ISS INVESTOR PRESENTATION

Full Year 2021 Results

24 February 2022

PEOPLE MAKE PLACES

Jacob Aarup-Andersen
Group CEO

Agenda

1. Summary
2. Strategic update
3. IT & Digitalisation strategy
4. Market and Business
5. Financials
6. Outlook
7. Q&A

Executive Summary
- Fundamental business improvements in 2021

OneISS

Solid progress on strategic initiatives

The divestment programme is nearly completed

Covid-19

Omicron variant delays return-to-office in the short term

Commercial opportunities arise from the pandemic

Financials

Turnaround on plan with delivery on all financial targets for 2021

2022 Turnaround targets confirmed

Sustainability is a key component of the OneISS strategy

Proud heritage based upon deep respect for people

Solid characteristics

SUSTAINALYTICS
a Morningstar company
15.6 Low Risk

MSCI
ESG RATINGS
CCC | B | BB | BBB | A | AA | AAA
AA

Your CDP score
B

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

- Key competitive advantage within our Societal impact – our Placemakers and self-delivery model offer a unique basis for Governance

Environmental sustainability Net Zero Ambition

Scope 1 & 2 by 2030
Full-scope by 2040

Tangible elements

- Reduce CO2-footprint from food by 25% in 2030
- Halve the amount of food waste by 2027
- Electrification of global fleet of approx. 20,000 vehicles

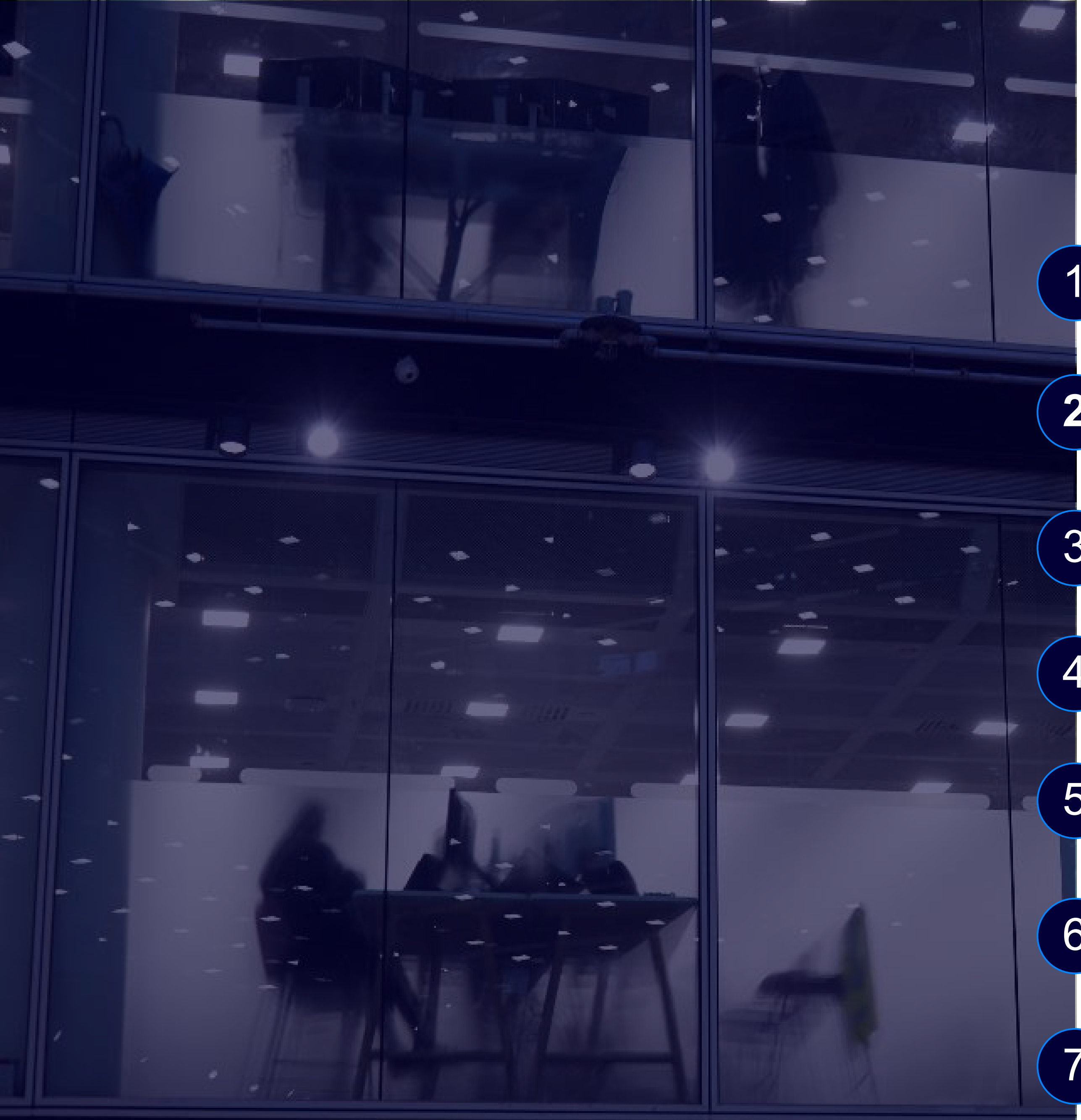
Targets will be verified and aligned to the Science Based Targets initiative (SBTi)

