



uponor

Business review 2021

15 March 2022
Annual General Meeting

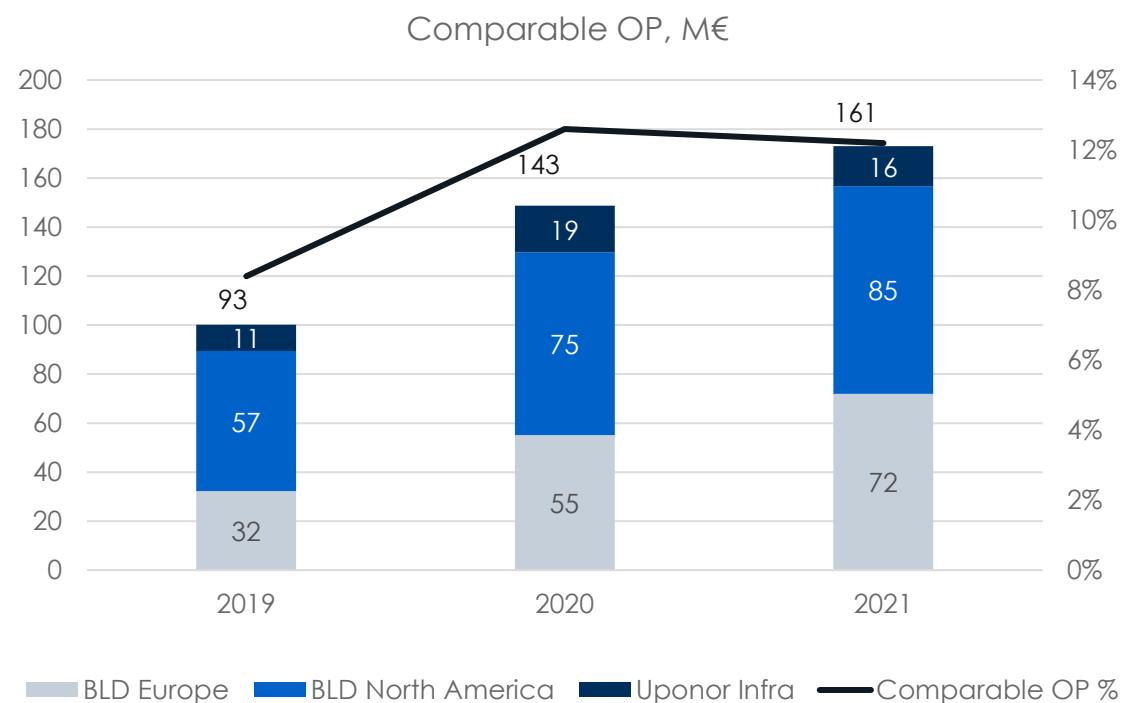
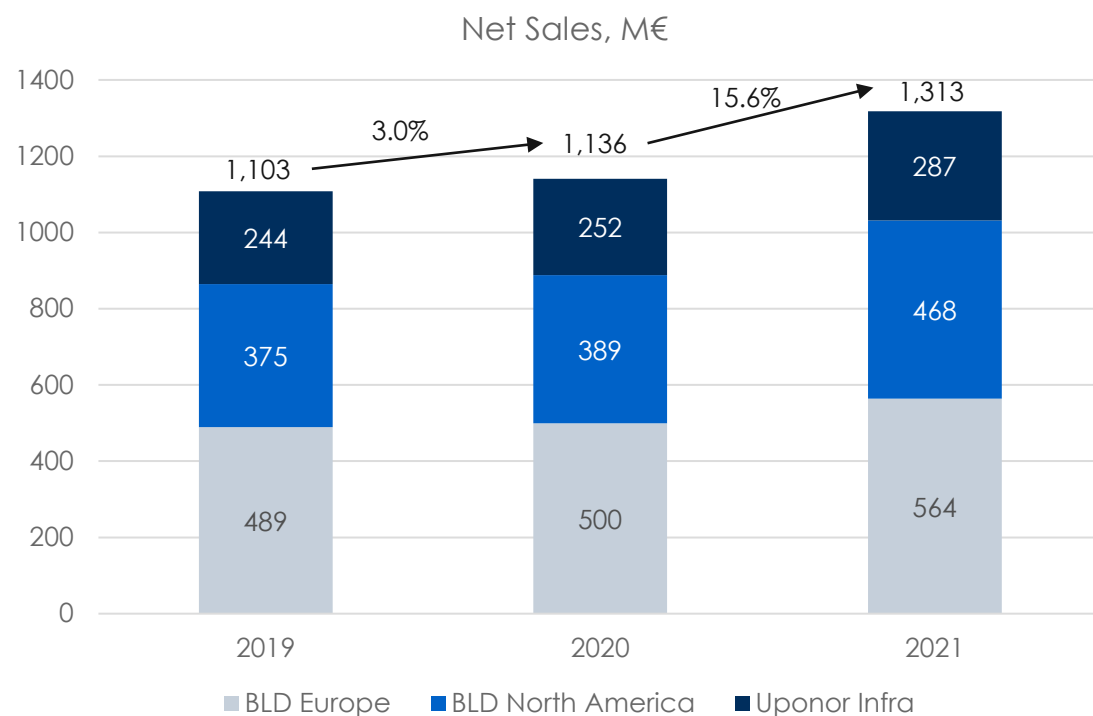
Michael Rauterkus, President & CEO

