WELCOME!

AFRY
Capital Markets day

24 NOVEMBER 2020
Our next growth journey

FOCUS OF TODAY:

1. Drive growth in targeted geographies – organic and acquired
2. Target transforming segments that shows secular growth
3. AFRY Digital – a new strategic growth platform
4. Lead in sustainable solutions to drive impact and growth
5. Deliver best in class operations to drive growth and scalability

TRANSFORMING SEGMENTS

- INFRASTRUCTURE
- FOOD & LIFE SCIENCE
- CLEAN ENERGY
- BIOINDUSTRY
<table>
<thead>
<tr>
<th>Time</th>
<th>Session</th>
<th>Presenter(s)</th>
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<tbody>
<tr>
<td>13.00</td>
<td>AFRY Take-off Strategy</td>
<td>Jonas Gustavsson, CEO</td>
</tr>
<tr>
<td>13.35</td>
<td>Finance and Best in class operation</td>
<td>Juuso Pajunen, CFO</td>
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<tr>
<td>13.50</td>
<td>Lead in Sustainability</td>
<td>Marie Trogstam, Head of Sustainability</td>
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<tr>
<td>14.00</td>
<td>Break</td>
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<tr>
<td>14.05</td>
<td>Transforming Segments:</td>
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<tr>
<td></td>
<td>Infrastructure</td>
<td>Malin Frenning, Head of Infrastructure</td>
</tr>
<tr>
<td></td>
<td>Food &amp; Life Science</td>
<td>Robert Larsson, Head of Industrial &amp; Digital Solutions</td>
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<td></td>
<td>Bio-Industry and Clean Energy</td>
<td>Roland Lorenz, Head of Management Consulting</td>
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<td>Nicolas Oksanen, Head of Process Industries</td>
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<td>Richard Pinnock, Head of Energy</td>
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<tr>
<td>15.10</td>
<td>Summary and Questions</td>
<td>Jonas Gustavsson</td>
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<tr>
<td>15.30</td>
<td>Closing and pre-booked individual interviews</td>
<td></td>
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</tbody>
</table>
Demanding global environment

- Climate challenge
- Geo-political uncertainty
- Disruptive technology shifts
- Urbanisation
- Ongoing pandemic
- Economic volatility

Sustainability
Digitalisation
Mitigating Covid-19 crisis

BUSINESS IMPACT
2020 YTD
- Worse GDP-drop in modern time
- Significant impact on Automotive segment and related supply chain, as well as sectors within infrastructure, e.g. private real estate

MITIGATION ACTIONS
Transforming way of working – distance, digital
Focus on protecting balance sheet and profitability
Significant cost savings – short term and sustainable
Accelerated repositioning of Energy and Automotive

UPDATE ON MARKET SITUATION
- Stability in our core segments, incl. Automotive on lower levels
- Ongoing pandemic still causes uncertainties, but many of our clients have adapted to the situation
AFRY is uniquely positioned to take a leading role as an enabler in the sustainability transition as outlined in the EU Taxonomy and the EU Green Deal given our client offering, presence and ambitions.

- EU Green Deal – Investments of EUR1tn over the next decade
- EU Taxonomy – compliance and business opportunity
- Science Based Targets’ Initiative 1.5°C – Commitment Letter
- 1.5°C Business Playbook for exponential climate action
- AFRY Code of Conduct
OUR MISSION

We accelerate the transition towards a sustainable society
OUR VISION
Making Future
Inclusive and diverse teams with deep sector knowledge
RANKINGS IN SWEDEN

Attractive employer and strong brand

1. Google
2. Apple
3. Spotify
4. Netflix
5. IKEA
6. Microsoft
7. DICE
8. AFRY
9. Volvo Group
10. IBM

AFRY is #11 in 2020

AFRY on Allbright’s green list
Academic work student survey #8
Most attractive employer among researchers
Universum ranking #11
The growth journey

1895
The steam boiler association is founded, to prevent accidents

1986
Ångpanne-föreningen is listed on the Stockholm Stock Exchange

1958
Jaakko Pöyry starts his business

2008
Name changed to ÅF

2012
Start ramping up infrastructure and building digital competence

2019
Acquisition of Pöyry

The diagram shows the growth journey of ÅF Pöyry, highlighting key events and milestones from 1895 to 2019. The timeline includes the founding of the steam boiler association, Jaakko Pöyry starting his business, Ångpanne-föreningen listing on the Stockholm Stock Exchange, name change to ÅF, and the acquisition of Pöyry. The diagram also includes the number of acquisitions over the years, indicating a steady increase in acquisitions with a notable 15% CAGR and 18% CAGR in certain periods.
Successful integration of Pöyry

- New management, organisation and culture - AFRY
- Cost synergies above target, 218 MSEK vs. 185 MSEK, and base for next step of 120 MSEK
- Improved project capabilities and international footprint
- Improved mix and stability in transforming segments
- Enabling scalable platform –business model enabling local service, and global CAPEX
Biofuel based plant
Finland

