



Remuneration Report 2021

CAVERION CORPORATION

Letter from the Chairman of the HR Committee

Dear Shareholders,

I am pleased to present Caverion's Remuneration Report 2021 on behalf of our HR Committee and Board of Directors.

Year 2021 was extraordinary for Caverion. COVID 19 continued to impact the society and business environment where Caverion operates. Furthermore, we had changes in the top management. However, our progress towards profitable growth continued and we have put a lot of effort in establishing a solid foundation for our performance going forward.

I want to thank Ari Lehtoranta for his leadership in our turnaround phase. During his years as the President and CEO, Caverion has successfully identified the needed changes and executed the necessary actions both in the Projects and Services business. Before the new President and CEO Jacob Götzsche started in August, I had the opportunity to act as the interim President and CEO, giving me a deeper insight on the capabilities we have in the company. I have been impressed of the talent we have as well as the attitude and passion of our employees across the whole company. This has convinced me about the positive future we have ahead of us.

In 2021, we continued to work on our sustainability targets. Our aim is to take concrete and tangible actions that can be measured in a meaningful way. Our plan is to take these into our incentive target setting once the most relevant measures have been established. It is an important part of our purpose that our actions have a real impact on the well-being of our planet and people. We work closely together with our customers to make this happen.

I am happy to share the results of our engagement survey Spirit that was conducted in autumn 2021. Despite the exceptional times, we reached a response rate of 83% and a high satisfaction level above industry benchmark. We also received a lot of very

valuable input from our employees to continue to make our company a great place to work.

This Remuneration Report has been prepared according to the Finnish Corporate Governance Code 2020. It has been approved by the Board of Directors and will be presented to the Annual General Meeting in March 2022. The report is based on the same format as our Remuneration Report 2020 which was approved by 94,99% of the votes cast (advisory voting) in the Annual General Meeting 2021, and was selected as the Best Remuneration Report in Finland 2021 in the mid-cap company category. Caverion Remuneration Policy was published on 7 February 2020 stating the remuneration principles for the Board of Directors and the President and CEO, with the aim to give our investors a clear picture on how the remuneration of the governing bodies is managed.

Due to the corona situation during the year 2020, we implemented the Performance Share Plan 2020–2022 with a delayed schedule in the beginning of the year 2021 and the Performance Share Plan 2021–2023 in our normal schedule in April 2021. We also continued our Restricted Share Plan that serves as a great tool to engage and reward our key employees in special situations such as recruitment or extraordinary performance.

We have been working on updating our strategy including strategic targets and operating model. We have identified the need to clarify some of the roles and organisational responsibilities to ensure simplicity and focus.

I am convinced that our future looks promising and we have a great team in place to drive and execute Building Performance for the benefit of our customers, employees and sustainability agenda.

Mats Paulsson

Chairman of the HR Committee



Introduction: How remuneration relates to Caverion’s performance

Caverion Remuneration Policy 2020 sets the framework for the remuneration of the Board of Directors and the President and CEO. It is available on [Caverion’s website](#).

This Remuneration Report 2021 follows the Finnish Corporate Governance Code 2020 and the applicable legislation. The actual remuneration paid in 2021 and reported here fully complies with the framework and principles set forth in the Remuneration Policy 2020. No deviations to the Remuneration Policy have been made.

Caverion’s remuneration has a guiding principle of Pay for Performance. This guides the short- and long-term incentive plans which is apt to support Caverion’s long-term financial success and the achievement of the strategic goals. Caverion’s strategic mid-term financial targets are based on the performance in Adjusted EBITA and Adjusted Cash Flow, both of which are well aligned with Caverion’s Fit for Growth strategy.

Caverion had an exceptional year in 2021 due to having three CEOs acting in the position. The President and CEO Ari Lehtoranta held the position until 28 February 2021, followed by Mats Paulsson, the Chair of the Board of Directors, as the interim President and CEO from 28 February to 8 August 2021. The new President and CEO Jacob Götzsche joined Caverion on 9 August 2021.