Diversity, Inclusion & Belonging are strongholds

Above 350,000 employees with nearly even gender split

- Companies with diverse and inclusive cultures are more likely to be innovative, have higher profitability and customer satisfaction
- ISS' D&I strategy is driven through five dimensions all with EGM sponsors

2025 Target: Achieving at least 40% Gender Balance at all corporate leadership levels



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Strategic update (1/2)
- 2021: Solid progress on financial initiatives and OneISS rollout

Turnaround programme

- ✓ Turn-around of underperforming areas
  - ✓ Exit of Danish Defence contract progressing
  - ✓ UK reached profitable run-rate margin
  - ✓ France on track
  - ✓ Deutsche Telekom on track, but still loss-making
- ✓ Divestment programme nearing completion
- ✓ Positive impact from the restructuring initiatives initiated across the business in response to Covid-19

OneISS key deliveries in 2021

- ✓ Organisational foundation
  - New executive management team
  - Country organisations aligned to blueprint, including establishment of Operations performance unit in all countries
  - New global commercial team including segment leads
  - Establishment of ISS Hub Warsaw
- ✓ New IT & Digitalisation strategy with full reporting lines into countries, accelerated cloud migration and build-up of own development teams
- ✓ New product management function and process, with early results e.g., daily office cleaning productivity program
- ✓ Strengthened and de-risked commercial processes
- ✓ Cultural changes including a new corporate value 'Unity' and commitment to 40% gender balance

Strategic update (2/2)
- ISS is turning to the next phase with five updated strategic priorities

1. Commercial momentum and segment leadership
2. Brilliant operating basics
3. Service products built on leading technology platforms
4. Environmental sustainability
5. Safe, diverse, and inclusive workplaces

Divestment programme rescoped and nearing completion
- Expected net proceeds unchanged despite fewer assets

	Programme prior to rescoping (at Q3 results)	**Updated programme (at Q4 results)**
Business units	• Assets with total revenues of DKK 4 billion of which approx. 50% was completed	• Assets with total revenues of DKK 2.4 billion of which 95% is completed
Countries	• 5 remaining countries: Brunei, Chile, Portugal, Russia and Taiwan	• Divestment of Taiwan signed, and Chile will remain with ISS[1)] • 3 remaining countries: Brunei, Portugal and Russia
Net proceeds	• Around DKK 2 billion with DKK 1.4 billion signed or completed	• Around DKK 2 billion with DKK 1.8 billion signed or completed

(1) Chile is reclassified to continuing operations in Annual Report 2021

Changes to Executive Group Management team
- To support and strengthen the next stage in the OneISS journey

Key comments

- In December 2021, ISS announced organisational changes to further support the execution of the OneISS strategy.
- Management of the European region (72% of Group revenue) will be split between four EGM members compared to two before.
- In addition, a position as CEO of Global Key Accounts has been created in the EGM to further strengthen the strategic focus on Global Key Accounts.
- The organisational changes will bring more operational experience into the EGM and allow management to be closer to operations.

Executive Group Management

Group CEO
Jacob Aarup-Andersen

Functional EGM members

Northern Europe[1)]:

- **Northern Europe** – Carl-Fredrik Langard-Bjor
- **UK & Ireland** – Liz Benison

Central & Southern Europe[1)]:

- **Central & Southern Europe** – Celia Liu
- **Germany** – Troels Bjerg

Other regions:

- **Americas** – Dan Ryan
- **APAC** – Scott Davis
- **Global Key Accounts** – Sam Hockman

(1) In external reporting, 'Northern Europe' will include the UK & Ireland, Denmark, Norway, Sweden, Finland, Belgium & Luxembourg (Belux), Poland and Lithuania and 'Central and Southern Europe' will include Germany, France, Switzerland, Austria, Italy, Spain and Turkey. This will be effective from Q1 2022