Onshore wind
Vietnam

Fehmarn Belt
Denmark Germany

Board and pulp mill
Finland
Successful strategy execution

- **In the Nordic Market:**
  - #1 (2017: #3)
  - Project sales: 70% (2017: 50%)
  - Sales in transforming segments: 70% (2017: approx. 55%)

- **Sales in core countries:**
  - 80% (2017: 90% SWE)

- **AFRY TAKE OFF**

<table>
<thead>
<tr>
<th>Net Sales * (bsek):</th>
<th>21</th>
</tr>
</thead>
<tbody>
<tr>
<td>No. of employees:</td>
<td>17,000</td>
</tr>
<tr>
<td>No. of countries with offices:</td>
<td>40</td>
</tr>
</tbody>
</table>

*Note: 2019 numbers*
Clear segment and geographical structure

- **INFRASTRUCTURE**
  - Scalable geographical platform

- **INDUSTRY**
  - International structure niche-offering

**SEGMENT**

**GEOGRAPHY**
- NORDIC
- EUROPE
- INTERNATIONAL

**AFRY TAKE OFF**

**70%**
A European leader in sustainable engineering, design and advisory with a global reach
New Strategic framework

WHO WE ARE

OUR VISION
Making Future

OUR MISSION
We accelerate the transition towards a sustainable society

OUR VALUES
Brave
Devoted
Team players

OUR PEOPLE
Inclusive and diverse teams with deep sector knowledge

OUR AMBITION
A European leader in sustainable engineering, design and advisory with a global reach

HOW WE GET THERE

1. Drive growth in targeted geographies – organic and acquired

2. Target transforming segments that shows secular growth – where we have a strong position in the customer value chains

3. Develop AFRY Digital – a new strategic growth platform

4. Lead in sustainable solutions to drive impact and growth

5. Deliver best in class operations to drive growth and scalability

INFRASTRUCTURE  FOOD & LIFE SCIENCE

CLEAN ENERGY  BIOINDUSTRY
# Growth in AFRY targeted geographies

<table>
<thead>
<tr>
<th>CURRENT POSITION</th>
<th>MARKET</th>
<th>OUR AMBITION</th>
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<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>#2</td>
<td></td>
</tr>
<tr>
<td>2018</td>
<td>#1</td>
<td></td>
</tr>
<tr>
<td>2019</td>
<td>#1</td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>Limited</td>
<td></td>
</tr>
<tr>
<td></td>
<td>#3</td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Top 10</td>
<td>#7</td>
</tr>
<tr>
<td>Sweden</td>
<td>Limited</td>
<td>Top 10</td>
</tr>
<tr>
<td></td>
<td>Top 10</td>
<td>Top 10</td>
</tr>
<tr>
<td>Switzerland</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>#6</td>
<td>#4</td>
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</tbody>
</table>

- Market outlook varies between geographies, but in general solid and positive outlook in our core segments across Nordics and Switzerland
  - Infrastructure
  - Bioindustry
  - Clean Energy
  - Food & Life Science
- Top position in all countries with focus on transforming segments
- Ramping up recruitment and attracting talents – organic growth
- Ramping up M&A-agenda
  - Bolt-on acquisitions
  - Strategic platforms
AFRY Digital

A new strategic platform for growth
AFRY Digital - new platform for growth

**Today**

**DIGITAL SERVICE OFFERING**
Solid position as supplier of professional service and projects across several sectors

**STONG DIGITAL CAPABILITY BASE**
~2000 digital experts across our divisions

**Future**

**AFRY DIGITAL**
Accelerate our digital journey with a new strategic platform for growth - across our company
AFRY Digital ambition

1. A driver of industrial digitalisation and being the best at applying digital in our core sectors

2. Within the next 5 years we target to triple our digital revenue to make up >20% of group revenue
Digital in our core sectors has been lagging behind but is about to take-off rapidly

Source: AFRY Management Consulting assessment from various data sources
Four perspective in our digitalisation

1. **ACCELERATE PRIORITISED DIGITAL OFFERINGS IN CORE SECTORS**

2. **DRIVE A BROAD DIGITAL TRANSFORMATION**

3. **INTERNAL DIGITALISATION**

4. **DIGITAL SALES, DELIVERY AND COMMERCIAL MODEL**
Strong digital capability base

Digital transformation enablers

- Software, platforms and integration
- Data science (Analytics and AI)
- IoT and connectivity
- Industrial automation - "Industry 4.0"
- Computing everywhere (cloud, edge, hybrid)
- Security
- Interactive and UX