2021: Strong net sales growth in all divisions

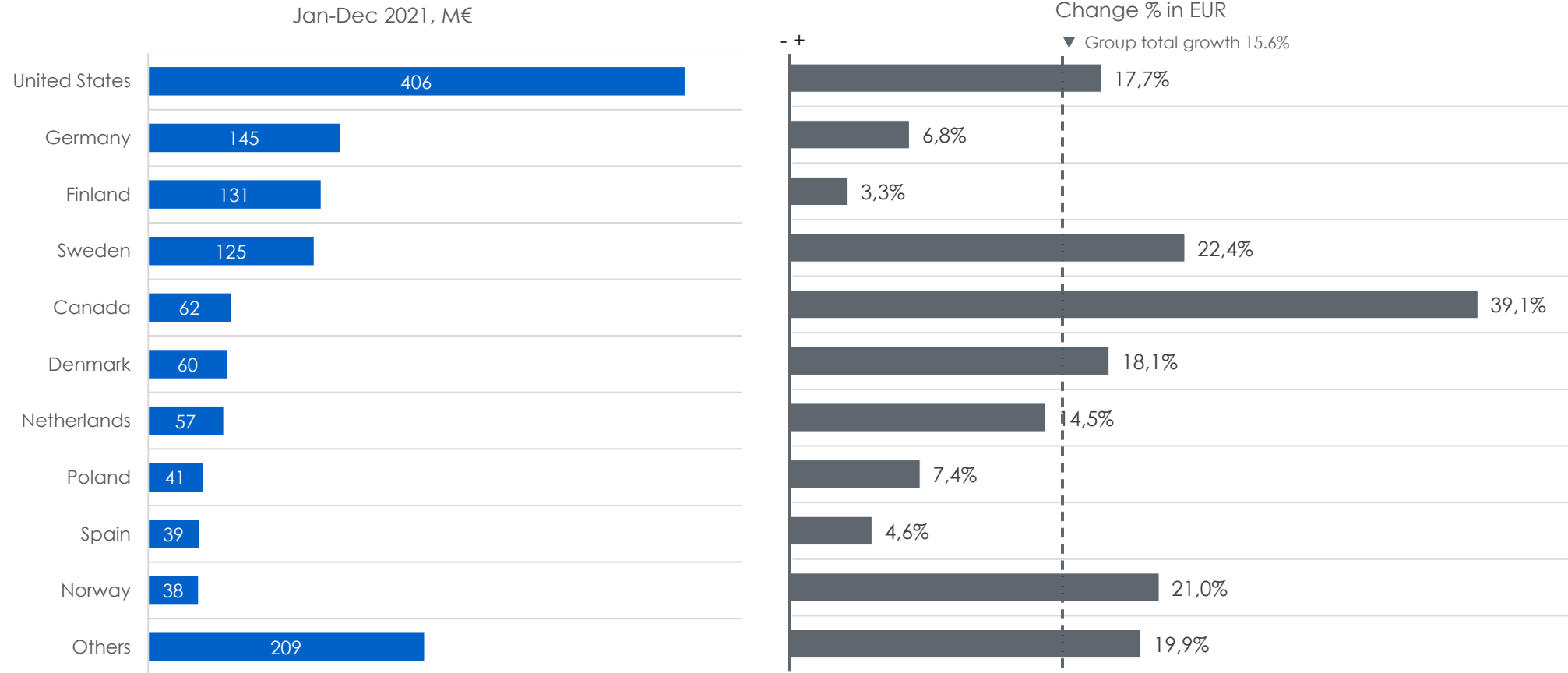
- Net sales were €1,313.2 (1,136.0) million, a growth of 15.6%.
- Comparable operating profit was €160.5 (142.7) million, a growth of 12.5%.
- Building Solutions divisions increased their comparable operating profits.
- One of the first building material companies to receive approval from the Science Based Targets initiative for GHG emission reduction targets in April.
- The acquisition of Capricorn S.A., a Polish manufacturer of components for heating and sanitary installations, was completed in October.