Markus Sontheimer
Group CIDO

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Our technology strategy
- Targeting technology leadership in the FM industry

The **right digital applications** for our customers and employees

Built on **scalable and cybersecure "Cloud First" tech platforms**

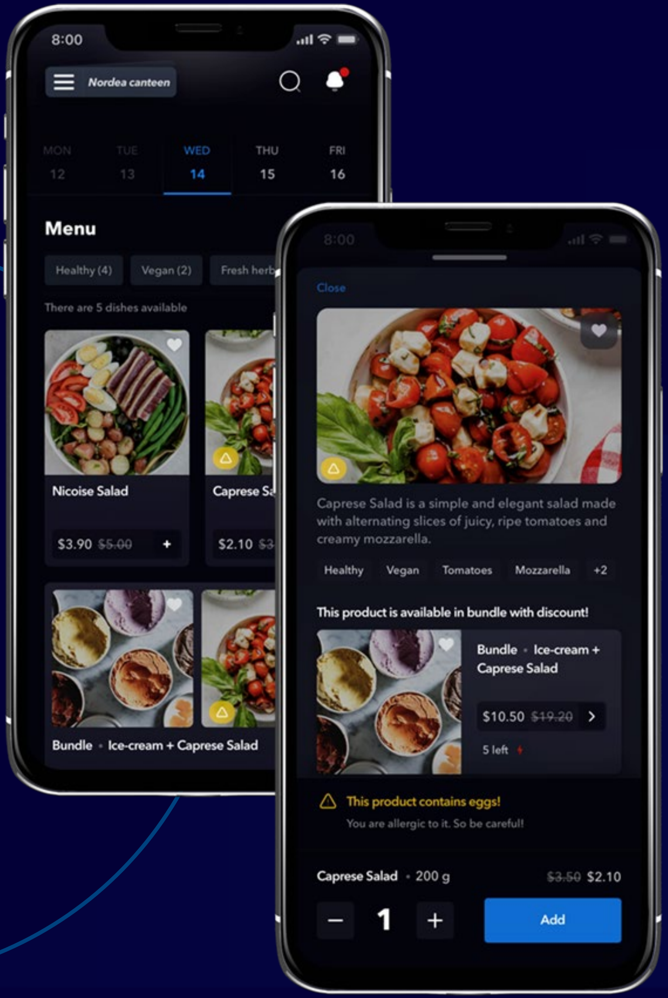
Developed and managed by **ISS global technology teams**

11

Delivering rapid value creation
- Piloting new apps for customers and employees

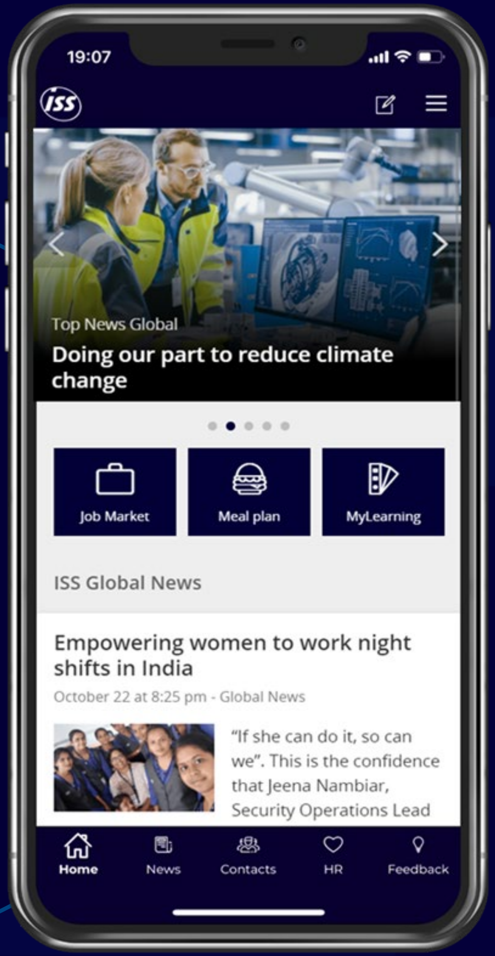
ISS Takeaway App

Bringing food home was never this easy !