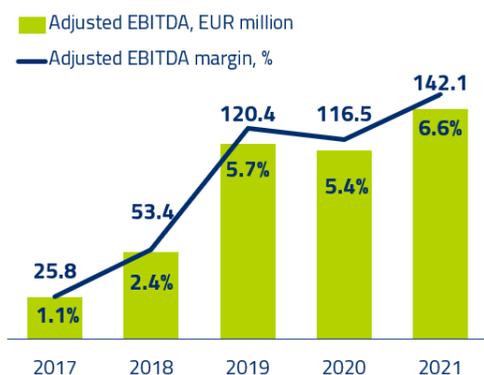
The President and CEOs’ actual paid remuneration over 5 years is well aligned with the company’s performance development as visualised in the graphs below.

No short-term incentives were paid during 2017-2018 due to EBITDA and Cash Flow performance not meeting the pre-defined minimum target levels, whereas the 2018 achievement resulted in between minimum and target level payment of EUR 151,668 in 2019 and slightly above target level payment of EUR 389,730 for 2019 achievement in 2020. No short-term incentives were paid to the President and CEO for 2020 achievement in 2021.

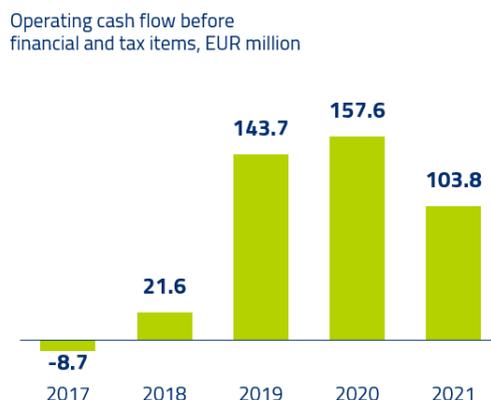
In 2019 the President and CEO Ari Lehtoranta received two share reward payments from Caverion’s long-term incentive programmes. Share reward from Restricted Share Plan 2016-2018 was granted at recruitment for the loss of remuneration from previous employment and the subsequent reward payment made in 2019 had a gross value of EUR 256,790.

The President and CEO Ari Lehtoranta participated in Caverion Corporation’s Matching Share Plan 2018-2022 including a prerequisite of a significant own investment in Caverion shares in 2018. The first reward instalment from the Matching Share Plan 2018-2022 had a gross value of EUR 1,419,778 based on achievement of the yield requirement of Caverion share for the first matching period ending 28 February 2019. The yield requirement for the second matching period ending 28 February 2020 was not reached and subsequently the second reward instalment was not paid in 2020. Ari Lehtoranta’s participation to the plan ended on 28 February 2021 and the share ownership prerequisite and corresponding restriction period ended accordingly. Mats Paulsson and Jacob Götzsche did not participate in the company’s incentive plans in 2021.

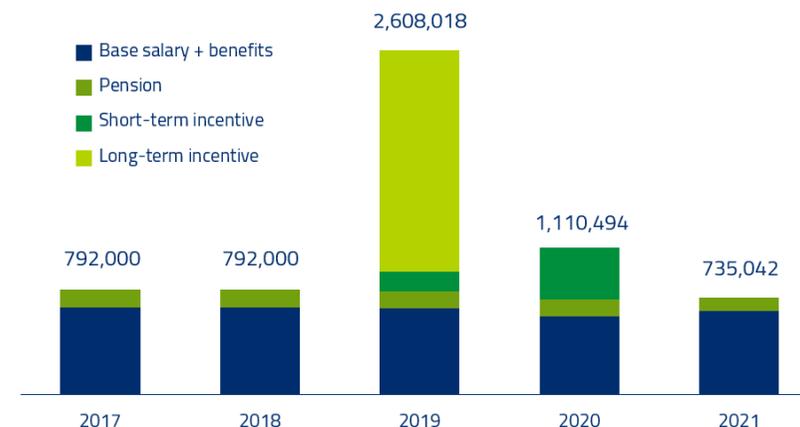
Caverion performance 2017-2021



Note! Comparative figures for 2018 (or prior periods) have not been restated according to IFRS 16.



Caverion CEO Remuneration 2017-2021, euros



Remuneration development 2017 - 2021 (EUR)	2017	2018	2019	2020	2021
Board of Directors, Chairman annual fee	79,200	79,200	79,200	79,200	79,200
Board of Directors, Vice Chairman annual fee	60,000	60,000	60,000	60,000	60,000
Board of Directors, member annual fee	46,800	46,800	46,800	46,800	46,800
Board of Directors, total fees paid	454,930	494,436	444,543	429,300	458,550
President and CEO total remuneration *	792,000	792,000	2,608,018	1,110,494	735,042
Caverion employee average **	44,467	45,435	47,298	46,242	48,491
Adjusted EBITDA, EUR million	25.8	53.4	120.4	116.5	142.1

* 2021 CEO remuneration is the total for the three CEOs in this period.

