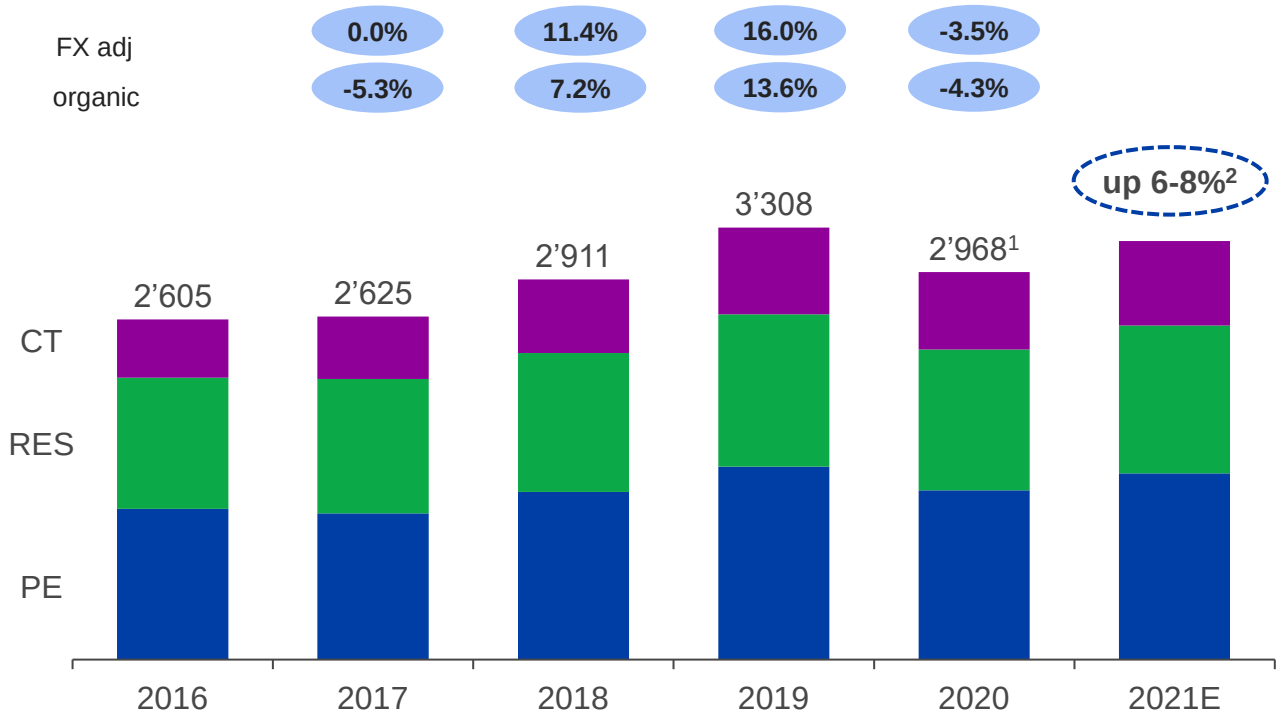
Balanced regional split



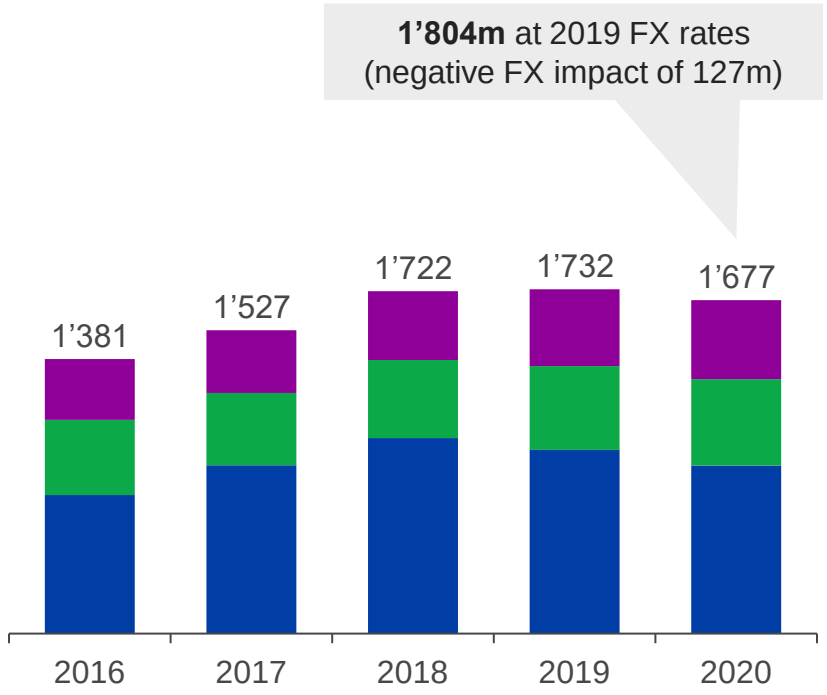
Sales

Growth path barely disrupted by pandemic

Sales growth (in CHF million)



Order backlog (in CHF million)

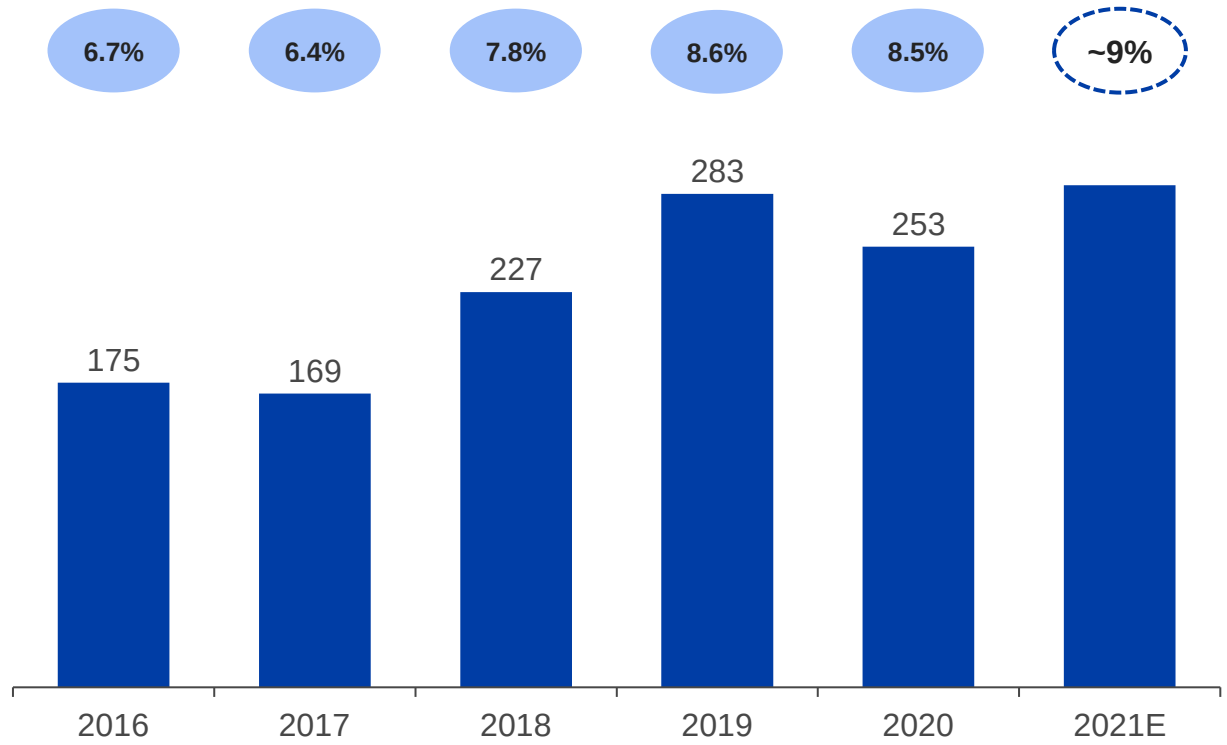


1 negative FX impact of CHF 226m; 3'194m at 2019 FX rates
2 adjusted for FX, including acquisitions already closed

Operational Profit (opEBITA)

Upwards trajectory through the cycle, expected to reach 9% in 2021

opEBITA (in % of Sales and in CHF million)



Cost Savings underway:

Energy-focused program announced in April 2020 targets savings of 70m, respectively:

- 12m achieved in 2020
- 40m incremental in 2021E, 20m in 2022E
- Implementation cost of 80m, of which 71m booked in 2020, balance in 2021E

Division opEBITA development:

- PE: from 1.1% in 2016 to 4.3% in 2020
- RES: robust ca. 14% through the cycles
- CT: from 4.0% in 2016 to 9.6% in 2020

Proven track record of profitability improvement

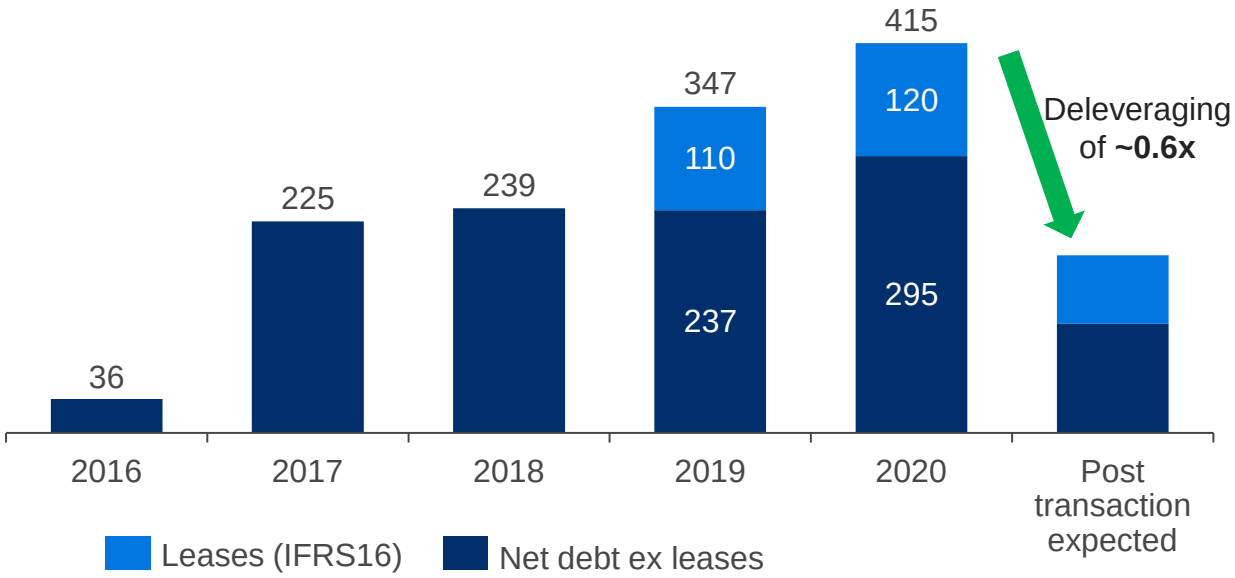
Net debt

Expected 0.6x deleveraging post transaction

Net debt / EBITDA

reported[1]	0.1x	0.8x	0.7x	0.8x	1.3x	0.6-0.8x
adjusted[2]	0.1x	0.8x	1.3x	1.4x	2.1x	1.4-1.6x

Net debt (in CHF million)



- **2019**
  IFRS 16 requiring leases in net debt calculation from 2019 onwards, adding 0.2x to Sulzer's net debt / EBITDA
- **2020**
  Net debt / EBITDA ratio impacted by pandemic and costs for restructuring
- **2021** – expectation post transaction
  Reduction by CHF 400m intercompany loans to medmix

1. Reported Net debt = financial debt (incl. leases) minus cash and cash equivalent (incl. short term financial assets)
2. Adjusted Net debt = Reported Net debt less cash held on behalf of Tiwel in the amount of CHF261m (FY20)

Mid-term targets

Achievable organically, small-to-medium sized acquisitions on top

	Pumps Equipment	Rotating Equipment Services	Chemtech	SULZER
Sales growth[1]	**3-4%**	**3-5%**	**5-7%**	**4-5%**
Operational Profitability[2]	**7-8%**	**15%**	**11-12%**	**10-11%**