2000 Digital experts

Transforming segments

- Infrastructure
  - Buildings
  - Transportation
- Clean Energy
  - Networks, Renewables
  - Thermal & Heat, Decentral Energy
- Food & Life Science
  - Food
  - Life Science
- Bioindustry
  - Biorefining, Pulp, Paper & Packaging, Forestry
Strong growth of sector cross platform solutions within digitalisation

**OPPORTUNITY CATEGORIES OF DIGITAL SOLUTIONS**

<table>
<thead>
<tr>
<th>Digital engineering</th>
<th>Digital simulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Application of digital engineering tools to optimise planning and execution during the CAPEX phase</td>
<td>Simulation or replication of physical assets to simulate asset behaviour remotely</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Digital operation</th>
<th>Digital supply chain</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connection of AI and smart sensors to optimise asset operation in real-time</td>
<td>Collection and analysis of data across the entire supply chain to adapt and optimise resources</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Digital E2E optimisation</th>
<th>Digital analytics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection and analysis of historic data to optimise future asset operation</td>
<td>Integration of OT-IT-ET systems to improve information / data exchange and system interaction</td>
</tr>
</tbody>
</table>
AFRY Digital X

AFRY Digital X to be launched in beginning of 2021 with plan to include 200 employees by mid 2021.

AFRY Digital X will work integrated with divisions and have the task to:

- **Rapidly scale** our digital offerings, technically
- **Be the engine and facilitator** of innovation and digital transformation
- **Enable systematic investments** in digital areas of our business
- **Function as a common interface** towards the external cross-divisional digital partners
- **Drive systematic M&A** in the digital space
Financial update and best in class operations

JUUSO PAJUNEN, CFO, CAPITAL MARKETS DAY, 24 NOVEMBER 2020
We are coming from a difficult macroeconomic environment with stable profitability and strengthened balance sheet.
We are coming from a difficult macroeconomic environment with stable profitability and strengthened balance sheet.
Financial targets unchanged

**GROWTH**

10%

**EBITA**

10%

**NET DEBT / EBITDA**

2.5

**SALES GROWTH**

2015-2019

CAGR 18%

**ADJ. EBITA MARGIN 2015-2019**

**NET DEBT / EBITDA**

Q3 2020*

2.0
Lean AFRY- project rebuilding a scalable foundation to our operations

TARGET OF LEAN AFRY PROJECT IS TO BREAK THE PATTERN OF REVENUE GROWTH WITHOUT MARGIN EXPANSION
Creating an efficient and scalable platform

**PHASE 1: INTEGRATION 2018-2019**
- Immediate post-merger integration
- Realisation of cost synergies post-merger with a 12m sprint
- Long tail with IT and Facilities
- Closed – successful first steps and total integration savings of 218 MSEK

**PHASE 2: LEAN AFRY 2020-2021**
- Efficient transactional service centres
- Leverage of scale in core countries
- On-going – earlier targeted 120 MSEK savings on track while current realisation >150 MSEK

**PHASE 3: ERP BENEFITS 2022-202X**
- Driven by ERP enabling new ways of working
  - Removing friction between businesses and improving project margins
  - Back office support
  - Digitalisation and automatisation
  - Shared culture and language
- On-going – implementation of first wave in 2021
Given AFRY’s global presence in developing economies, we are in good position to expand excellence centres

Already in use:

- Process Industries – Poland, China
- Industrial and digital solutions – India, China
- Energy – Thailand
- Infrastructure – Poland
- Significant potential to increase in all divisions

AFRY’s presence  Existing delivery centres
Achieving financial targets

- Back on track after Covid
- Leverage the Balance sheet with targeted acquisitions
- Shared services Operational Excellence Efficiency supported by ERP

Consensus Oct/20: 8.4
Organic growth: 10% growth enabled by organic and M&A
M&A: Leverage at 2.5
Best in class operations
EBITA%: 10.0
Making Future
Sustainability Take-off

MARIE TROGSTAM, HEAD OF SUSTAINABILITY, CAPITAL MARKETS DAY, 24 NOVEMBER 2020
We accelerate the transition towards a sustainable society
Understanding our impact

We increase our net positive impact through sustainable solutions.
Sustainability framework

Lead by example

Transforming our company

Accelerating the sustainability transition

A European leader in sustainable engineering, design and advisory with a global reach.
Strengthening our position as an enabler in the sustainability transition

Guided by the SDGs
Our strong commitment to the 2030 Agenda, the UN Global Compact and other important frameworks continues.

Indexes: MSCI AA, CDP B

The EU Green Deal and the EU Taxonomy will support our growth. AFRY is uniquely positioned to take a leading role as an enabler in the sustainability transition as outlined in the EU Taxonomy given our offering, presence and ambitions.

Climate action
Own operations: Aligning our emission target with the 1.5°C ambition and net zero target. AFRY has signed SBTi’s 1.5°C Commitment Letter and we are just starting the process of validating our targets.

Through our solutions: We help our clients reach their climate targets.