** Calculated from total personnel expenses excl. social costs / average number of employees.

Remuneration of the Board of Directors

Caverion Corporation's Annual General Meeting on 24 March 2021 decided that the following annual remuneration will be paid to the members of the Board of Directors (remains unchanged since 2014):

- > Chairman of the Board of Directors: EUR 79,200
- > Vice Chairman of the Board of Directors: EUR 60,000
- > Members of the Board of Directors: EUR 46,800

Approximately 50% of the annual remuneration were paid in Caverion Corporation's shares. The shares were purchased directly at market price on behalf of the board members from a regulated market's public trading and are subject to a sale and transfer restriction until 30 April 2023. Should the membership in the Board of Directors terminate earlier, the transfer restriction will cease at the termination.

A meeting fee of EUR 550 was paid for each Board and Committee meeting held in the member's domicile or electronically and EUR 900 per meeting held outside the member's domicile for their participation in meetings of the Board of Directors and its committees. Possible travel expenses were reimbursed in accordance with the principles related to remuneration of tax-exempt travel expenses approved by the Finnish Tax Administration. No other financial benefits were paid in relation to the Board membership.

The remuneration paid to the members of the Board of Directors followed the decisions of the Annual General Meetings 2020 and 2021 and totalled EUR 458,550.

In addition to his role as the Chairman of the Board and Chairman of the HR Committee, Mats Paulsson has acted as an interim President and CEO (see next page) as well as a consultant to the Company during 2021 based on Consulting Agreements between Caverion Corporation and a company solely owned by Mats

Paulsson. The agreements were effective from 1 June 2020 to 28 February 2021 and from 9 August 2021 to 31 December 2022. The fees under the agreements totalled EUR 67,727 during 2021. These services are not part of the duties of the Chairman of the Board or Chairman of the HR Committee and accordingly are not part of that remuneration.

Member of the Board of Directors (EUR)	Annual fee *	Number of shares paid ** (50% of annual fee)	Audit Committee meeting fee	HR Committee meeting fee	Board meeting fee	Total remuneration 2021 ***
Mats Paulsson (Chairman)	79,200	5,818		2,200	9,700	91,100
Markus Ehrnrooth (Vice Chairman)	60,000	4,408	3,300		9,700	73,000
Jussi Aho	46,800	3,438		2,200	9,700	58,700
Joachim Hallengren	46,800	3,438	3,300		8,800	58,900
Thomas Hinnerskov	46,800	3,438	3,300		8,800	58,900
Kristina Jahn	46,800	3,438	3,300		9,700	59,800
Jasmin Soravia	46,800	3,438		1,650	9,700	58,150
Total	373,200	27,416	13,200	6,050	66,100	458,550

* 50% of annual fee paid in Caverion shares

** purchased on 3.5.2021, share price EUR 6.8055

*** includes the value of shares

Remuneration of the President and CEO

2021 was an exceptional year for Caverion with three President and CEOs during one year.

Ari Lehtoranta 1.1.-28.2.2021

The President and CEO Ari Lehtoranta held the position of Caverion Corporation's President and CEO until 28 February 2021 when the Board of Directors of Caverion Corporation and Ari Lehtoranta mutually agreed that he leaves his position as President and CEO. Ari Lehtoranta's fixed annual base salary remained at EUR 659,760 in 2021. He also received a payback of the 2020 voluntary pay-cut of EUR 66,000 (20% for a six month period due to the increased uncertainty resulting from the corona pandemic). Accordingly, the actual paid salary for the CEO position in 2021 was EUR 175,960 and supplementary pension was EUR 22,000.

Ari Lehtoranta's strategic short-term incentive targets for the financial year 2020 were Caverion Corporation's Adjusted EBITA % with 25% weight and BU Projects Adjusted EBITA % with 75% weight to direct the 2020 focus on the BU Projects performance improvement. The President and CEO's 2020 pre-defined performance targets did not reach the minimum criteria. No short-term incentives were paid in 2021. Ari Lehtoranta's 2021 short-term incentive targets until 28 February 2021 were Caverion Corporation's Adjusted EBITA (EUR) with 70% weight and Adjusted Cash Flow (EUR) with 30% weight. No short-term incentive payments will be made related to the financial year 2021.