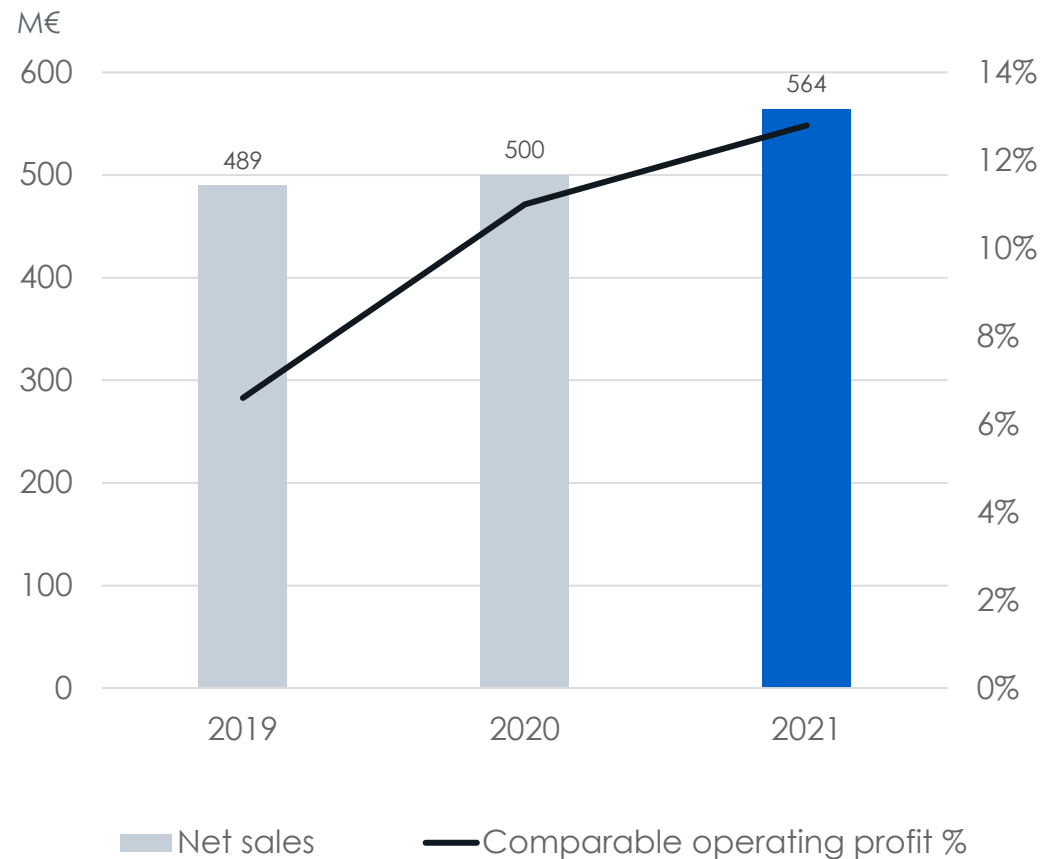
A record year in both net sales and operating profit in a very volatile market environment



Net sales grew in all key markets in 2021



Building Solutions – Europe: Development in 2021



- Despite the decrease in Q4, the full year resulted in a growth of 30.6% in comparable OP.
- Improvements were driven by higher volumes, price increases and savings generated by the operational excellence programme.
- Positive net sales development was driven by growth in Germany, the Netherlands and Sweden.



Building Solutions

– North America: Development in 2021



- The growth of net sales was driven by volume growth and price increases in both the U.S. and Canada.
- Strong operational performance, higher volumes and price increases all contributed to the increase in operating profit despite higher input costs and supply shortages.



Uponor Infra: Development in 2021



- Net sales increased in Finland, Norway and Sweden, in particular. Net sales decreased slightly in designed solutions sales.
- The profitability decrease was due to higher input costs, which were not fully compensated by price increases.