EU TAXONOMY: SIX ENVIRONMENTAL OBJECTIVES

- Climate change mitigation
- Climate change adaptation
- Sustainable and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems
AFRY as core partner in the sustainability transition

| Supporting partner to 1.5°C Business Playbook | Government committee for climate action by the business community | Sustainable stories and client reference cases | AFRY initiatives for expert dialogues | AFRY x Gapminder collaboration to identify ignorance and share knowledge |
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| Participated in HLPF 2020 Planned participation 2021 | Participated at COP25 Planned participation at COP26 (Nov 2021) | AFRY is a member of the Climate Leadership Coalition | AFRY is a signatory to Diversity Charter Sweden | AFRY supports the scaling up of Africa's renewable power |
Making Future
Division Infrastructure

We are 6,000 employees

We collaborate with 13,000 clients

Of which >70% public

Our business is >90% projects
# Main client segments

<table>
<thead>
<tr>
<th>SEGMENTS</th>
<th>Real estate</th>
<th>Transport infrastructure</th>
<th>Water</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUBSEGMENTS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>— Commercial</td>
<td>— Roads</td>
<td>— Water utilities</td>
<td>— Energy infrastructure</td>
</tr>
<tr>
<td></td>
<td>— Public</td>
<td>— Railways</td>
<td>— Industrial</td>
<td>— Mining</td>
</tr>
<tr>
<td></td>
<td>— Hospitals</td>
<td>— Airports</td>
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<td></td>
</tr>
<tr>
<td></td>
<td>— Industrial</td>
<td>— Sea ports</td>
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<td></td>
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<tr>
<td></td>
<td>— Residential</td>
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**SERVICES ACROSS**  Architecture, design, planning, project and construction management, operation & maintenance and sustainability services

<table>
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<tr>
<th>SHARE OF NET SALES</th>
<th>45%</th>
<th>36%</th>
<th>5%</th>
<th>14%</th>
</tr>
</thead>
</table>

[Logo: AFRY]
A strong growth journey – now #4 in the Nordics within infrastructure

**NET SALES AND EBITA-MARGIN DEVELOPMENT 2012-2019**

CAGR ~19 %

Development 2019

– Integrating Pöyry Infra caused lower margin

Development 2020

– Stabilising the profitability
  – Focus on productivity and efficiency
  – Review of project portfolio
– Impact of the Covid-19 pandemic in the real estate segment

* 2019 includes Pöyry Infra
## Mixed market development 2020

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>Market growth*</th>
<th>Comments about market</th>
<th>Our performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>REAL ESTATE</td>
<td>![Graph]</td>
<td>Negative market development in real estate due to Covid-19 pandemic</td>
<td>Solid performance in par with market</td>
</tr>
<tr>
<td>TRANSPORT INFRASTRUCTURE</td>
<td>![Graph]</td>
<td>Transport infrastructure market more resilient</td>
<td>Lower growth in some markets due to needed integration and consolidation</td>
</tr>
<tr>
<td>WATER</td>
<td>![Graph]</td>
<td>Water market stable, with healthy underlying demand</td>
<td>Strong development compared to market</td>
</tr>
</tbody>
</table>

* Source: Euroconstruct Aug 2020. Nordics and Switzerland
Strategic actions enabling growth in 2021

**OUR STRENGTHS TO BUILD ON**

- Strong position in home markets, together with other AFRY divisions
- Strong client relations
- Solid domain knowledge

**STRONG AMBITIONS FOR 2021**

- Execute and deliver on agenda for growth (organic and acquired in core countries)
- Broadened offer for our clients, increased share of digital services
- More diversified customer base

**ACTIONS INITIATED 2020**

- Organic fight back plan initiated
- Combine offers across AFRY domains
- Diversified customer base
- Recruitments
- Pricing optimisation
- Centres of Excellence

- Active M&A agenda
- Expand service offerings along our clients’ asset lifecycle
Infrastructure – transforming segment showing secular growth

<table>
<thead>
<tr>
<th>MARKET GROWTH</th>
<th>Real estate</th>
<th>Transport infrastructure</th>
<th>Water</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short &amp; midterm*</td>
<td>![Real estate icon]</td>
<td>![Transport infrastructure icon]</td>
<td>![Water icon]</td>
</tr>
</tbody>
</table>

**TRENDS**
- Green focus
- Increased e-commerce
- Transforming and multi-purpose use
- Holistic view on mobility
- Increased investments in rail-borne traffic
- Urbanisation and needs for new water/wastewater solutions
- Climate change challenges
- Stricter legislation

**OPPORTUNITIES**
- Buildings for health & education
- Renovations (Green Deal)
- Logistics buildings
- Energy management
- Investments ramping up
- Railway, e.g., high-speed rail and underground extensions
- Aging infrastructure
- Large public refurbishment investment
- Climate change solutions
- Investments for renewal (pipes and sewage)

