



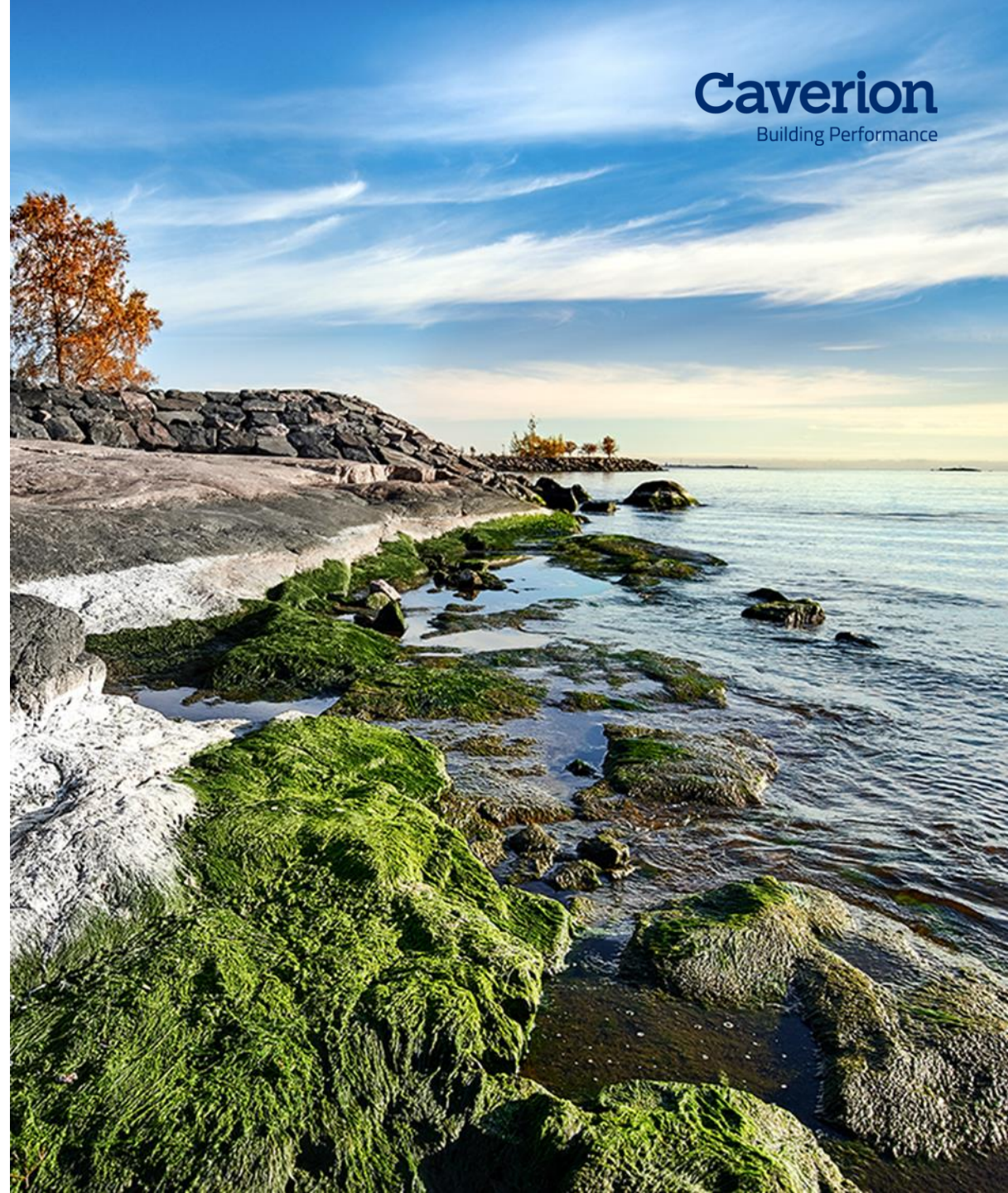
Caverion
Building Performance

Investor Presentation

March 2022

Agenda

- 1. Business and strategy overview**
- 2. Sustainability targets and offering**
- 3. Reaching financial targets through strategy execution**
- 4. Group development**
- 5. Guidance and dividend policy**



1. Business and strategy overview



Caverion at a glance

We enable performance and people's wellbeing in smart and sustainable built environments



>30,000
properties under
our service



>10,000
properties digitally
monitored

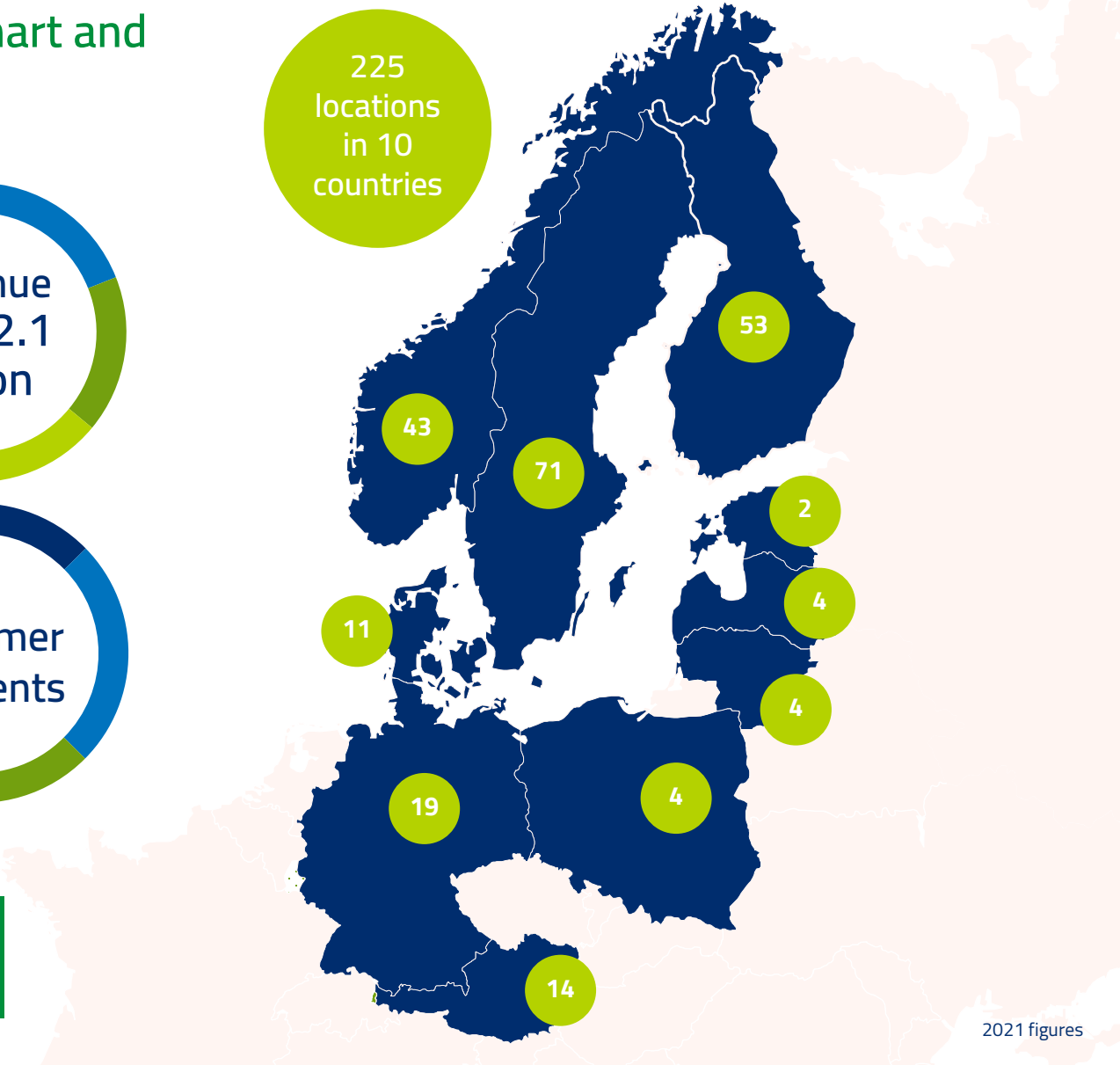


>14,000
employees

- Sweden 20%
 - Finland 19%
 - Germany 17%
 - Norway 16%
 - Industry 12%
 - Austria 9%
 - Denmark 4%
 - Other 3%
-
- Industry, 33%
 - Real Estate Users, 25%
 - Public Sector, 16%
 - General Contractors, 14%
 - Real Estate Investors and Developers 13%



225
locations
in 10
countries



Listed on
Nasdaq Helsinki

Head office in
Finland

MSCI
ESG Rating: A

66% share of
service sales

We have four strategic themes in our new strategy 2025

More at our Capital Markets Day on 10 May 2022 in Helsinki



People



Customer experience



Digitalisation



Sustainability

Fit for Growth strategy



PURPOSE

VISION

We enable performance and people's wellbeing in smart and sustainable built environments

First choice in digitalising environments

MUST-WINS



Excellent customer experience



Sustainable solutions



Top performance at every level



Winning team

FOUNDATION

KEY THEMES

Building Performance culture and values
Safety | Quality

Digitalisation and sustainability

Focus on sustainable growth while increasing interaction with customers

Good progress in strategy

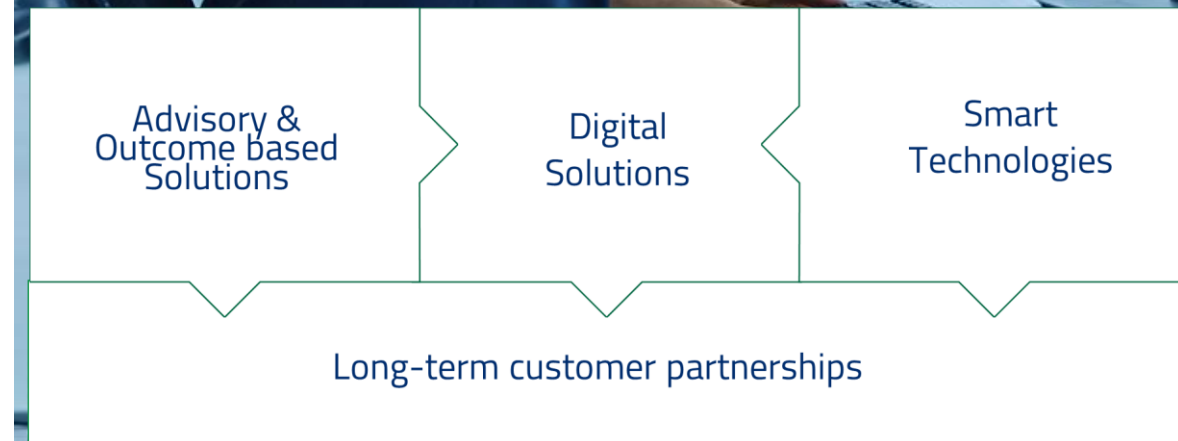
- > We are on a good track to improve performance going forward.
- > We have continued to invest in our technology and digital platform, capabilities – as well as the business platform and SmartTech via M&A.
- > Our purpose is built around sustainability. We see an increased interest towards those parts of our lifecycle offering that help customers make their operations more efficient and predictable as well as improving their sustainability.