New Strategy – Maximizing the core and sustainable innovation for profitable growth

More active growth agenda supported by organic growth, commercial excellence and M&A

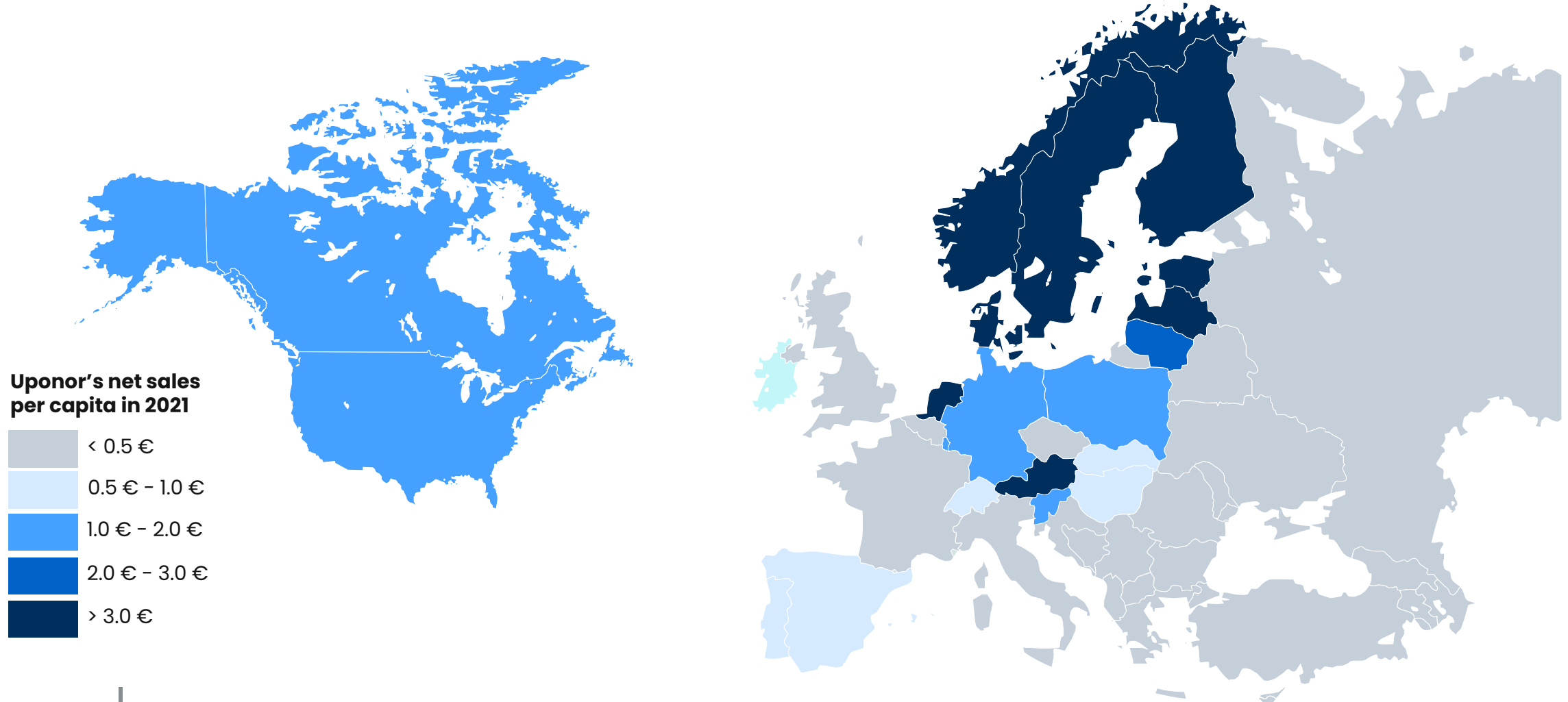
Increased investment in our focus areas: Innovation, technology, net zero and people

More active group role in collaboration, synergies, strengthening core competences

Maximize the core

	WATER SYSTEMS	INDOOR CLIMATE	INFRA
EUROPE	7% organic CAGR since 2019. Significant opportunity to grow ahead of market by maximizing opportunities by country, customer, channel and category		8% CAGR since 2019. Significant opportunity to improve our market position across Nordics
NORTH AMERICA	12% CAGR since 2019. Continued room to grow share in core PEX products by accelerating focus on commercial plumbing and radiant segments.		

