

ESG Questionnaire

Caverion Corporation

1. General Industry

1. Please list the Industry's three biggest sustainability (ESG)-related challenges and briefly describe the process for identifying these challenges

The industry's three biggest sustainability-related challenges according to Caverion are:

1. **Environment:** Minimising the whole value chain emissions while at the same time maximising the positive handprint on the society
2. **Caring for our people:** Providing our people a safe and sustainable environment with diversity, equity and inclusion
3. **Ensuring sustainable value chain operations:** Complying with the legal requirements and internal policies supported by meaningful reporting and supplier engagement.

2. Does the company have a Science-Based Target, report to the CDP, or engage in any similar sustainability initiatives?

Caverion joined UN Global Compact and committed to its Sustainable Development Goals in 2021. Caverion has reported to the CDP for several year already and has achieved C-score in the environmental reporting. In the early 2022 Caverion committed to the Science Based Targets (SBT) initiative to establish emissions reductions goals according to the 1.5 degrees path line.

3. Have you conducted any preliminary assessment of your company in relation to the EU Taxonomy? If so, what was the outcome?

Caverion reports in line with the EU taxonomy requirements applicable to listed companies as of the beginning of 2022. We published the first taxonomy reporting results regarding the year 2021 in our Q4/2021 report on 10 February 2022.

2. Environment

4. Please list the firm's three primary risks related to climate change and if any, the firm's climate-related opportunities

Caverion's own operations are not extensively energy intensive and does not have any bigger production facilities and therefore the environmental risks related to for example growing energy costs are moderate. Caverion is also taking proactive measures such as electrifying its vehicle fleet. Caverion follows all legal requirements, and current regulations and their development on local and international level.

Caverion's handprint has a big impact on the society and as the EU legislations, initiatives and megatrends are expected to increase the demand for Caverion's services. EU's "Fit for 55", Renovation wave as well as current and revised Energy Performance of Building Directives will all demand increased investments in Caverion's core areas of business, such as heating, cooling, automation, ventilation and the energy efficiency of the buildings.

5. Does the firm anticipate any climate-related investments, and if so to what extent?

Caverion is investing to defining Science Based emissions Targets and in measuring the emissions throughout the value chain. We are also investing in concrete actions to reduce the emissions and in engaging our suppliers and customers, according to the SBT initiative.

To increase our positive carbon handprint, we will, for example, invest in the innovation and development of our smart and sustainable offering, educate our employees on contributing to customers' sustainability performance and increase the smart technology revenue share of our total revenue.

6. Circular Economy: how are purchases and waste managed? If the firm rely on any scarce resources, please describe what efforts are made to mitigate the risk of those resources becoming scarcer in the future, e.g. recycling, substitutes, or improved resource efficiency?

Waste management and efficient material use are a part of our day-to-day work. We also help our customers to increase efficient material use and improve waste management through our services. Our work regarding circular economy becomes more focused as we move towards in our Scope 3 emissions calculation according to the SBT.

7. Transition-related risks (for example changed customer preferences or legislation): Do you anticipate any risks or opportunities due to the transition to a carbon-neutral society? Is there any risk of the firm's offer being negatively affected? If yes, how has the firm positioned itself to handle that risk?

Caverion's own operations have relatively small footprint and therefore the risks that Caverion would be negatively affected are low. Our close collaboration with our suppliers helps us to monitor such risks.

Instead Caverion's positive handprint impact of its offerings is big so the transition to carbon-neutral society is a great opportunity. We already see increased demand for Caverion's Energy Performance Contracting, energy management, automation and EV charging to name a few.

8. Please disclose your Scope 1, 2 & 3 GHG emissions. If not available, do you have a time plan for when to start reporting?

Caverion reports sustainability-related information annually. The 2020 report complies with the GRI Standards guidelines of the Global Reporting Initiative (GRI) in accordance with the Core option. The content of the report includes key areas of economic, social and environmental responsibility.

Caverion publishes its 2021 Sustainability Report by the end of week 9 in 2022.