Focus remains also on efficiency improvement

- > Further optimising and transforming our operating model



Sources of future growth for Caverion



Caverion's Building Performance offering gaining ground

By making built environments smart and sustainable, we enable performance and people's well-being

Efficiency business (~**3/4** of revenue)

Solution business (~**1/4** of revenue)

Build

- Design & Build
- Technical installation

+

Maintain

- Technical maintenance
- Small service projects

++

Partner

- Performance agreements
- Facility management
- Outsourcing
- Life-cycle solutions

+++

Smart

- Advisory services
- Digital solutions
- Smart technologies
- Energy efficiency

++++

+ = Our estimate of market growth

Meeting increasing regulatory requirements from governments

Constant progress in customer satisfaction in recent years

Particularly strong progress in 2021

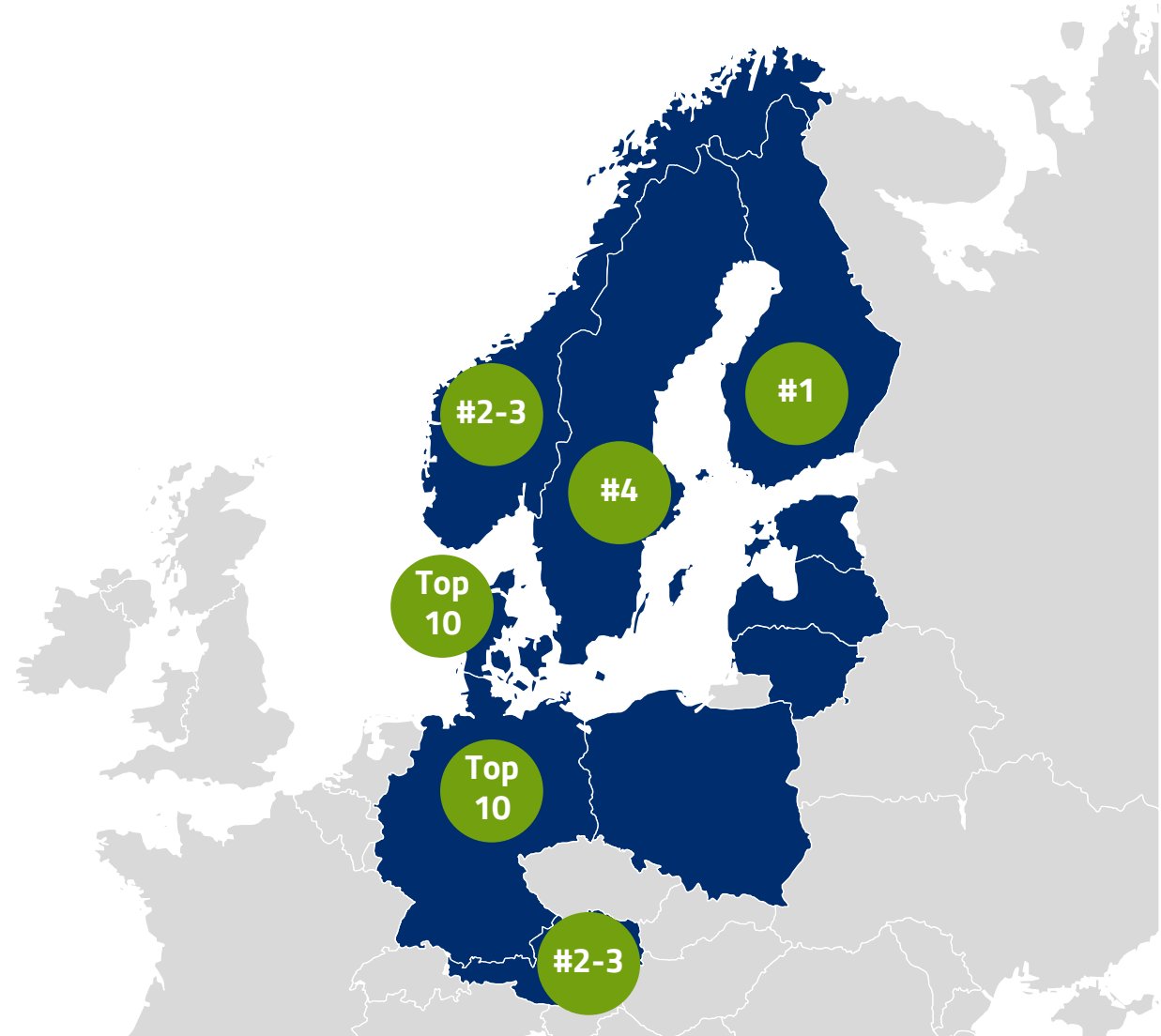


- › Particularly strong progress in customer satisfaction in 2021
 - › NPS improved in all divisions
 - › Best response rate ever
- › Very good scores in overall satisfaction
 - › Customers value particularly Caverion's service attitude, business understanding, competence and safety

Leading positions in key markets

Strong competence in all business areas

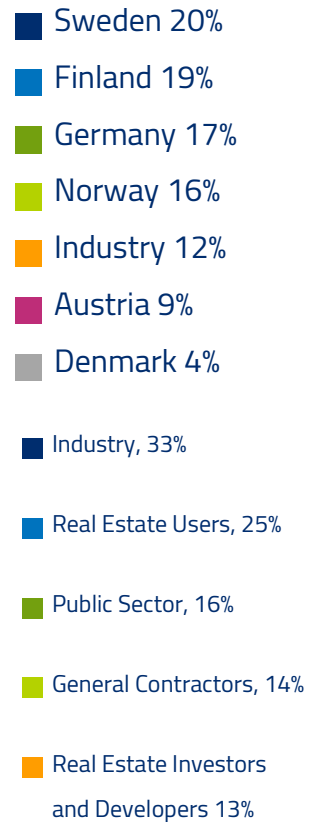
- > Caverion has a strong market position and is ranked among the top-5 players in the building solutions market in most of its operating countries measured by revenue.
- > The market is overall still very fragmented in countries where Caverion operates.
 - > Caverion is the largest company in its market in Finland and among the two or three largest companies in Austria and Norway and the fourth largest company in Sweden in its market.
 - > In Germany and Denmark, Caverion is among the top-10 players in the market.
- > Additionally, the Company is one of the leading industrial solutions companies in Finland.
 - > The largest industrial client segments are the forest and bioproducts industry and the energy sector.
- > Exit from Russian market at the end of 2021



* Source of market sizes: the company's estimate based on public information from third parties and management calculation)

Diversified customer base across geographies with a high retention rate

Revenue breakdown by segment and customer type



- > Caverion is not dependent on individual customers
- > Dependency on economic cycles is reduced through various customer groups in the private and public sectors
- > Geographically extensive presence in 10 countries
- > More than 30,000 spaces in service, with over 10,000 properties being digitally monitored
- > High retention rate in the Services business



2. Sustainability targets and offering

Major need for building renovation in Europe – Major opportunity for Caverion

EU target net 55% emission reduction by 2030, major renovation/energy efficiency investment wave expected

36%

of the energy-related emissions (GHG) come from buildings in the EU

75%

of buildings in the EU are energy-inefficient

40%

of EU's final energy is consumed in buildings

60%

EU target to reduce building GHG emissions by 2030

By 2030...

Our positive GHG handprint is **10x** greater than our own GHG footprint*

*Scope 1-2





Caverion sustainability strategy focus areas & targets by 2025

Caring for our people

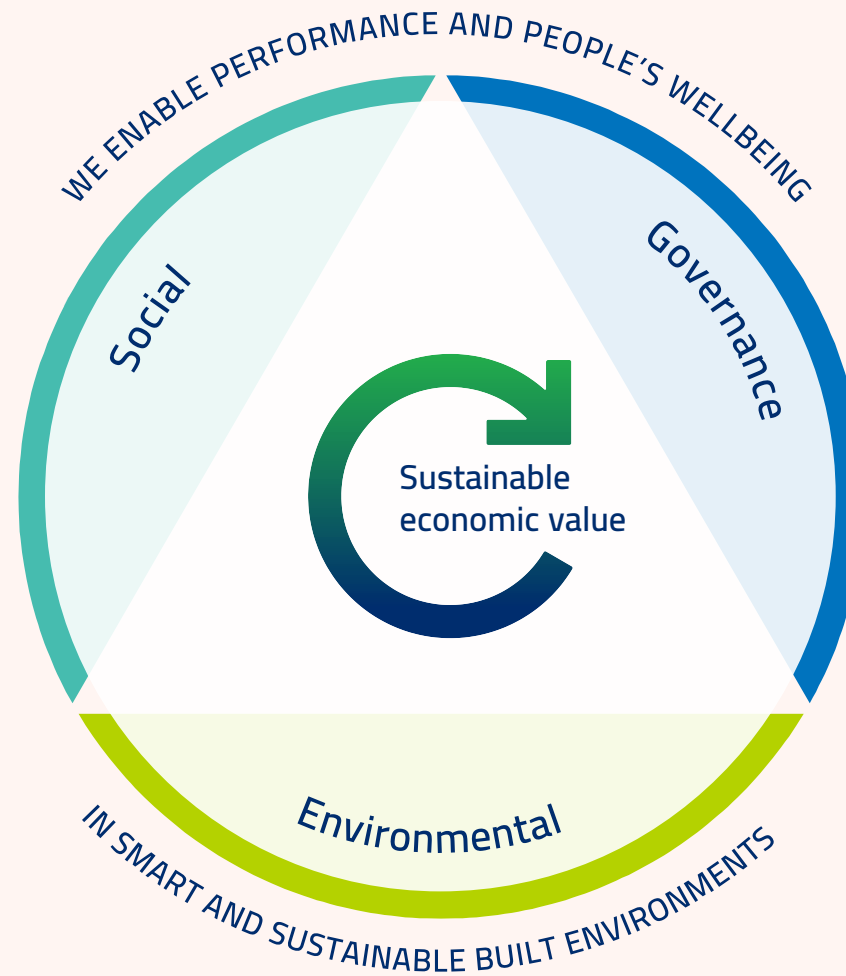
We provide our people a **safe and sustainable environment with diversity, equity and inclusion**, backed up by training and processes.

- > Lost Time Injury Frequency Rate (LTIFR) <2
- > All employees trained in sustainability
- > Share of female employees 15%

Increasing our handprint

We maximize our positive **handprint** with a directed effort on identifying and developing smart sustainable offerings, designs and solutions to **advise** our customers.