Growth opportunities by country



Strengthen our pipeline of innovative systems, solutions and technologies

High performing systems to drive energy & water efficiency



Ecoflex VIP: Up to 60 % reduction in heat loss



Ecoflex VIP

Material efficiency and transition to renewable & recycled materials



PEX Pipe Blue: 90% reduction in CO2 footprint compared to fossil-based PEX pipes



PEX Pipe Blue

Productivity, easy-to-install systems



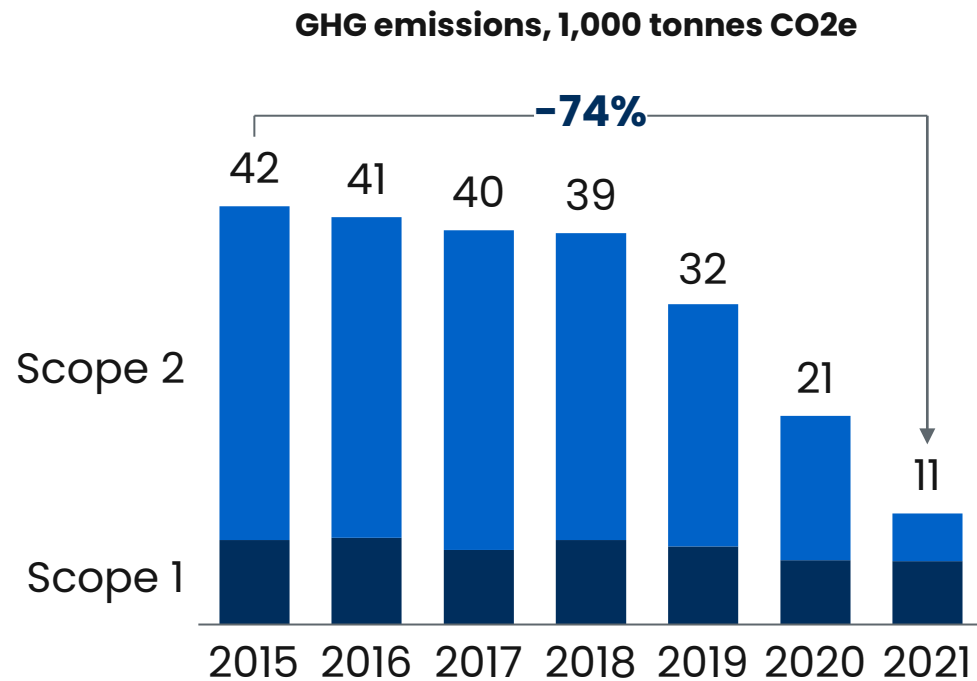
Prefab: 4,500 m2 expansion in Hacksta, Sweden to support growth in prefabricated solutions



Ready Port

Uponor's sustainability journey

Structurally decreasing emissions

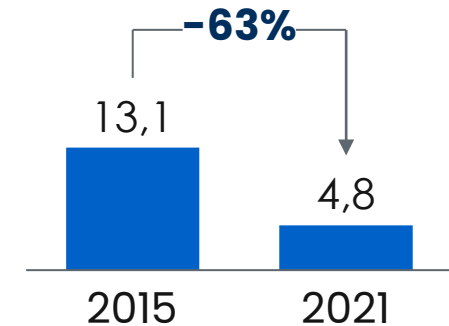


Recent advancements

Ecoflex VIP



Safety, LTIF



Ultra Rib 2 Blue pipe



SBTi commitment¹



Our ESG targets by 2027

ENVIRONMENTAL IMPACT

Sustainability enabler and commitment to SBTi net-zero targets

- GHG emissions: **70%** reduction in own operations, **20%** in supply chain from 2019 level
- Sustainable alternative for **50%** of portfolio

EMPLOYEES

People first and top employer

- **40% both male and female** in Top 50 management positions
- Top tier engagement scores
- Zero accident ambition



SOCIETY

Collaboration in the industry and value for the society

- Collaboration with top 25 customers to strengthen impact
- Impactful social programs in all divisions we operate

Governance

ESG targets are linked to managements' STI and LTI programs

New financial targets

	PREVIOUS TARGETS	FINANCIAL TARGETS: 2022-2024	AMBITION: 2025-
GROWTH	> Annual GDP growth by 3ppts	Organic growth >4%	Ambition to accelerate growth rate
PROFITABILITY	>10 OP-%	>12 OP-%	Ambition to increase OP-% further
GEARING	40-80%	40-80%	
DIVIDEND	Min 50% of annual earnings	Growing	