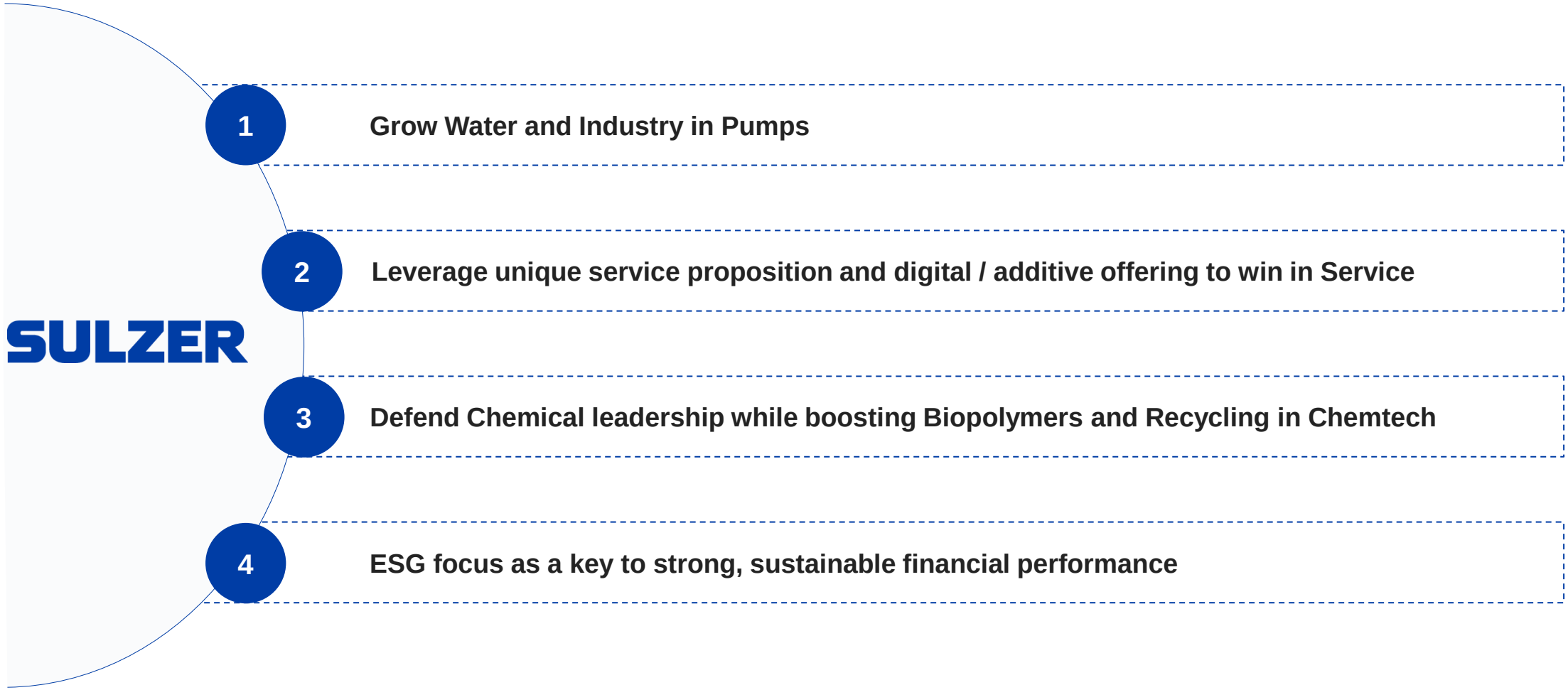
1 average sales growth p.a., FX adjusted
2 opEBITA margin as a percentage of sales

Takeaways

Greg Poux-Guillaume - CEO

Sulzer strategy

We have a clear path to value creation, based on strong positions



Why Sulzer

- We have a clear strategy, based on innovative products and strong positions in growing markets
- We combine a highly resilient portfolio (50+% aftermarket) and attractive exposure to macro trends (Water, Bio-based)
- We are a recognized ESG leader with limited exposure to new oil investments (O&G “new” is ca. 12%[1] of total orders)
- We have a robust balance sheet that supports our battle-tested strategy of well priced small-to-medium sized acquisitions
- Our team has established a track record of strong execution and profitable growth, rain or shine
- We are Sulzer – and we have remained relevant for 200 years, through technology-based innovation
- Our next great business is probably already in our portfolio

1 Excluding O&G aftermarket, which is part of our non-cyclical RES division and accounts for another 13% of orders (Q1 actuals and 2021E)