- > 5 times carbon handprint over footprint (Scope 1-2)
- > All of our offering has a defined carbon handprint



Ensuring sustainable value chain operations

We **comply with legal requirements and Caverion policies** supported by meaningful **reporting and supplier engagement**.

- > Supplier Code of Conduct sign-off rate >90%
- > All tender requests include sustainability criteria

Decreasing our footprint

We develop detailed targets and **emission reduction plans** for our footprint while engaging our suppliers and customers to reduce the emissions throughout our value chain.

- > Total carbon footprint defined and measured

Caverion's solutions along the lifecycle create clear sustainable impact

EU's and national stimulus packages expected to be directed to green growth and digitalisation

Direct sustainability impact through:

- > **Lifecycle engagement** via outcome-based contracts, EPC etc
- > **Solution projects with smart tech**, e.g. refrigeration, security, automation; upgrades and modernisations
- > **Advisory services**, e.g. Smart readiness indicator, energy advice, sourcing of subsidies
- > **Digital services**, e.g. remote center, analytics (SmartView)
- > **Financing solutions**, e.g. PPP, XaaS and leasing solutions

Digital, data-driven, analytics focused integrated solutions



**Traditional project & service
business and technical discipline
expertise**

Stimulus packages and legislation

are in all our countries supporting sustainable investments. Caverion expects stimulus packages to increase demand also in Caverion's areas of operation in 2022.

Examples:

- > EU EUR 800bn recovery fund stimulus package
- > EPBD directive
- > EU F-gas regulation
- > EU taxonomy

Sustainability trend is growing stronger – Caverion expects stimulus packages to increase demand in 2022

EU's "Fit for 55" climate package

- > A set of proposals to make EU's climate, energy, transport and taxation policies fit for **reducing net greenhouse gas emissions by at least 55% by 2030**, compared to 1990 levels

EU's "Renovation Wave" strategy

- > Objective to **at least double the annual energy renovation rate** of residential and non-residential buildings **by 2030**
-> expected to result in 35 million building units renovated

EU's "Energy Performance of Buildings Directive" (EPBD)

- > Requires **all new buildings from 2021 to be nearly zero-energy buildings** (NZEB) in the EU

Major opportunities for Caverion:

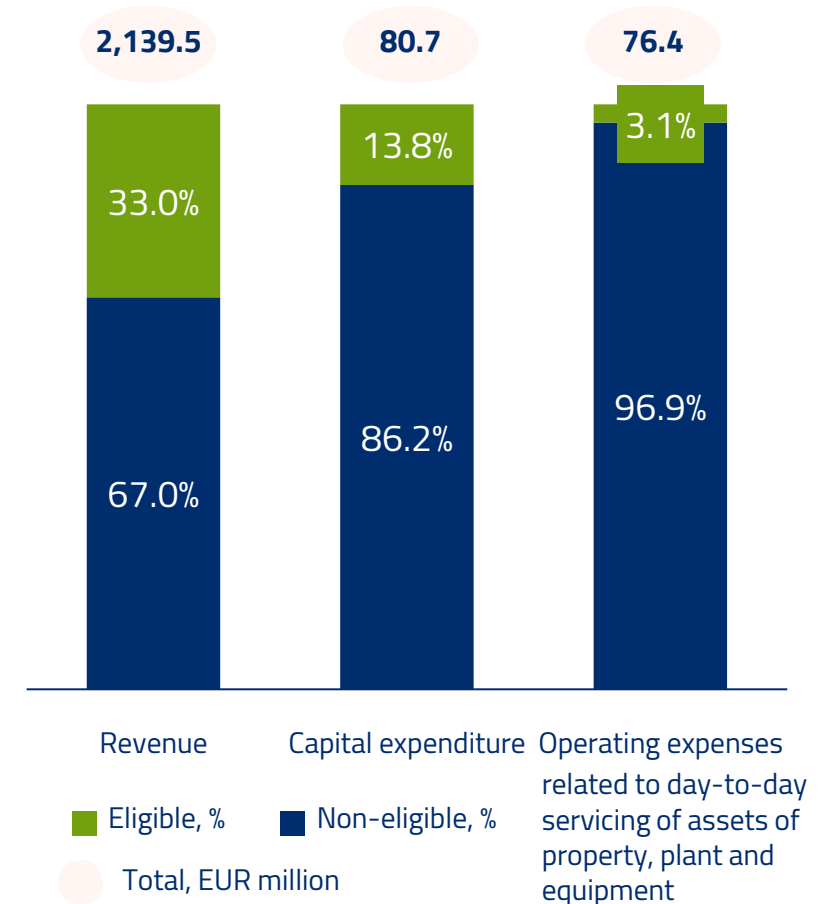
- > Increasing energy efficiency of buildings
- > Electrification of transport infrastructure
- > Use of renewable energy technologies
- > Green industrial transition towards clean technologies

EU Taxonomy reporting 2021

Caverion is part of the solution for a green, low carbon transition

- > 33.0% of revenue considered eligible with EU Taxonomy in 2021.
 - > Activities not considered eligible consisted of technical building services not contributing to GHG emission reductions and industrial services outside the renewable energy sector.
 - > Caverion did not classify any activities under categories “Construction of new buildings” and “Renovation of existing buildings”. However, had this approach been adopted, Caverion would have been able to report a material additional share of its building technology revenue as taxonomy eligible.
- > 13.8% of capital expenditures and 3.1% of operating expenses resulting from services or products associated with economic activities considered taxonomy eligible in 2021.
 - > Caverion’s business model is asset-light and does not require large-scale investments to cope with EU taxonomy. Most of Caverion’s investments are M&A or IT investments.
- > With these eligibility levels, Caverion demonstrates its strong position in environment and climate protection.

EU Taxonomy KPI's 2021



Clear progress in sustainability target achievement

Sustainability targets

2019
Baseline

2021
Actual

2025
Target

Our business makes sustainable impact			
Total carbon footprint defined and measured, %	66%	80%	100%
Share of offerings with a defined carbon handprint, %	-	20%	100%
Carbon handprint over footprint (Scope 1-2)	>1x	>2x	5x
We care for our employees			
Lost Time Injury Frequency Rate (LTIFR) <2	5.3	4.0	<2
Employees trained in sustainability, %	50%	50%	100%
Share of female employees, %	11%	11%	15%
We ensure efficient and high-quality implementation of sustainability			
Supplier Code of Conduct sign-off rate, %	55%	66%	>90%
Share of tender requests including sustainability criteria, %	-	-	100%

E

S

G



By 2030, our positive carbon handprint is 10x greater than our own carbon footprint

We are committing to science based environmental targets and other initiatives

Current development

- > Committing to science based environmental targets
- > Aligning with EU taxonomy and considering TCFD recommendations
- > Considering KPI's with SASB recommendations for our sector
- > In 2021, Caverion joined UN Global Compact



Annual reporting

- > Complied in the sustainability report
- > EU non-financial reporting
- > Signatory of the UN Global Compact and UN SDG's in 2020
- > Nasdaq ESG Transparency partner



Latest ratings (score)

- > ESG Risk rating: Low risk (7/2021)
- > A (12/2021)
- > C (NP)
- > C (2021)





3. Reaching financial targets through strategy execution

Financial targets and results so far

Cash conversion (LTM)¹

> 100%

2021: 91.2%

Profitability (Adjusted EBITA-%)

> 5.5%

2021: 4.1%

Leverage² (Net debt/EBITDA)

< 2.5x

2021: 1.1x

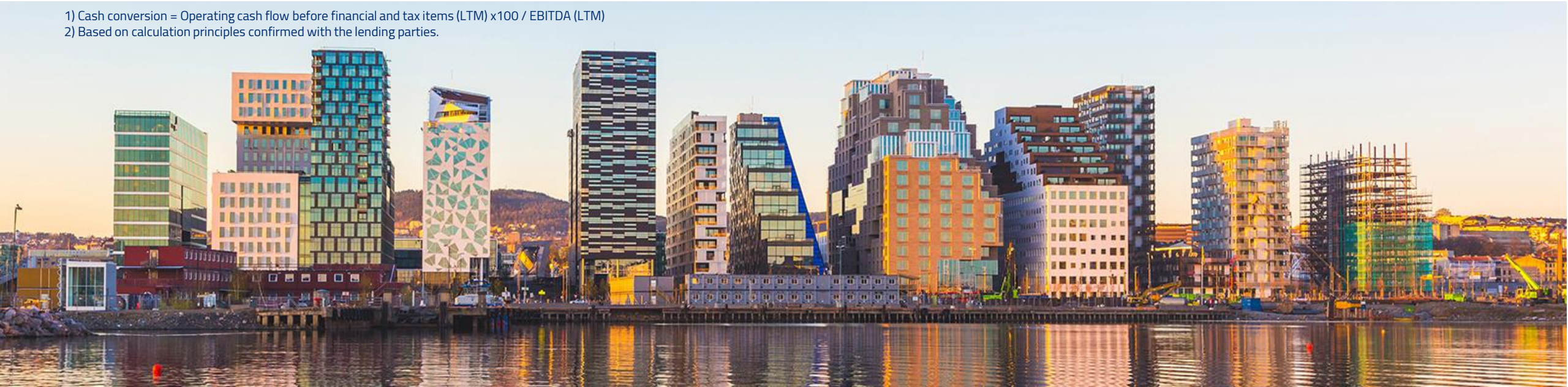
Growth Organic growth

> 4% p.a.

2021: Services growth 1.0%
in local currencies, share of
Services 65.5%

1) Cash conversion = Operating cash flow before financial and tax items (LTM) x100 / EBITDA (LTM)

2) Based on calculation principles confirmed with the lending parties.



We continue to invest in capabilities and core competencies

Three acquisitions closed in Q4/2021

Bott Kälte- und Klimatechnik

Bolt-on acquisition of **Bott Kälte- und Klimatechnik** in Germany, a small **cooling and air conditioning** specialist based in Wiesbaden, Germany.



Germany

Rørlegger'n Innlandet

Acquisition of a **piping, heating and sanitation** company **Rørlegger'n Innlandet** in Gjøvik, Norway.



Norway

Merius

- > Acquisition of the **industrial design and advisory** business of the Finnish company **Merius Oy**, a provider of surveying, design and consulting services for industrial investments by using 3D digitisation, virtual and visualisation technologies.