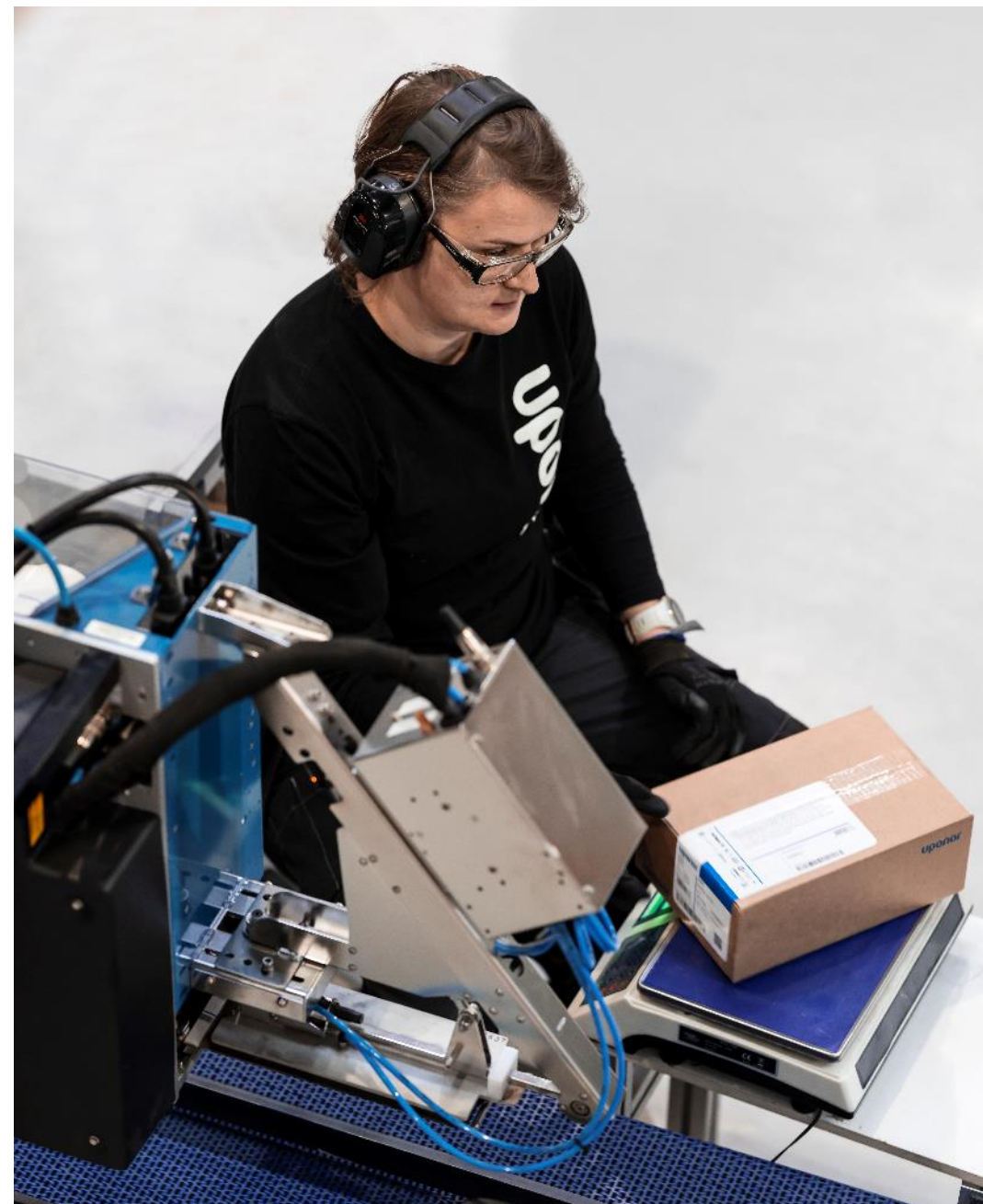
Short-term market outlook for Q1/2022

- Residential markets remain upbeat
- Non-residential markets stabilise further
- Supply chain and labour challenges persist
- Input costs still volatile

Guidance statement for 2022:

Excluding the impact of currencies, Uponor expects its net sales and comparable operating profit to increase from year 2021.

Increase indicates a growth of 2.5% or more.



The logo features a large, light blue 'V' shape. Inside the bottom point of the 'V' is a solid blue circle. The word 'uponor' is written in white, lowercase, sans-serif font across the center of this blue circle.

uponor

Moving › **Forward**