*Short term 1 year, midterm 3 years
Our way ahead within the three major client segments

**FLEXIBILITY IS KEY**

- Continued client value in changing market
- Balance project portfolio (across segments and lifecycle)
- New service areas (e.g. energy and facility management, digitalisation, sustainability)

**TICKET TO RIDE**

- Diversify portfolio and customer base
- Global selected offers
- Strengthen platform in home markets, special focus Nordics and Switzerland

**ESSENTIAL TO DEVELOPMENT**

- Utilise full AFRY client footprint, e.g. industrial, transport, buildings
- New service areas as global offers
- Geographic expansion

M&A to add expertise, offering coverage and capacity within home markets
Increase use of Centre of Excellence to enable growth and efficiency
The growth journey ahead for Infrastructure division

**WIN MARKET SHARES IN HOME MARKETS**
by implementing strategic initiatives and an active M&A agenda

**EXPAND SERVICE OFFERINGS**
along our clients’ asset lifecycle through digital and sustainable solutions

**BE AN ATTRACTIVE EMPLOYER**
ensuring diverse and inclusive teams

---

**TOP 3 IN THE NORDICS**
WHILE IMPROVING OUR POSITION IN ALL HOME MARKETS
Making Future
Strategy adapted, fundamental drivers remain

**Industrial & Digital Solutions Division**

**AMBITION**
- The Nordic leader with a global reach, the partner of choice

**WHAT WE DO/WHERE TO PLAY**
- Develop clients’ future products and services
- Design, connect and fine tune clients’ manufacturing capabilities
- Enhance clients’ solutions via digital services

**HOW TO WIN**
- Market and client intimacy
- Efficient, digitalised processes to be effective in both sales and delivery
- Scale by reusing successful solutions, and innovate together with clients
- Engaged and motivated people and an attractive brand

**5.8 BSEK**
Net Sales 2019

**3500 employees**
Brave devoted team players Q3 2020

**30% projects**
Share of Net Sales 2019

**92% In Sweden**
Share of Net Sales 2019
Industrial & Digital Solutions Division

AMBITION
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WHAT WE DO/WHERE TO PLAY
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HOW TO WIN
- Market and client intimacy
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- Scale by reusing successful solutions, and innovate together with clients
- Engaged and motivated people and an attractive brand
Shifting business mix, responding to Covid-19

Significant Covid-19 impact

Automotive, Manufacturing sluggish since mid 2019

Repositioning in Automotive accelerated

Shift in business mix, projects now at 40%

Strong growth in Food & Life Science

Recovery seen in Q3, Automotive from low levels
Opportunities for clients in transforming markets

**MARKET DYNAMICS**

### AUTOMOTIVE

**TRANSITION INTO A MORE COMPLEX MARKET LANDSCAPE**
- Decarbonisation, electromobility and battery
- Connected vehicles and high tech entrance (software)
- New types of vehicles
- OEM & Tier 1 consolidation
- Compliance and regulations

### MANUFACTURING

**INDUSTRY 4.0 PICKING UP PACE IN DAILY OPERATIONS**
- Increased automation & robotisation
- Smart products
- Continuous productivity improvements
- Eco system factor of differentiation
- Localisation of supply chains

### TECH, DEFENCE, CIVIL PROTECTION

**EXPANSION INTO NEW SECTORS AND SHIFTS TO 5G**
- IoT, Cloud, AI, 5G
- Increased system complexity and integrations supporting new business model
- IT infrastructure, Operators, and consultancy consolidation
- Cyber security and geopolitics
- Digitalisation leap

### FOOD, LIFE SCIENCE

**LARGER, AGING AND WEALTHIER POPULATION**
- Sustainable, healthy food, functional food and consumer power
- Increasing legal complexity
- Health care cost increasing
- Impact of globalisation and rethink global supply chains
- Prepare for the next virus
Automotive OEMs in rapid transformation

Global and technology driven market

Sizeable, ~20% (pre-Covid) of IT and engineering consulting market in Sweden

Key drivers:

— Electrified, connected, autonomous vehicles
— Software to dominate product development
— Industry 4.0 (Virtualisation, Digital Twin)

* Illustration from Business Sweden
Shifting AFRY centre of gravity towards software, design and projects

Leverage design and R&D engineering

From hardware to software

From on-site services to projects

Change in service models supported by agreements with major clients

Illustrative only
Client digitalisation readiness and maturity increasing

**CASES**

**HITACHI ABB POWER GRIDS 5G**
- Collaboration AFRY, Ericsson and Telia
- Production flexibility, efficiency and quality

**ALFA LAVAL NEXT I4.0 STEP**
- AFRY Advanced Real Digital Twin (RDT), based on Siemens SW
- Accelerate digital and automated production

**IOT STREAMLINES LOGISTICS**
- Leading supplier of products for logistics and automatic storage
- Cloud connected, with advanced telematics