Finland

Revenue: EUR 0.7m

Employees: 8

EUR 0.7m

7

EUR 1.4m

20

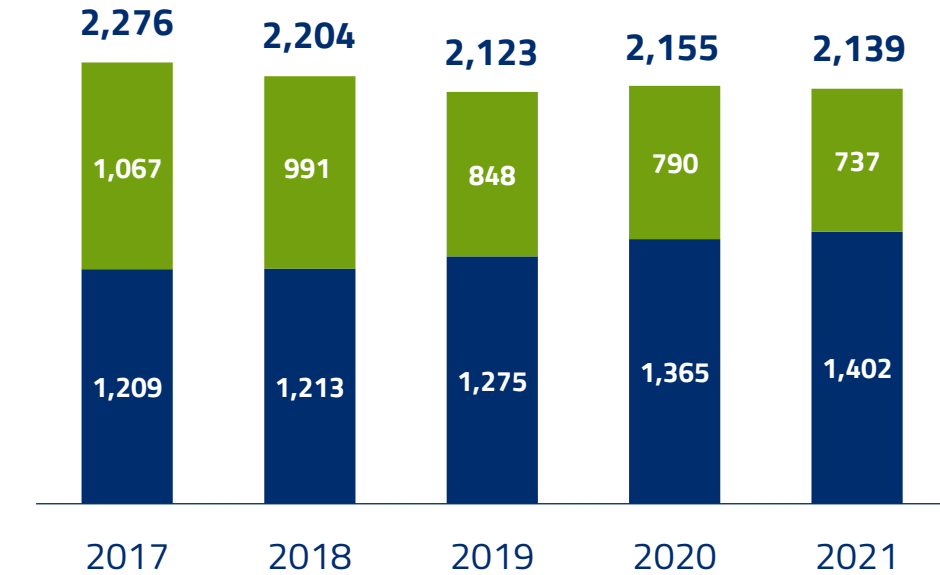
Fit for Growth journey 2017-2021

Shift in business mix and turnaround in profitability progressing

Group revenue

EUR million

■ Services ■ Projects



Services share:*

53.1%

55.0%

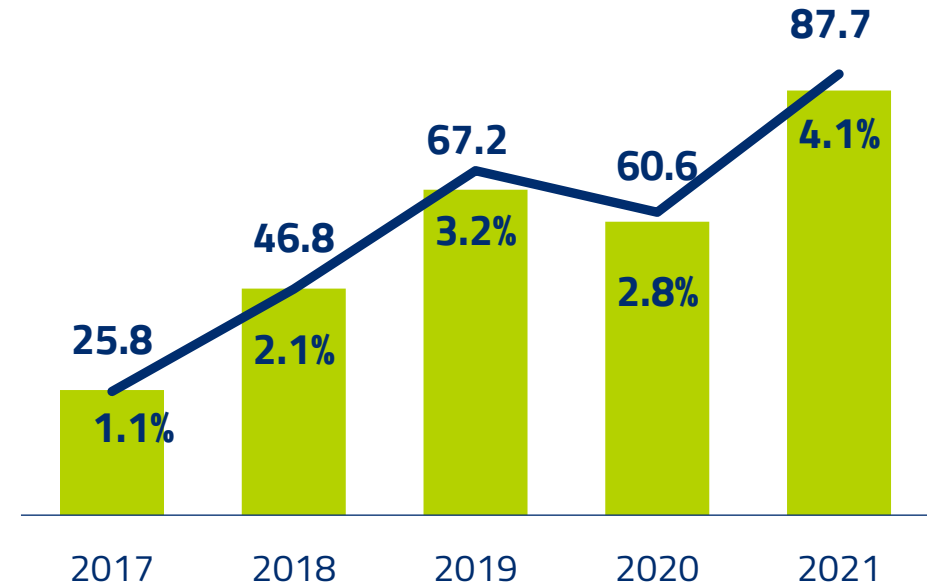
60.0%

63.3%

65.5%

* Change in reporting of business unit revenue in 2018

Adjusted EBITA, EUR million

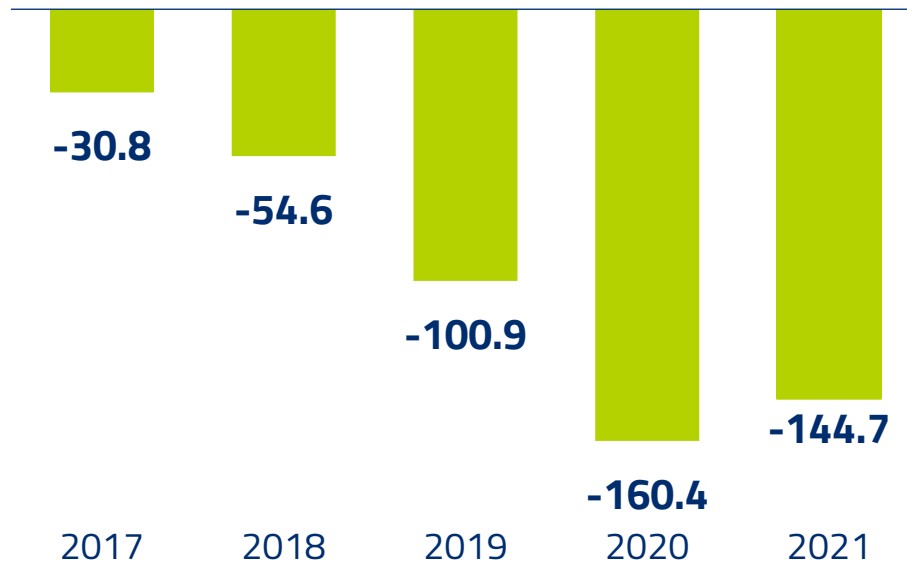


Note! 2017 Adjusted EBITDA; 2018-9/2021: Adjusted EBITA. The same figures have been used for the presentation of the respective margins. Comparative figures for 2018 (or prior periods) have not been restated according to IFRS 16. Adjusted EBITA = EBITA before items affecting comparability (IAC)

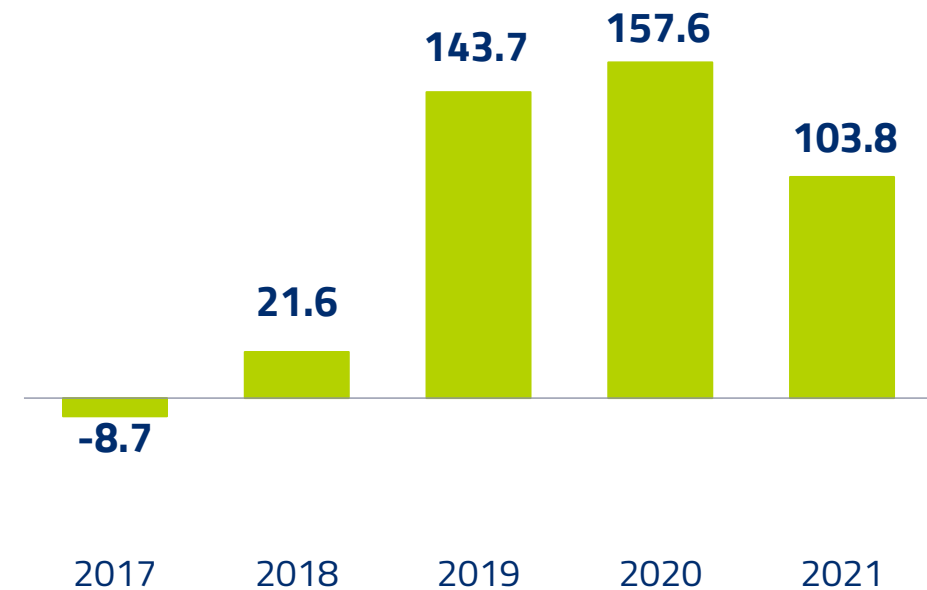
Performance management culture with focus on cash flow generation and working capital management

Substantial cash release from working capital. 2021 cash conversion at 91.2%

Working capital
EUR million



Operating cash flow before financial and tax items
EUR million



As of 2019 figures according to IFRS16

Operating cash flow before financial and tax items = adjusted results for the period + change in working capital

Cash conversion = Operating cash flow before financial and tax items (LTM) x100 / EBITDA (LTM)



4. Group development

Operating environment 2021

Further growth in Services, while the corona pandemic still impacted the operating environment

Services 65.5% (63.3%) of Group revenue

- > Caverion experienced increased investment activity among several customer segments as of the second quarter.
- > As an example, certain annual industrial shutdowns in Finland postponed from 2020 took place in the second quarter of 2021.
- > Caverion has started to see a general increasing interest for services supporting sustainability.

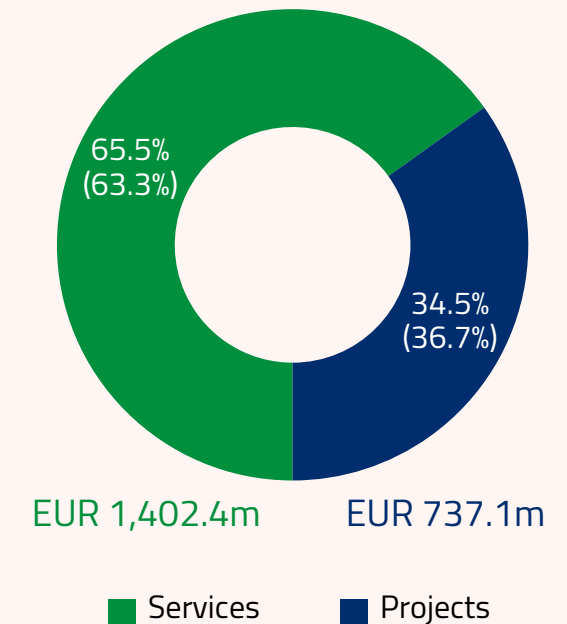
Projects 34.5% (36.7%) of Group revenue

- > There were clear signs of market stabilisation as of the end of Q2/2021. In Q3, market demand started to pick up and the trend continued until the end of 2021.
- > During the year, the market was impacted by increases in material prices.
- > Stimulus packages did not yet have a clear impact on general demand in 2021.