Ari Lehtoranta's participation in Caverion Corporation's long-term incentive plans ended on 28 February 2021 with no further right to any share rewards. No long-term incentives were paid in 2021.

After the mutual agreement, Ari Lehtoranta has been paid a contractual 6 months' notice period salary of EUR 330,000 (including fringe benefits EUR 120) and supplementary pension of EUR 66,000. Ari Lehtoranta was entitled to a severance payment amounting to 12 months' base salary as monthly payments after the termination date. The severance paid in 2021 was 220,000 euros. The last monthly severance payment will be paid in August 2022, total severance payment being 660,000 euros. 12 month

non-competition and non-solicitation conditions apply until 31 August 2022.

Mats Paulsson 28.2.-8.8.2021

Mats Paulsson, the Chairman of Caverion's Board of Directors, held the position of Interim President and CEO from 28 February to 8 August 2021. His fixed annual base salary was EUR 420,800 pro-rated for the duration of the interim service agreement. Mats Paulsson's actual paid base salary was EUR 202,837 and supplementary pension was EUR 31,849 in 2021.

The Interim President and CEO Mats Paulsson did not participate in any short- or long-term incentives during the Interim President and CEO period and did not receive any incentive payments. His notice period was one week for both parties with no entitlement to severance pay.

Jacob Götzsche 9.8.-31.12.2021

The President and CEO Jacob Götzsche joined Caverion Corporation on 9 August 2021. Jacob Götzsche's fixed annual base salary is EUR 620,000 and he is entitled to customary fringe benefits. His actual salary paid in 2021 was EUR 246,563.

Jacob Götzsche was not a participant in Caverion Corporation's short-term incentive plan 2021 and thus no short-term incentive targets for financial year 2021 were set for him. His short-term incentive annual earning opportunity for 2022 will be at the target level 40% and at the maximum level 80% of the annual fixed base salary.

No share-based remuneration has been granted to Jacob Götzsche in 2021. Jacob Götzsche's share ownership does not yet meet the Remuneration Policy requirement due to the short period in the position.

Jacob Götzsche is not provided a supplementary pension plan by Caverion, however he is paid an additional 20% cash allowance calculated of his annual base salary to obtain a pension coverage by himself. In 2021, EUR 49,321 has been made as a cash allowance for acquiring pension coverage. No specific retirement age has been agreed.

Jacob Götzsche's notice period for both parties is six months.

Severance pay (if the company terminates the agreement) is compensation amounting to 12 months' base salary as monthly payments after the termination date. Should he be re-employed during the 12 months' severance period, the severance payment shall be reduced month for month accordingly. 12 month non-competition and non-solicitation conditions apply.

Proportional shares of CEO remuneration components

In 2021, the actual remuneration paid to the President and CEOs of Caverion Corporation consisted exceptionally 100% of fixed remuneration components (benefits and supplementary pension excluded) due to the CEO change.

No outstanding CEO long-term incentive opportunity existed in 2021 after Ari Lehtoranta's termination.

President and CEO remuneration: 2021 actual paid fixed and variable elements

- Base salary 100%
- Short-term incentive 0%
- Long-term incentive 0%

Pension and benefits excluded
Applies to all three CEOs in this period



Remuneration paid to the President and CEO in 2021 (EUR)	Base salary	Short-term incentives	Long-term incentives	Benefits	Pension	Total 2021
Ari Lehtoranta *	175,960	0	0	40	22,000	198,000
Mats Paulsson	202,837	0	0	0	31,849	234,686
Jacob Götzsche **	246,563	0	0	6,473	49,321	302,356
Total	625,359	0	0	6,513	103,169	735,042

* Base salary includes a refund of 2020 voluntary pay-cut

** Pension is paid as a cash allowance for acquiring a pension

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Our Annual Reporting for 2021 consists of Annual Review (including Financial Statements and Board of Directors' Report), Sustainability Report, Corporate Governance Statement and Remuneration Report. Reports are available at www.caverion.com/annualreview.