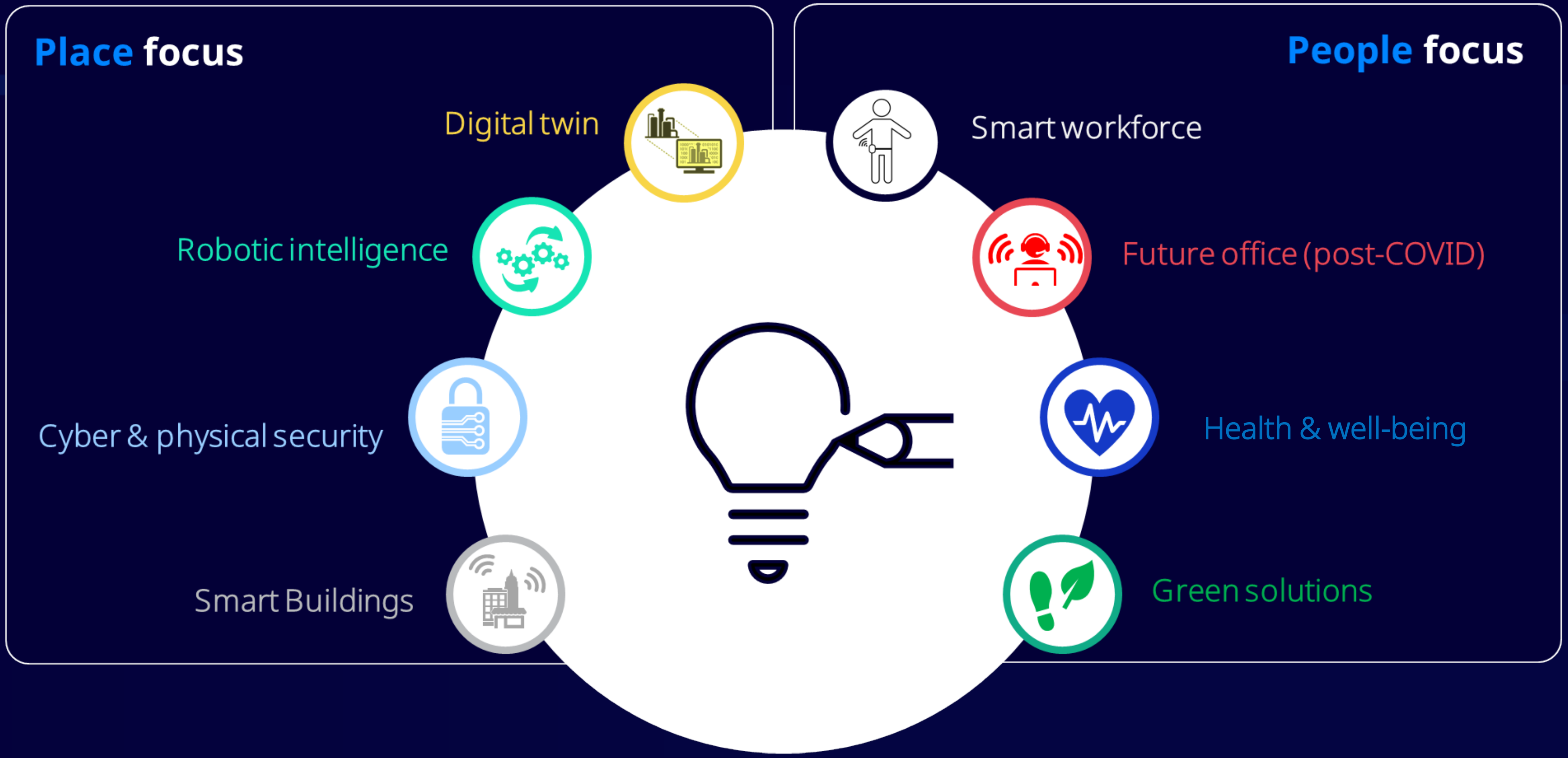


MyISS Platform

Empowering all employees with aggregated services, news, and tools



From strategy to execution
- Digital innovation to deliver scalable products & efficient operations