Revenue breakdown

2021 (2020)

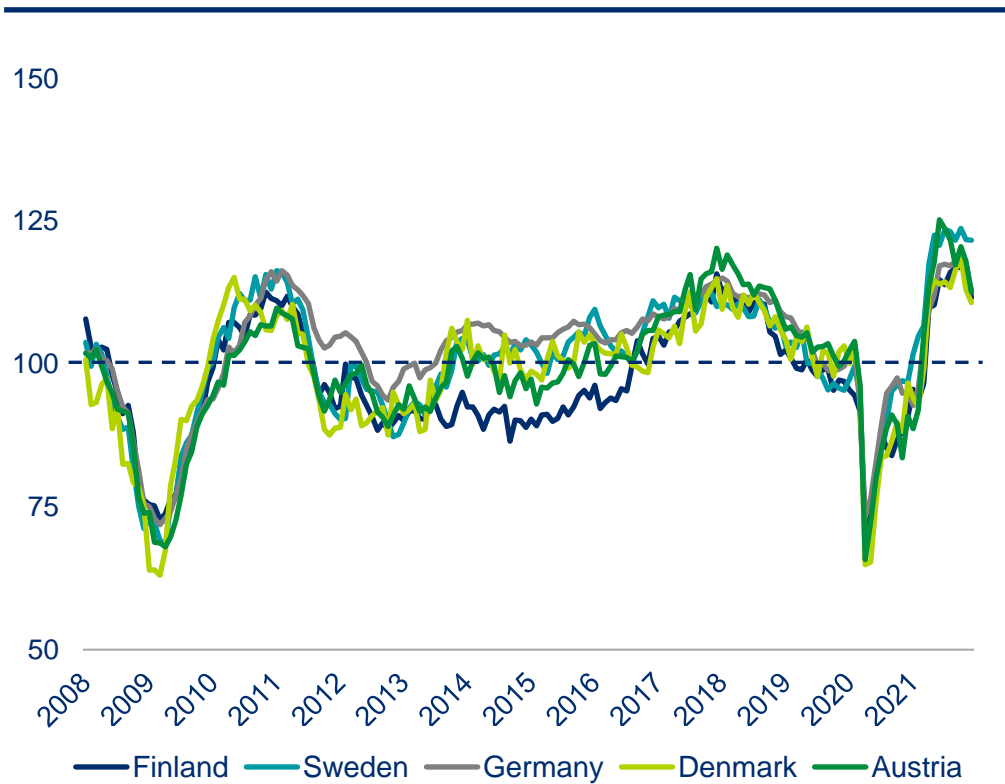
(Total revenue 2021: EUR 2,139.5m)



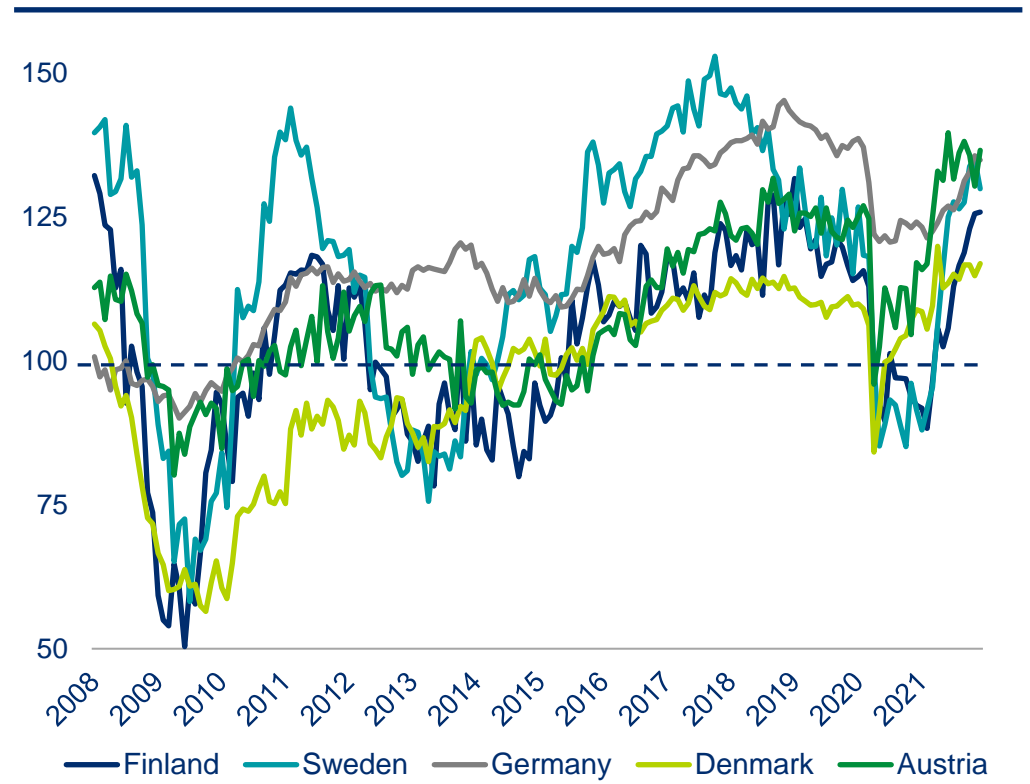
Uplift in sentiment indicators in 2021

Economic sentiment indicators have rebounded from Covid-19 effects

ECONOMIC SENTIMENT INDICATOR (2008 – 12/2021)



CONSTRUCTION CONFIDENCE INDICATOR (2008 – 12/2021)

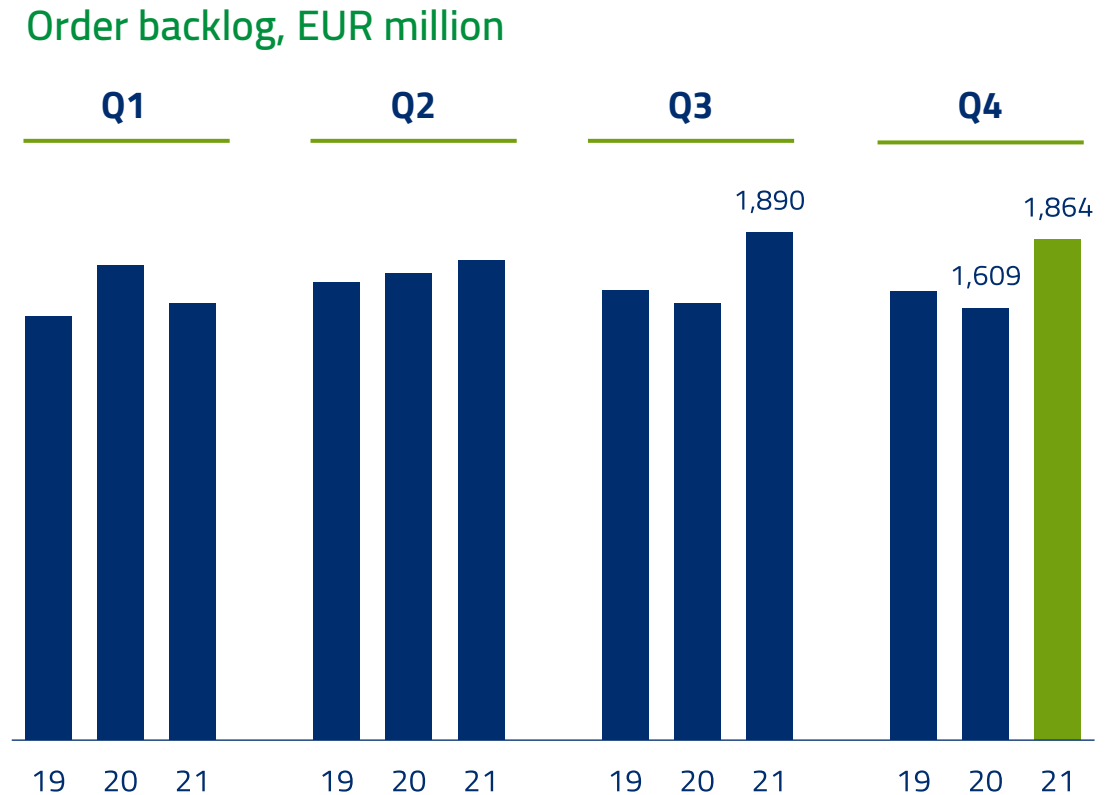


Sources: European Commission, December 2021

Order backlog development

Order backlog increased by 15.8% year-on-year, growth both in Services and Projects

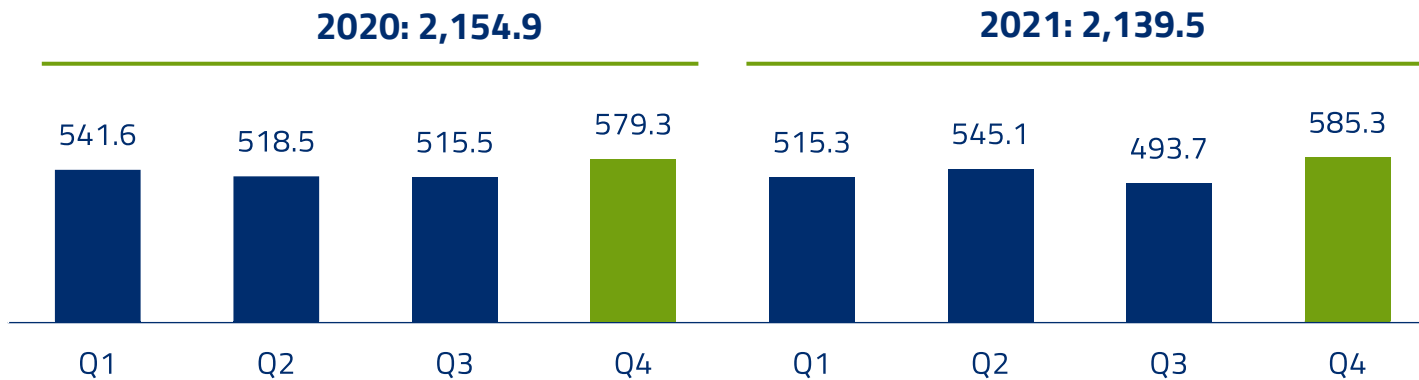
- > Order backlog increased by 15.8% to EUR 1,863.8 million from the end December 2020 (EUR 1,609.1 million).
- > At comparable exchange rates the order backlog increased by 15.5% from the end of December 2020.
- > Order backlog increased by 14.1% in Services and by 18.0% in Projects.