Scope 1			
CO2 emissions from direct energy sources, tonnes	2020	2019	2018
CO2 emissions, petrol	1,121	1,594.9	1,335.0
CO2 emissions, diesel	17,461	21,028.3	25,303.4
CO2 emissions, light fuel oil	9	2.8	23.1
CO2 emissions, natural gas	236	631.7	199.6
CO2 emissions, LPG	39	27.9	456.5
Total direct CO2 emissions	18,866	23,285.5	27,317.7

Scope 2			
CO2 emissions from indirect energy sources, tonnes	2020	2019	2018
CO2 emissions, electricity	2,218	4,628.1	6,492.4
CO2 emissions, district heat	1,585	1,523.4	1,999.7
CO2 emissions, geothermal	6	10.4	329.7
Total indirect CO2 emissions	3,809	6,162.0	8,821.8

Scope 3			
CO2 emissions, tonnes	2020	2019	2018
Business travel, air travel CO2 emissions	302.0	1,895.9	2,178.6
Intensity ratios	2020	2019	2018
Direct and indirect CO2 emissions/revenue (EURm)	10.5	16.5	16.9
Energy intensity, Direct and indirect energy GWh/revenue (EURm)	0.045	0.057	0.064

9. Have you set a target to become carbon neutral? If so, have you defined carbon neutrality?

We set our first group-wide sustainability targets in 2020. Our target by 2030 is to create sustainable impact through our solutions, with a positive carbon handprint 10 times greater than our own carbon footprint. We have recently committed to the SBT initiative and we will develop ambitious short- and long-term emissions reduction targets according to SBT principles.

10. Please list the firm's (1-2) primary means of making a positive environmental impact or minimising negative environmental impact. Please list the corresponding most relevant UN Sustainable Development Goals. What Proportion of sales can be directly linked to selected UN SDGs?

Caverion contributes its greatest environmental impact through its handprint by offering its customers energy efficient and sustainable solutions. Examples of such offerings are Caverion's Energy Performance Contracting, energy management, automation and EV charging.

At the same time Caverion is working to reduce its emissions footprint and recently committed to the SBT initiative. Caverion will develop ambitious emissions reduction targets according to SBT and engage both suppliers and customers to meet them. Caverion joined UN Global Compact and committed to Sustainable Development Goals in 2021. The Sustainable Development Goals (SDGs) particularly linking with our 2025 sustainability targets and KPIs are:

- > Good health and well-being
- > Decent work and economic growth
- > Sustainable cities and communities
- > Gender equality
- > Industry, Innovation, and Infrastructure
- > Climate action

3. Social

11. Does the firm have a history of accidents? If so, how have these been managed? Are there any preventive measures, such as policies?

Lost Time Injury Frequency Rate (LTIFR, number of occupational accidents resulting in absence per a million work hours) in 2021 was record low, 4.0 (2020: 4.2). We are among the top performers in our field in terms of safety and have a rigorous safety policy and mandatory safety trainings to all. We measure the progress in proactive safety work, such as site safety tours, risk observations and toolbox talks every month. We continue to develop our ways of working and 2025 target is to get to an LTIFR level below 2 while the long-term target is to go as close to zero level as possible.

12. If applicable, please state your targets for gender and cultural equality and indicate the relative split of men/women at every level of the firm, particularly the Board of Directors and management team

Caverion respects people as individuals and embrace difference and foster inclusion. Wherever we operate, we are committed to creating a working environment that is inclusive, fair and flexible,

and promotes personal and professional growth. Due to our industry, we also want to pay special attention to gender equality and our ability to offer interesting and safe working environment for all, independent of the gender. We believe that diversity and inclusiveness are critical elements in creating value for our customers, business partners, employees and shareholders.

In 2021, 11% of our employees were female. One of our sustainability KPIs is to increase the share of female employees to 15% by 2025.

The Human Resources Committee shall ensure diversity within the Board in terms of educational and professional background, gender, age and geographical provenance of the directors. Our Board members represent various industries and age groups and are citizens of five countries across our operating area in Northern and Central Europe. Currently, two of our seven Board members are female, representing 29% of the Board composition.