**HOME OF THE FUTURE WITH AI**
- Reduce climate footprint through AI
- Provides feedback and nudging

**INDUSTRIAL CYBER SECURITY**
- I4.0 drives connecting OT with IT
- Security built in from start, both products and plants
Long term attractive and regulatory defined market

MARKET CHARACTERISTICS

- Increasing, aging and wealthier population
- Years of stable growth
- Digitalisation for efficiency and quality
Long term attractive and regulatory defined market

**FOOD**
- Functional food, sustainability, plant based
- Digital consumer journey and operations

**PHARMA**
- Nordic innovation & R&D cluster
- Digitally enhanced products and quality

**MED TECH**
- International players in Nordics
- Updated regulations and technologies
- IoT, data science and wearables

**HEALTH**
- Nordics top spenders
- Complexity increases in hospital design
- eHealth
Expansion from already strong market presence

AFRY builds production line for Oatly in Singapore

Vistin Pharma doubles production

Connectivity for global diagnostic company

National Norway eHealth digitalisation

Högsbo Specialist Hospital design

Source: Oatly
Expansion from already strong market presence

FOOD & LIFE SCIENCE READY FOR NEXT LEVEL

Addressable market*

- Food Manufacturing ~7 BSEK
- Pharma R&D ~4 BSEK
- Pharma Manufacturing ~2 BSEK
- Hospital Design ~3 BSEK
- Med Tech R&D ~3 BSEK

Historic annual market growth ~4%, and favorable outlook forecasted

#1 or #2 position in all segments, built from strong organic growth the last years

Opportunities to accelerate current organic growth to explore full potential

*) Estimated annual market size in the Nordics by AFRY based on services excluding equipment / hardware
SUMMARY

Digitally capable and positioned for growth

Automotive repositioning accelerated

Client digitalisation readiness and maturity increasing

Food & Life Science ready for next level, becoming the largest sector in the division

The Nordic leader with a global reach
Making Future
Bioindustry and Clean Energy at AFRY
AFRY at the core of the shift to Bioindustry and Clean Energy

— Two global transitions driven by the international sustainability agenda
— AFRY as one-stop-shop for Bioindustry and Clean Energy
  — Management Consulting
  — Engineering and Projects
  — Operations
  — Digital Solutions
— Excellent position already today
  — Team of >4,000 experts in the two sectors in Europe and globally
  — Combined revenue >3.8 BSEK with EBITA-margin of ~10%¹
  — Well established relationships with leading companies

¹) 2020 Q3 YTD; combination of relevant parts of Process Industries, Energy and Management Consulting divisions
Facts underpin tangible growth opportunities in Bioindustry

**DRIVING FACTORS**
- Growing sustainability awareness and commitment
- Global shift in demand and products
- Need for green carbon to ensure full decarbonisation
- Resource scarcity

**IMPACT**
- Strive to circular bioeconomy i.e. recycling, sustainable packaging, biomaterials and biofuels
- Production new build and replacement to follow demand
- Increasing pressure to improve production efficiency and unlock digital potential
Growing Bioindustry demands expansion of production capacity

- Bioindustry grows with CAGR of 2.3% to ~8,000 BSEK business by 2030
- In packaging and hygiene steady demand increase of ~1,000 BSEK by 2030
- Biochemicals and biofuels will grow over 210 BSEK business by 2030

Source: AFRY internal analysis
Energy sector is transforming globally towards Clean Energy

**DRIVING FACTORS**
- Decarbonisation to mitigate climate change
- Affordable and reliable energy to support economic and social welfare

**IMPACT**
- Shift from fossil generation to clean energy
- Required smart grid infrastructure, interconnector and storage
- Need for negative emission contribution from energy sector
- Sector integration driven by electrification and industrial decarbonisation

Source: IEA WEO 2019
Energy transition demands huge global investments into Clean Energy technology

Significant investments in renewable capacity required
- 400 GW in Europe by 2030
- 8,000 GW globally by 2040
- ~4,200 BSEK investment in grid infrastructure in Europe by 2030

Other clean technologies are presenting further growth opportunities (i.e. biomass, hydro, nuclear, CCS, hydrogen)

Source: IEA WEO 2019, AFRY Analysis
Management Consulting supports unique position in both sectors

- More than 450 Management Consultants in Europe and globally
- Deep sector expertise and access to top management level
- Distinctive service offering
  - Forward looking market analysis
  - Strategic advice
  - Operational excellence
  - Transaction support
- Growth even in Covid-19 situation with >10% EBITA
Making Future
Global competence supported by local presence

IN BRIEF

- 3 BSEK net sales (2019)
- 10.6% EBITA-margin (2019)
- ~3,500 experts
IN BRIEF

#5 in Industrial processes globally

STRONG GLOBAL POSITION IN BIOINDUSTRY, STRONG GROWTH IN MINING & METALS

Bioindustry incl Pulp & Paper

Chemicals (non-petroleum)