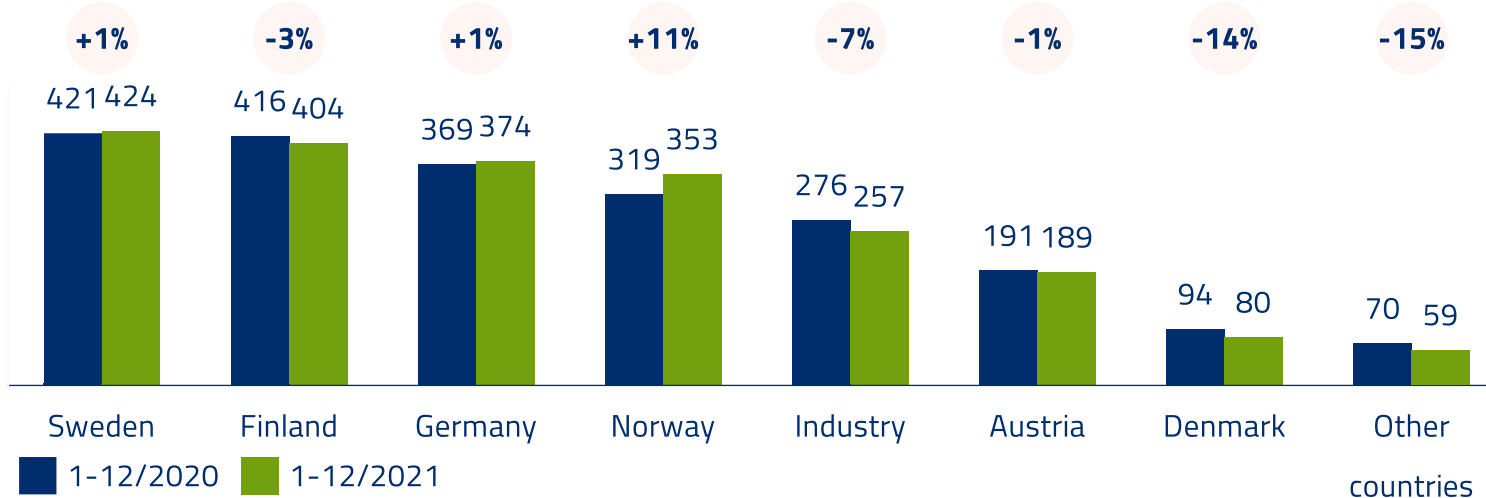
Revenue development

Full-year revenue down by 0.7%, but Q4 revenue up by 1.0%

Group revenue, EUR million



Revenue breakdown by division, EUR million



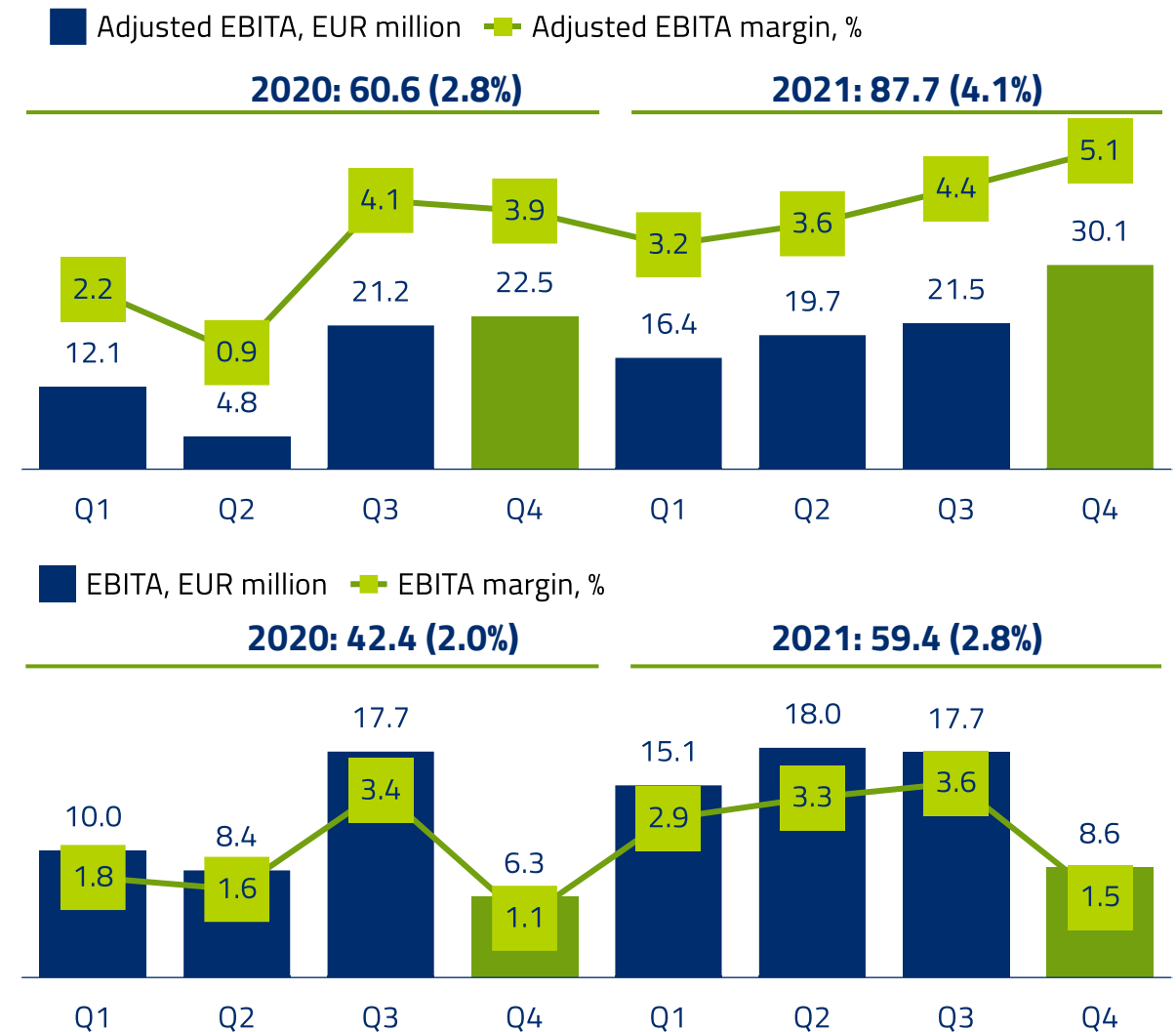
- > Q4/21 revenue: EUR 585.3 (579.3) million, up by +1.0% (-0.5% in locals). Organic growth: -1.1%.
 - > By division, growth in Sweden, Germany, Norway and Austria.
- > 2021 revenue: EUR 2,139.5 (2,154.9) million, down by 0.7% (2.2% in locals). Organic growth: -2.0%.
 - > By division, growth in Sweden, Germany and Norway.
- > Business unit revenues:
 - > Q4/21: Services +3.0% (+1.2% locals; +0.6% organic); Projects -2.7% (-3.7% locals; -4.3% organic)
 - > FY 2021: Services +2.7% (+1.0% locals; +1.4% organic); Projects -6.7% (-7.7% locals; -7.7% organic)

Profitability development in 2021

Profitability improvement continued throughout the year and according to plan also in Q4/2021

- > Q4/2021: Adjusted EBITA improved to EUR 30.1 (22.5) million, or 5.1% (3.9%) of revenue.
- > In Services, the performance continued overall on a strong level.
- > In Projects, profitability improvement continued.
- > Q4/2021 EBITA: EUR 8.6 (6.3) million, or 1.5% (1.1%) of revenue. Impacted by one-offs, e.g.:
 - > Divestment of Russia (EUR -10.0m)
 - > German civil claims settlement (EUR -6.4m)
 - > Provision (EUR -2.0m) to last remaining major risk project, now handed over to customer
- > FY 2021: Adjusted EBITA improved to EUR 87.7 (60.6) million, or 4.1% (2.8%) of revenue.
 - > Particularly divisions Sweden, Germany, Norway, Industry and Austria progressed well.
 - > Division Finland continued its already strong performance.

Adjusted EBITA = EBITA before items affecting comparability (IAC)



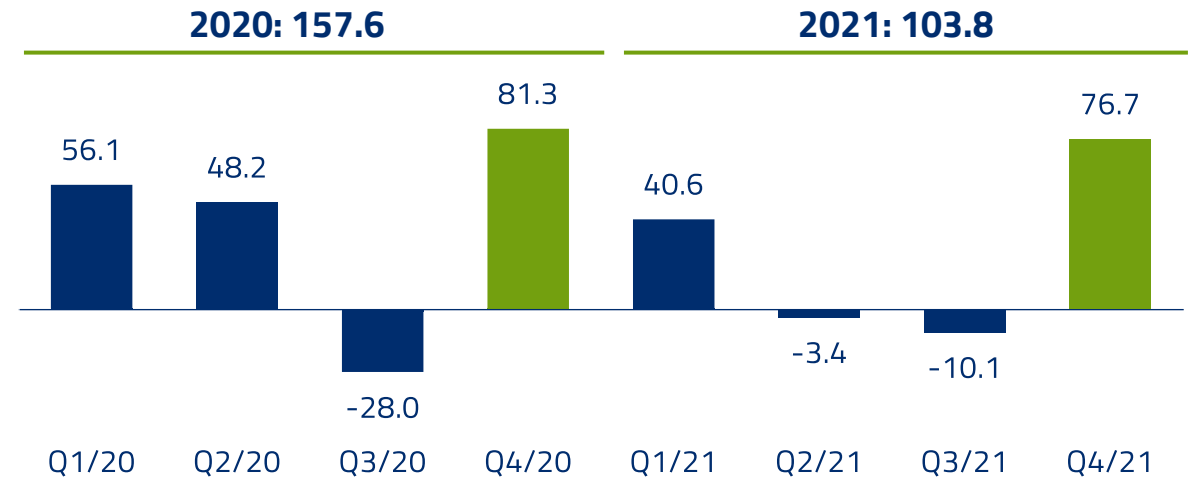
Cash flow development

Strong cash flow again in Q4/2021, cash conversion at 91.2% in 2021

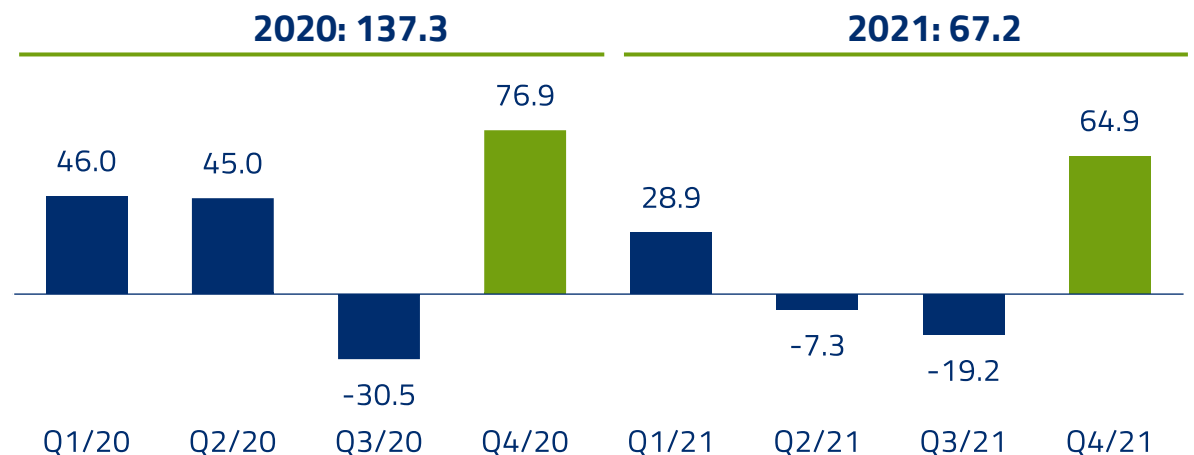
- > Operating cash flow was EUR 76.7 (81.3) million in Q4/21 and free cash flow EUR 64.9 (76.9) million.
- > Positive change in working capital of EUR 40.1m (49.0m).
- > Operating cash flow was EUR 103.8 (157.6) million in 2021 and cash conversion 91.2% (158.5%).
 - > Change in working capital of EUR -21.0m (EUR +54.0m), impacted by higher receivables.
- > Free cash flow: EUR 67.2 (137.3) million in 2021
- > Capex 2021: EUR 26.0 (16.7) million
 - > IT investments: EUR 8.0m (9.7m)
 - > Other investments incl. acquisitions: EUR 18.0m (7.0m)

Free cash flow = Operating cash flow before financial and tax items – Taxes paid – Net cash used in investing activities (net, including acquisitions and disposals).