Members of the Management Board represent various industries and educational and professional backgrounds and are citizens of six countries across our operating area. Currently, three out of 14 Group Management Board members are female, representing 21% of the composition.

13. Does the company conduct any other community engagement activities aside from those directly connected to the business?

At Caverion we refer to our purpose as our corporate citizenship: we enable performance and people's well-being in smart and sustainable built environments. This purpose drives us further.

In 2021, we for example challenged our customers and employees to learn more and act around smart cities and sustainability. Based on the activities, we will make a donation to the John Nurminen Foundation towards efforts to save the Baltic Sea and its heritage for future generations.

14. How often does the firm conduct audits of its suppliers, and how often do you discover incidents not compliant with your code of conduct?

We require our suppliers to sign our Supplier Code of Conduct (SCoC) with the target of covering 90% of our volume by 2025. The Supplier Code of Conduct contains our ethical and compliance

requirements to our suppliers. By accepting the Supplier Code of Conduct, our supplier commits to the commonly accepted basic ethical and compliance rules.

The right to audit may take place at any reasonable time upon advance notice. As most of our suppliers are close to us in Europe the risks are relatively limited and easier to monitor.

4. Governance

15. Do all staff members receive continuing education on anti-corruption? Is there an external whistle-blower function? Are there any ongoing or historical incidents involving corruption, cartels, or any other unethical business conduct? Have any preventive measures been taken?

One of Caverion's means to monitor compliance is to investigate all reports made through its ethical reporting channel. The channel is a web-based online reporting tool and it is available to all Caverion personnel. All reports and allegations are investigated by the Group's compliance organisation. In addition, reports can be submitted by email.

In June 2018, Caverion reached a settlement for its part with the German Federal Office (FCO) in a cartel case that had been investigated by the authority since 2014. Caverion applies a zero-tolerance approach to corruption, bribery, anti-competitive practices, discrimination, harassment, or any unlawful action, as stated in our Code of Conduct.

Caverion does not tolerate any form of bribery or other illegal payments in relationships with its suppliers, subcontractors and other business partners. Caverion does everything in its power to reject bribery, corruption and white-collar crimes. Caverion supports open and fair competition in all of its markets. In addition, Caverion complies with the applicable legislation regarding competition in every activity and avoids situations where there is a risk that regulations concerning competition could be violated.

16. Please state the firm's business tax residence (i.e. where the firm pays tax) and explain why that specific tax residence was chosen

Finland: The company is a Finnish Corporation with headquarter in Vantaa, Finland, established through a partial demerger from YIT Corporation. The company is also a listed Finnish company, listed on Nasdaq Helsinki.

17. How many independent members sit on the Board of Directors?

Six out of seven (85%) Board members are independent

18. Please state if and to what extent, the company has transactions with related parties

The related party transactions are described in the Annual Review under Consolidated Financial Statements. For 2021, see "Related party transactions" in the Financial Statements Release.

19. Which KPIs dictate the remuneration to management (are sustainability and diversity goals included)?

We launched our sustainability targets in November 2020 and are now working on the implementation and establishing the target measurement across our Divisions, which prepares us to identify the most appropriate sustainability targets and established measurement to be linked to the financial remuneration in the future.

20. Describe the company's process for monitoring and reporting ESG issues and performance to senior management/the board. In your response please confirm what KPIs are monitored (if any) and how frequently reporting is undertaken

Our Board of Directors currently has two committees (Human Resources Committee and Audit Committee), which both handle sustainability related matters depending on the context. The CEO has the overall responsibility for implementing the strategy in the operations.

The Group's strategy and long-term objectives are one key part of the Board of Directors duties. Hence, the board chair is responsible of leading Caverion CO2 handprint and footprint work, i.e. minimising the CO2 footprint and expanding the positive CO2 handprint through the offering.

21. Have you signed a Union agreement?

In 2020, 85% of our employees were covered by collective agreements. We value the collaboration with our employees and unions and use Caverion European Works Council as one of the regular forums for dialogue.