

JUSTIFICATIONS FOR THE PROPOSALS CONCERNING THE REMUNERATION OF THE BOARD OF DIRECTORS

On 6 March 2023, Caverion Corporation published a notice convening the Annual General Meeting of the Company to be held on 27 March 2023.

It is proposed that the Annual General Meeting resolve, among other things, on the remuneration of the Chairman, the Vice Chairman and the members of the Board of Directors and on the remuneration of the Chairman and the members of the Tender Offer Committee of the Board of Directors.

The justifications for the proposed resolutions are presented below.

12. Resolution on the remuneration of the Chairman, the Vice Chairman and the members of the Board of Directors

Proposal:

On recommendation of the Human Resources Committee of the Board of Directors, the Board of Directors has proposed that, instead of the previous annual fees, the fees of the Board of Directors be paid on a monthly basis and that the fees be increased by 10% as estimated on an annual basis. The Board of Directors has further proposed that a separate additional fee be paid to the Chairman of each of the permanent Committees of the Board of Directors, corresponding to 25% of the fee of a member of the Board of Directors. The additional fee will not be paid in case the Chairman of a permanent Committee is the Chairman or the Vice Chairman of the Board of Directors. The fees are proposed to be paid in cash only. It is also proposed that the meeting fees be increased. The proposal is included in its entirety in the notice convening the Annual General Meeting ([link](#)).

Justifications:

Estimated on an annual basis, the monthly/annual fees paid to the Board of Directors have remained at the same level throughout the almost ten years of existence of Caverion Corporation, i.e. starting 30 June 2013. There has only been a moderate increase in the meeting fees. The level of remuneration is no longer appropriate or justified from the Company's viewpoint if the Company wants to have the best experts in the Board of Directors. Several factors, separately and jointly, are in favour of increasing of the remuneration of the Board of Directors:

- According to the valid remuneration policy, which was addressed in the Annual General Meeting of Caverion Corporation on 25 May 2020 (Remuneration Policy), 'The compensation paid to the Members of the Board of Directors should be competitive enough to attract and retain high caliber individuals qualified to serve as Board Members in Caverion'. Also the financial development of Caverion Corporation justifies an increase in the remuneration of the Board of Directors. In 2017, the Company launched its new 'Fit for Growth' strategy, and since that year, the Company's earnings per share have improved each year.
- According to the Remuneration Policy of Caverion Corporation, 'the Board fees are regularly benchmarked against relevant companies of similar market cap, size and complexity to ensure Caverion's ability to attract the skills and experience able to maximise the shareholder value'. When preparing the recommendation, the Human Resources Committee of the Board of Directors examined the remuneration levels of board members in selected benchmark companies. The proposed fees are consistent with the fee levels applied in the benchmark companies.
- According to the index of wage and salary earnings maintained by Statistics Finland, the general earnings level has increased by approximately 17% from June 2013. The increase in general earnings level, the recent high inflation and the fact that the fees of the Board of Directors have remained the same over the course of almost ten years have led to a situation in which the level of remuneration for the Board of Directors is lagging behind the general development.
- Since 2017, special attention has also been paid to developing the composition of the Company's Board of Directors. Of the current members of the Board of Directors, Thomas Hinnerskov, Joachim Hallengren, Jussi Aho and Markus Ehrnrooth were elected to the Board in 2017, Mats Paulsson in 2019, and Kristina Jahn and Jasmin Soravia in 2020. The current composition of the Company's Board of Directors is international and in line with the Company's needs. The Board's diversity has also

gained recognition. Recruitment discussions with international experts for possible membership in the Board of Directors have revealed a need to increase the remuneration level of the Board of Directors as the company's performance is improving. The possibility of increasing the remuneration level has been discussed in the Board of Director's Human Resources Committee already during the previous years. Increases have, however, not been recommended in the past, but it has been decided to wait for the company's financial situation to improve. Now that the company's financial situation has improved, the Human Resources Committee has decided to recommend that the remuneration be increased to an appropriate level.

- In November 2022 and in January 2023, public tender offers were made for the shares in Caverion Corporation. Due to the pending tender offers, the work of the members of the Board of Directors is particularly demanding and responsible. With regard to the Company and all of its shareholders, the pending situation also highlights the importance of continuity: the continuation of the Board of Directors in its current composition and the commitment of its members is in the interest of both the Company and all of its shareholders and is the most expedient option with regard to the Company's business and the tender offer processes. The members of the Board of Directors proposed for election have consented to being re-elected to the Board of Directors. Said persons have also taken the remuneration level now proposed to this year's Annual General Meeting into account when assessing whether to give their consent.

Due to the pending tender offers, it is proposed that the fees are paid in cash only and not partly in Company shares.

13. Resolution on the remuneration of the Chairman and the members of the Tender Offer Committee of the Board of Directors

Proposal:

The Board of Directors proposes on recommendation of the Human Resources Committee of the Board of Directors that the Chairman and the members of the ad hoc Committee of the Board of Directors that has been established for the review and preparation of matters related to the tender offer processes be paid a one-off retroactive additional fee. The additional fee is compensation for the work that the Chairman and the members of the Committee have already done, and it does not relate to the completion of a tender offer in any way. The proposal is included in its entirety in the notice convening the Annual General Meeting ([link](#)).

Justifications:

According to the Remuneration Policy of Caverion Corporation, 'The Board of Directors has the right for temporary deviation of this Remuneration Policy to secure the long-term interests of the Company and its shareholders in exceptional circumstances'. Reasons for temporary deviation may include a significant structural change in the business or the group, a corporate arrangement or a material change in the Company's ownership structure. If the deviation concerns remuneration of the Board of Directors, the decision-making may involve an annual or extraordinary shareholder meeting as applicable in the individual circumstances.

The Board of Directors of Caverion Corporation has established an ad hoc Tender Offer Committee for the review and preparation of matters related to tender offer processes. The members of the Committee are independent of the Company's shareholders. The workload of the members of the Committee, particularly the Chairman, has been exceptionally significant in relation to the ordinary tasks of the Board. The Committee convened 28 times during the end of 2022, and 11 times during early 2023 until the publishing of the notice convening the Annual General Meeting. A significant part of the work has been done outside the meetings. The work of the Chairman of the Committee can be considered equivalent to the work of a full-time Chairman of the Board. The work of the members of the Committee has also been exceptionally demanding with respect to its content and required time.

As the processing of tender offers is part of the Board's statutory tasks, the proposal concerning the additional fee is submitted for the resolution of the Annual General Meeting. The additional fee is a retroactive compensation for exceptionally time consuming and responsible work until 28 February 2023, and it does not relate to the completion of a tender offer. The members of the Tender Offer Committee have taken the additional fee now proposed to this year's Annual General Meeting into account when assessing whether to consent to be elected for a new term.

External expert opinions were utilised in determining the level of the proposed additional fees.

Members of the Human Resources Committee who would be entitled to an additional fee did not participate in preparing the Human Resources Committee's recommendation.