Operating cash flow before financial and tax items, EUR million



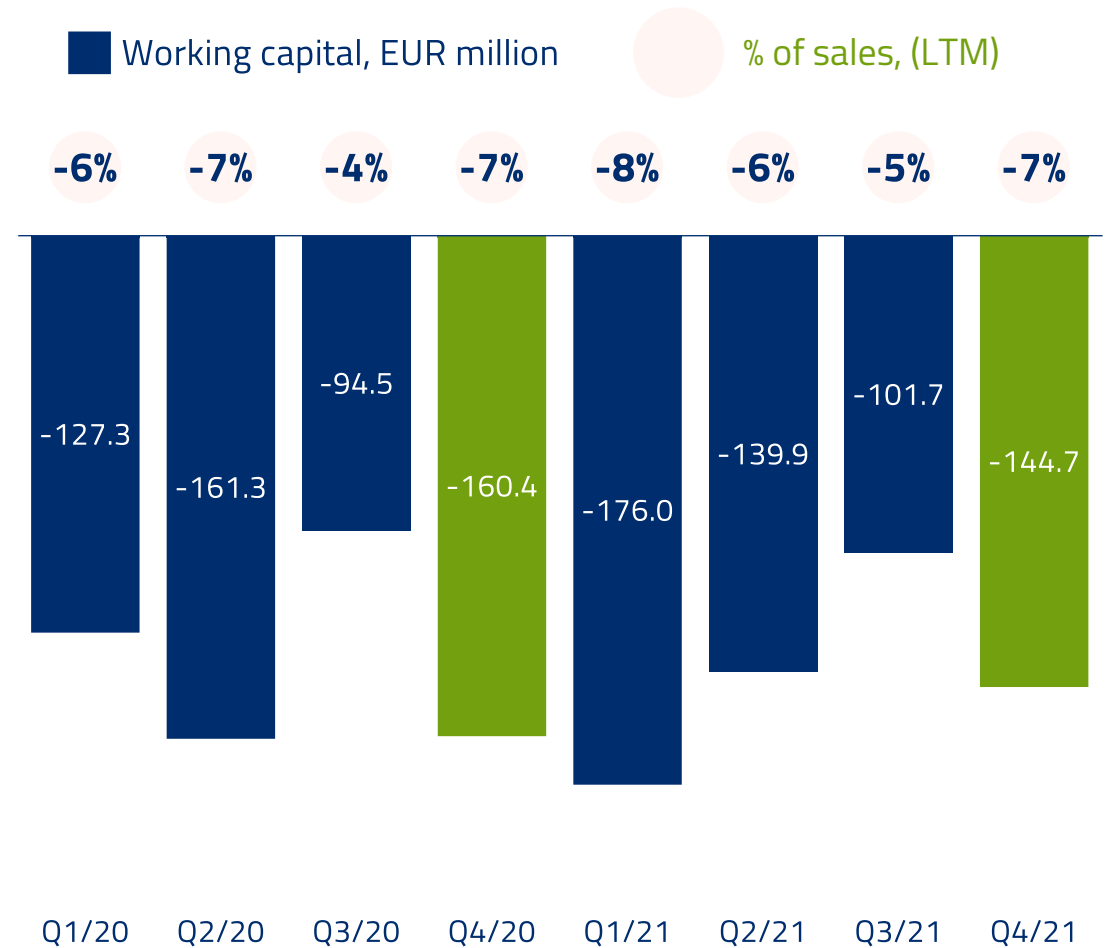
Free cash flow, EUR million



Working capital development

Working capital was at a good level of -7% of sales (LTM)

- > The Group's working capital amounted to EUR -144.7 (-160.4) million at the end of December.
- > Trade and POC receivables increased to EUR 541.9 (506.5) million and other current receivables to EUR 33.8 (30.2) million.
- > Advances received increased to EUR 261.3 (252.2) million, other current liabilities to EUR 278.3 (273.3) million and trade and POC payables to EUR 197.7 (188.0) million.

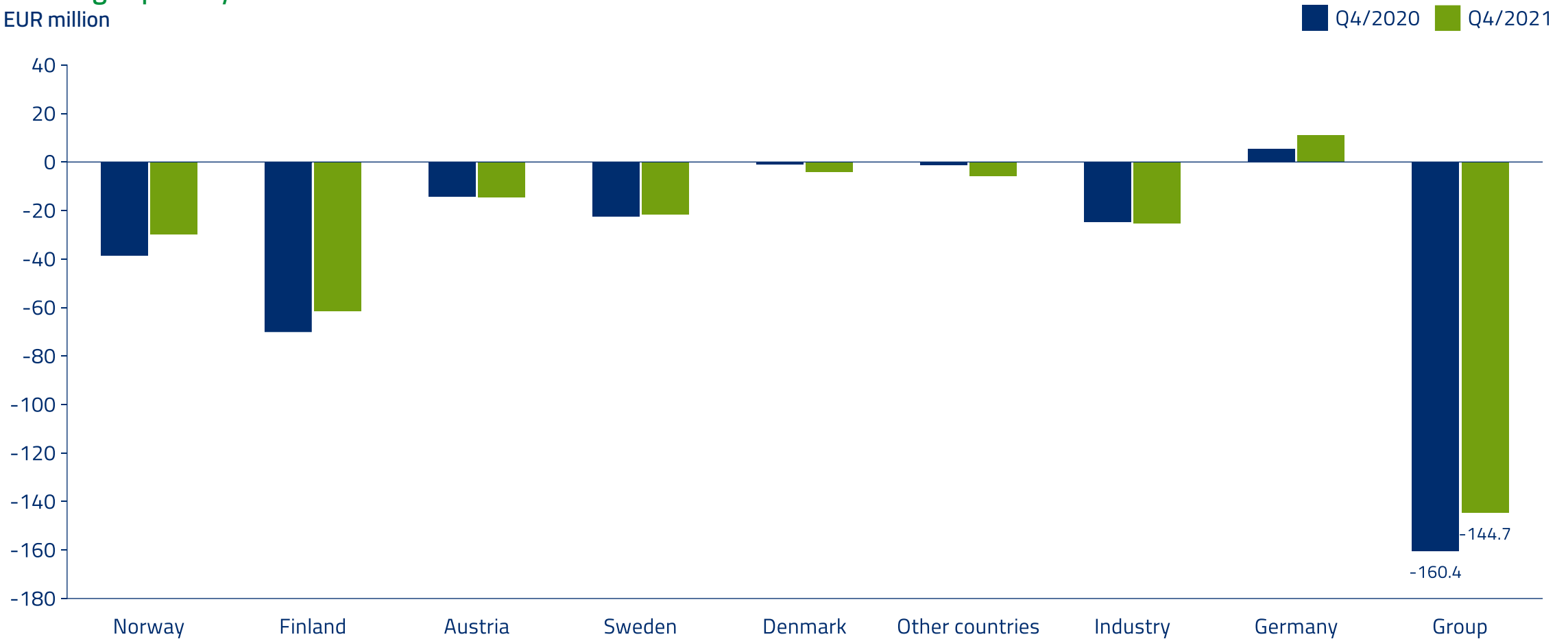


Continued efforts to improve working capital

In 2021, improvements in divisions Denmark, Austria and Industry

Working capital by division

EUR million

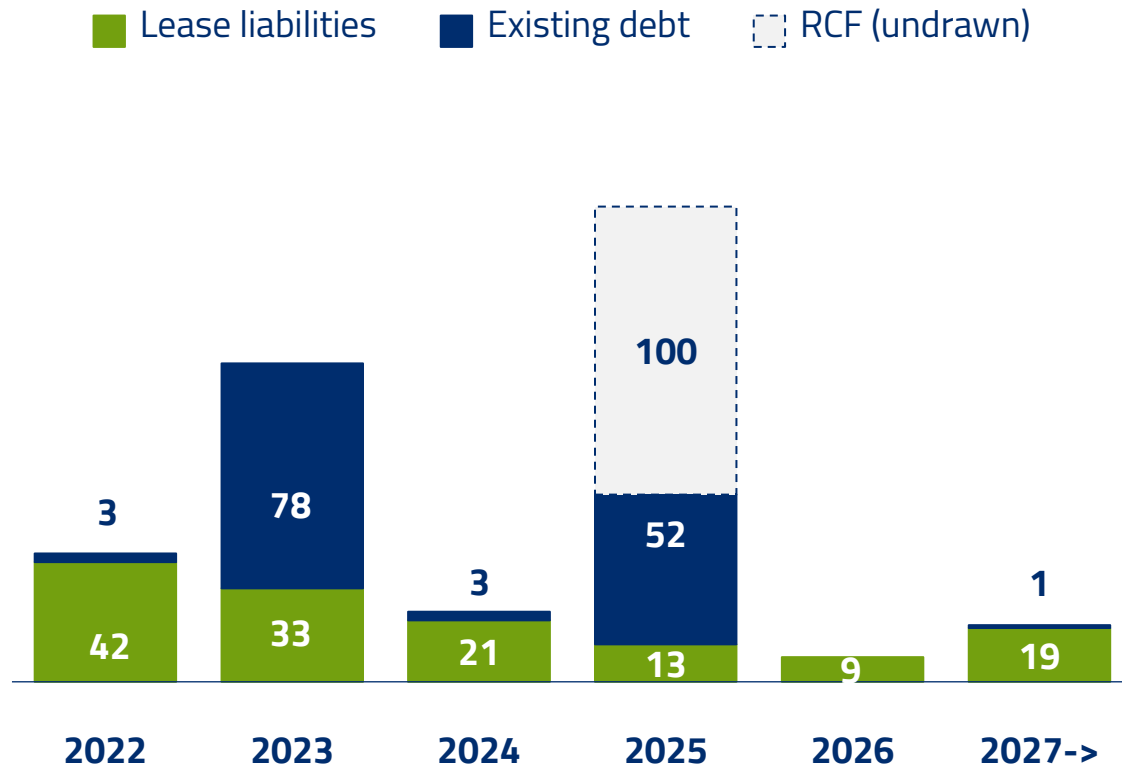


Debt maturity structure

Caverion prolonged its loan maturity and strengthened its long-term liquidity in Q4/2021