Mining & Metals
IN BRIEF

Services cover the entire client value chain and lifecycle

— Technical consulting
— Multi-disciplinary engineering
— Projects (CAPEX and OPEX)
— Operational phase services
— Smart solutions (digitalisation, sustainability incl. health & safety, environment, etc.)
Bioindustry brings process industry segments together

### INDUSTRY TRANSITION
- Bio
- Land use
- Digital
- Energy
- Material

### CLIENT SEGMENT TRANSITION
- Pulp & Paper
- Oil refining
- Chemicals and petrochemicals
- Energy

### BIOINDUSTRY

- **Strengthen** the #1 position in Pulp & Paper, **grow** in wood products, packaging and hygiene
- **Grow** in advanced bioproducts, biofuels and biochemicals
- **Expand** offering in industrial digitalisation and sustainability
- **Stabilise** business with diversification in sectors and services

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**Process Industries**
FINANCIAL DEVELOPMENT

Stable financial performance

Growth

— Continued good growth in core markets and major projects implementation continue as planned
— Currency effects had a big impact YTD mainly from Brazil
— Organic growth YTD amounted to 5.3%

Profitability

— Profitability on a stable level
— Somewhat impacted by Covid-19 pandemic with longer decision-making processes for new projects
— 2020 expected to be stable
Great growth opportunities

AFRY SHARE OF THE MARKET SECTOR

BIOINDUSTRY INCL PULP & PAPER

- AFRY share: 40%
- ENR all: X 3.5
- Annual market growth: > 2.3%
- ENR RANKING: AFRY, Wood, KBR

CHEMICALS (NON-PETROLEUM)

- AFRY share: 11%
- ENR all: X 3
- Annual market growth: > 5%
- ENR RANKING: Wood, Worley, AFRY

MINING & METALS

- AFRY share: 4%
- ENR all: X 3
- Annual market growth: > 3.5%
- ENR RANKING: Wood, Hatch, Fluor

Note! ENR market share is not showing all accessible markets as smaller and local players are missing from the statistics
Key items for profitable growth

**Grow** in Bioindustry, Chemicals (non-petroleum) and Mining & Metals in selected regions organically and by defined M&As

Strengthen the **client** interface through key account management including **all AFRY services**

Strengthen organisation efficiency with engaged and motivated **people** and attractive brand

Move up in the value chain and leverage the knowledge base through **Smart Solutions** (strengthen digital, environment and health & safety position), develop new services and innovate through Research & Development with clients
Business stability through diversification

PLAN FOR GROWTH AND VALUE CREATION

OPERATIONAL EXPENDITURE (OPEX) SERVICES
- close to the clients via local offices ensuring continuous co-operation

CAPITAL EXPENDITURE (CAPEX) PROJECTS
- Pulp & Paper
- Mining & Metals
- Chemicals
- New growth areas

SMART SOLUTIONS
- Digitalisation (AFRY Smart Site)
- Sustainability incl health and safety, environmental, etc.
- New solution development
Summary

— **Profitable growth** in Bioindustries, Chemicals and Mining & Metals

— **Stability** through diversification in sectors and both CAPEX and OPEX projects

— **Margin improvement** through increased value by delivering Smart Solutions and utilising offshore excellence centres

**Our sustainability commitment:**

We provide sustainable solutions to reduce pulp industry water use >20% to meet our clients' sustainability targets.
Making Future
Ranked* #4 globally and well positioned in focus markets

- **Global**
  - Ranked** #5
  - ~8% focus market share
- **Europe, Middle East & Africa**
  - Ranked #4
  - ~9% focus market share
- **South East Asia and selected countries**
  - EPC+ on a selected basis

- **Global**
  - Ranked #4
  - ~10% focus market share
- **Europe**
  - Ranked #5
  - ~12% focus market share

No. of employees: 1,800
Offices in countries: 32
Fixed lump sum projects: 80%

* According to the ENR Top International Design Firms 2020 Report
** According to the ENR Global Sourcebook 2019 Report
Profitability improves as repositioning actions shows results

- Repositioning actions
  - Divestments caused Net Sales adjustment
  - EBITA-margin shift into target 8-10% profitability corridor

- No new large EPC+ projects

- Covid-19 pandemic
  - Delays in contract signing processes
  - Delays in project start-ups
  - Travel restriction stopped expert mission works

- Solid order stock and opportunity pipelines in all business areas
Current strategy focused on establishing a strong platform

1. REPOSITIONING COMPLETE
   Specific actions taken with divestments, portfolio clean-ups and office closures

2. LEAN ORGANISATION
   Structural actions driving substantial permanent savings in 2020/21

3. COVID-19 OPPORTUNITIES
   Flexible operations, future growth with less office space

4. STRATEGIC INITIATIVES
   #1 Nordics through Key Account Management
   Increased cross-selling
   Digital & Opex services
   Book2Bill target > 1.2

5. PEOPLE
   High retention rates
   Comprehensive Project Managers Training program coupled virtual training modules
Energy sector transition challenge is huge.