Debt maturity structure on 31 December 2021

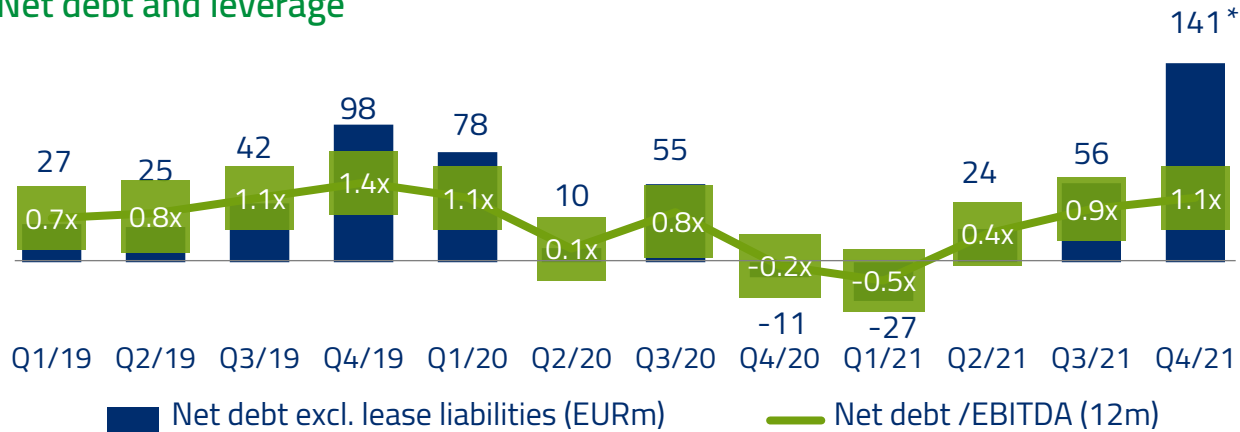
EUR million



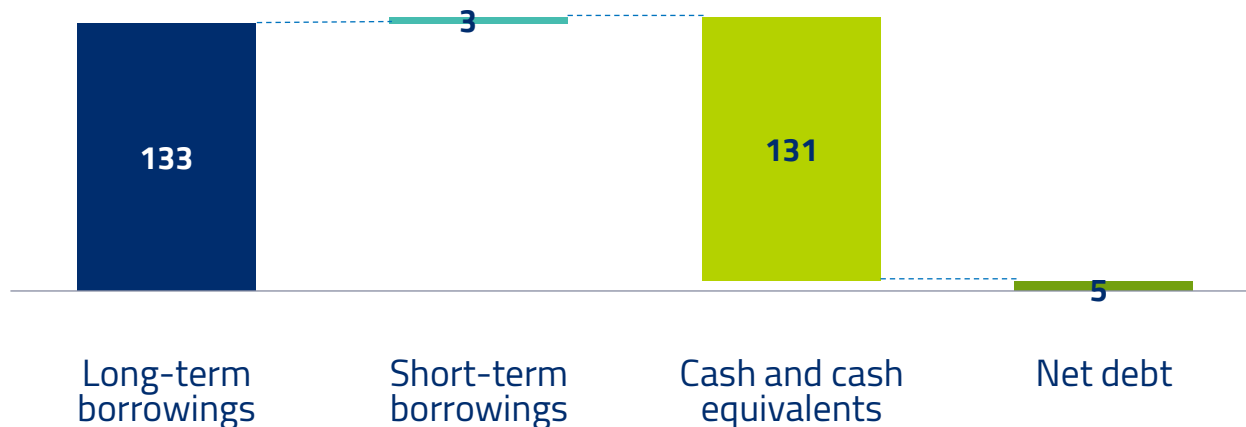
- > In December 2021 Caverion refinanced its bank loans and revolving credit facility
 - > Term loan EUR 50m
 - > Unutilised RCF EUR 100m
- > The facilities mature in January 2025, with two one-year extension options (maturity 3+1+1)
- > EUR 75m senior unsecured 4-year bond matures in March 2023.
- > EUR 35m hybrid bond has first call date in May 2023.
- > Interest-bearing net debt incl. lease liabilities: EUR 140.7m (118.6m)
- > Interest-bearing net debt excl. lease liabilities: EUR 5.0m (-10.6m)

Low leverage level and strong liquidity position

Net debt and leverage



Gross debt to net debt on 31 December 2021 (EURm) excluding lease liabilities




Financial covenant Net debt/EBITDA

- Net debt/EBITDA Q4/2021: 1.1x (-0.2x) according to confirmed calculation principles with lending parties.
- The covenant level shall not exceed 3.5x.
- *The confirmed calculation principles include the effects of the IFRS 16 standard as of Q4/2021 and contain certain other adjustments. Q4/2021: including lease liabilities.

Strong liquidity position and high amount of undrawn credit facilities

- Cash and cash equivalents of EUR 131.0m (149.3m)
- In addition, undrawn revolving credit facilities of EUR 100.0m and undrawn overdraft facilities of EUR 19.0m



**5. Guidance and
dividend policy**

Guidance and dividends

Guidance for 2022


- › In 2022, Caverion Group's revenue (2021: EUR 2,139.5 million) and adjusted EBITA (2021: EUR 87.7 million) will grow compared to 2021.

Dividend

- › Board's dividend proposal for the AGM on 28 March 2022: Dividend of EUR 0.17 per share for the year 2021.



Why invest in Caverion?

- 
- 1. Well-positioned in sustainability and digitalisation to drive profitable growth**
 - 2. A leading market position and a diversified customer base with a high retention rate**
 - 3. Solid order backlog with an increasing share of services**
 - 4. Performance management culture with focus on cash flow and working capital**
 - 5. Strong liquidity position**



Building Performance

Key figures

EUR million	10-12/21	10-12/20	Change	1-12/21	1-12/20	Change
Order backlog	1,863.8	1,609.1	15.8%	1,863.8	1,609.1	15.8%
Revenue	585.3	579.3	1.0%	2,139.5	2,154.9	-0.7%
Organic growth, %	-1.1	-5.6		-2.0	-4.1	
Adjusted EBITDA	44.5	36.9	20.4%	142.1	116.5	21.9%
Adjusted EBITDA margin, %	7.6	6.4		6.6	5.4	
EBITDA	23.0	21.8	5.8%	113.8	99.4	14.4%
EBITDA margin, %	3.9	3.8		5.3	4.6	
Adjusted EBITA	30.1	22.5	33.6%	87.7	60.6	44.6%
Adjusted EBITA margin, %	5.1	3.9		4.1	2.8	
EBITA	8.6	6.3	36.9%	59.4	42.4	40.1%
EBITA margin, %	1.5	1.1		2.8	2.0	
Operating profit	5.1	1.9	171.0%	43.5	27.2	59.9%
Operating profit margin, %	0.9	0.3		2.0	1.3	
Earnings per share, undiluted, EUR	0.01	-0.03	126.8%	0.17	0.05	265.2%
Operating cash flow before financial and tax items	76.7	81.3	-5.7%	103.8	157.6	-34.2%
Cash conversion (LTM), %				91.2	158.5	
Working capital				-144.7	-160.4	9.8%
Interest-bearing net debt				140.7	118.6	18.6%
Net debt/EBITDA*				1.1	-0.2	
Gearing, %				69.8	60.4	
Equity ratio, %				19,0	18,9	
Number of personnel at the end of the period				14 298	15 163	-5,7%

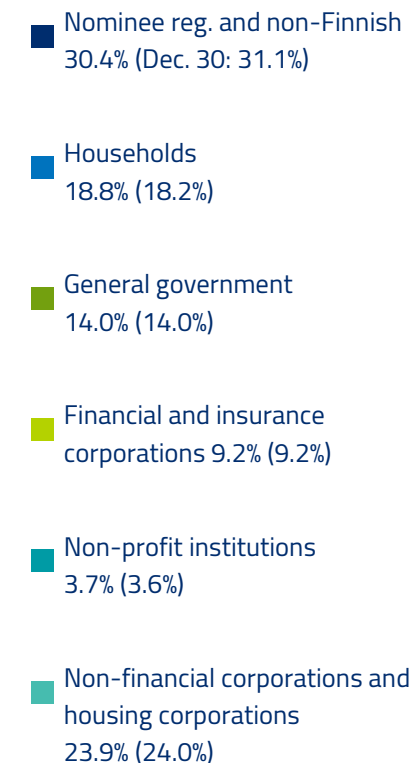
* Based on calculation principles confirmed with the lending parties, containing certain agreed adjustments. The calculation principles take into account the impacts of the IFRS 16 standard as of Q4/2021, while prior to this period IFRS 16 standard impacts were not applicable.

Directly registered shareholders on 28 February 2022

Largest shareholders	Shares, pcs	% of shares	Change after 12/2021, pcs
1 Herlin Antti	21,054,392	15.2	550,000
2 Fennogens Investments SA (Ehrnrooth family)	14,169,850	10.2	0
3 Varma Mutual Pension Insurance Company	9,728,407	7.0	0
4 Mandatum companies	5,766,592	4.2	6,700
5 Säästöpankki funds	3,701,562	2.7	0
6 Ilmarinen Mutual Pension Insurance Company	3,602,955	2.6	0
7 Elo Mutual Pension Insurance Company	3,047,005	2.2	-182,578
8 Caverion Oyj	2,447,447	1.8	-55,020
9 The State Pension Fund	2,050,000	1.5	0
10 Nordea funds	1,993,496	1.4	10,957
11 Brotherus Ilkka	1,803,765	1.3	0
12 OP funds	1,477,500	1.1	-32,555
13 Aktia funds	1,050,000	0.8	0
14 Kaleva Mutual Insurance Company	969,025	0.7	0
15 S-Bank funds	799,416	0.6	192,101
16 Sinituote Oy	772,400	0.6	0
17 Veritas Pension Insurance Company Ltd.	755,000	0.5	151,530
18 Fondita funds	490,000	0.4	0
19 Lehtoranta Ari Tapio	356,891	0.3	-10,160
20 Pivosto Oy	326,416	0.2	0
20 largest, total	76,362,119	55.0	
All shares	138,920,092	100.0	

Source: Investis, as presented on Caverion website.

Sector distribution (2/2022)



Board of Directors re-elected by the AGM on 24 March 2021



Mats Paulsson

Chairman



Markus Ehrnrooth

Vice Chairman



Jussi Aho

Board member



Joachim Hallengren

Board member



Thomas Hinnerskov

Board member



Kristina Jahn














Board member



Jasmin Soravia

Board member

Caverion Group Management Board

Caverion Group Jacob Götzsche 	Austria Manfred Simmet 	Norway Knut Gaaserud 	Finland & Baltics Ville Tamminen 	Germany (interim) Manfred Simmet 	Industry Elina Engman 	Sweden Uno Lundberg 	Denmark Carsten Sørensen 
Services, Solutions, Digital and Strategy Kari Sundbäck 							
Projects Michael Kaiser 							
International customers and commercial development Reinhard Poglitsch 							
Finance, M&A Martti Ala-Härkönen until 31.3.2022* 							
Legal & Compliance Anne Viitala 							
Human Resources & Safety Minna Schrey-Hyppänen 							

**Riitta Palomäki joined as interim CFO on 1 March*