50% increase
Energy demand by 2050 (IEA)

3.5°C Current pathway

2°C Target

Max amount of fossil to achieve 1.5°C target

THE EVOLVING ENERGY LANDSCAPE

Key growth opportunities

- Gas and LNG energy transition fuel
- Solar and off-shore wind substantially increase
- Decentralised generation increase local inter-connectivity
- Bioenergy / Waste-to-Energy growing worldwide
- New technologies emerging e.g. green hydrogen, small modular reactors
- Future grids need to be smart
- HVDC* interconnector schemes increasing
- Hydro rehabilitation & modernisation increasing
- Intermittency driving pump storage schemes
- Nuclear new build growing as new comers emerging

* HVDC High Voltage Direct Current
Well positioned in the clean energy sector

FITS WELL WITH AFRY’S SUSTAINABILITY COMMITMENT

Position

- Hydrogen
- Solar PV
- Smart Grids
- Li-Ion Batteries
- Carbon Capture & Sequestration

WEEK BUSINESS CASE

- On-shore wind
  - HVDC Interconnectors
  - Nuclear
  - Hydro
  - Natural Gas/LNG

- Off-shore wind
  - Waste to Energy
  - Bioenergy

SUSTAINABILITY CONTESTED

- New Build Coal
Exit new build coal

- Exit coal new build as of 1 Jan 2021
- Maintain relations with key clients who are in the middle of their energy transition journey
- Continue to support their carbon off-set investment programs i.e. gas, biomass conversions, efficiency improvement, carbon capture sequestration (CCS) and renewables

- Existing new build coal portfolio
  - 0.4% of Group Net Sales 3Q YTD 2020
  - Average number of fulltime employees, FTE is 25
  - Order stock until 2023

SUSTAINABILITY DRIVER

Clean Energy
Focus on growth to become #3 globally in clean energy

- Become #1 in off-shore wind, hydro pump storage schemes and HVDC interconnector schemes
- Take maximum advantage of the global Waste-to-Energy explosion
- Accelerate digitalisation leveraging on AFRY Digital to increase sales capability for existing products
- Accelerate our opex related services - target to achieve 30% share of revenue by end 2022
- Shift to a flexible operational model - 30% hot seating and resourcing by 2022
- Aim to achieve #3 spot on ENR Ranking by end 2023
STRATEGIC INTENT

Use our European leadership to accelerate the energy transition in the developing economies

Our presence
Current pace of the global energy transition will result in growth with wet feet
SUMMARY

Accelerating profitable growth in clean energy

- Portfolio well positioned in clean energy sector
- Repositioning actions delivered the desired results
- Focus on growth in clean energy sectors - strategic acquisitions
- Exit new build coal
- Solid opportunity pipelines in all business areas
- Strive to accelerate the energy transition in the developing economies
OUR NEXT GROWTH JOURNEY

Summary – Take-off Strategy

1. Growth in targeted geographies – organic and acquired

2. Target transforming segments that shows secular growth

3. AFRY Digital – a new strategic growth platform

4. Lead in sustainable solutions to drive impact and growth

5. Deliver best in class operations to drive growth and scalability

- Re-accelerate bolt-on M&A strategy
- Attract and retain talent for organic growth
- Strategic M&A platforms

- Infrastructure, Bioindustry, Food & Life Science, Clean Energy
- Strong position in customer value chains

- Invest to build digitalisation offering in core verticals
- New business models and recurring revenues
- Fully leverage our digital competence combined with our deep sector knowledge

- Further strengthen sustainability offering and positioning
- Competitive differentiator to win more business and attract top talent

- Lean operations and IT systems
- Offshore excellence centres to scale and access world class capabilities
- Shared service centres
Summary – Take-off Strategy

— New growth strategy
— Financial targets unchanged
— Digital growth platform
— Sustainable savings 2020
— Science Based Targets’ Initiative 1.5°C Commitment Letter
— Exiting coal CAPEX as of January 2021

Financial targets unchanged

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<tr>
<th>GROWTH</th>
<th>EBITA</th>
<th>NET DEBT / EBITDA</th>
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<tbody>
<tr>
<td>10%</td>
<td>10%</td>
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Digital revenue next 5 years

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<tr>
<th>CURRENT DIGITAL REVENUE</th>
<th>OF GROUP REVENUE</th>
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<tr>
<td>3X</td>
<td>&gt;20%</td>
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Sustainable Cost savings

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<thead>
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<th>2019</th>
<th>2020 YTD</th>
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<tbody>
<tr>
<td>218</td>
<td>&gt;150</td>
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Q&A Session