Jacob Aarup-Andersen
Group CEO

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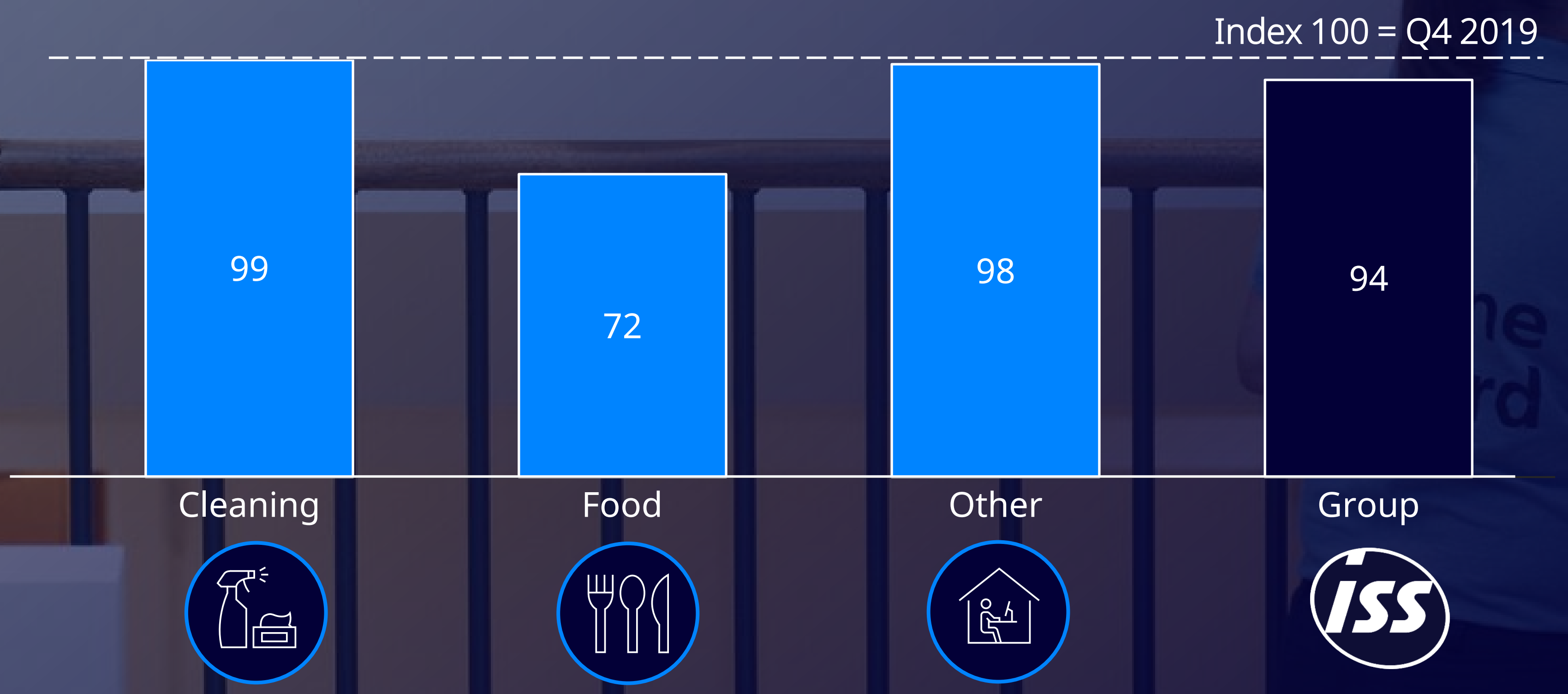
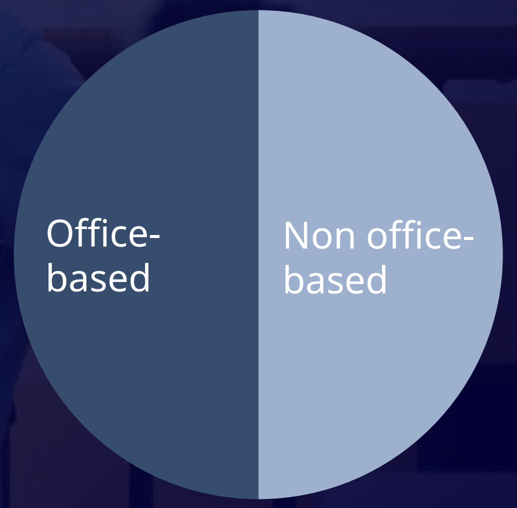
PEOPLE MAKE PLACES

Revenue recovery driven by service line mix
- Solid demand for cleaning services; food delayed by new C19 variants

Organic growth by service line compared to pre-covid levels



Customer split



Inflation is deeply embedded in the ISS business model
- Increased focus on managing labor shortage in some geographies

PASS THROUGH

The vast majority of wage increases are passed on to customers by contractual terms.

This includes other input cost elements as well (chemicals, food etc.)

In Europe (72% of revenue), visibility into wage inflation is high as the majority of wage negotiations are done by unions on a yearly basis.

GROWTH DRIVER

Inflation triggers commercial discussions, and many clients seek to reduce inflationary impact on cost by adjusting scope.

Up- and cross sales are also levers to mitigate wage inflation (more scale, larger efficiencies).

Inflation is expected to be 3-4% across the Group in 2022 but will partly be offset by efficiencies.

EXPERIENCE

We leverage on more than hundred years of experience with wage inflation across countries, services lines, and industries.

(1)Source: IMF World Economic Outlook.

Key commercial development
- Solid retentions in Q4 and strong pipeline

New wins[1)]

- Production-based customer, Global (c. DKK 250 m)

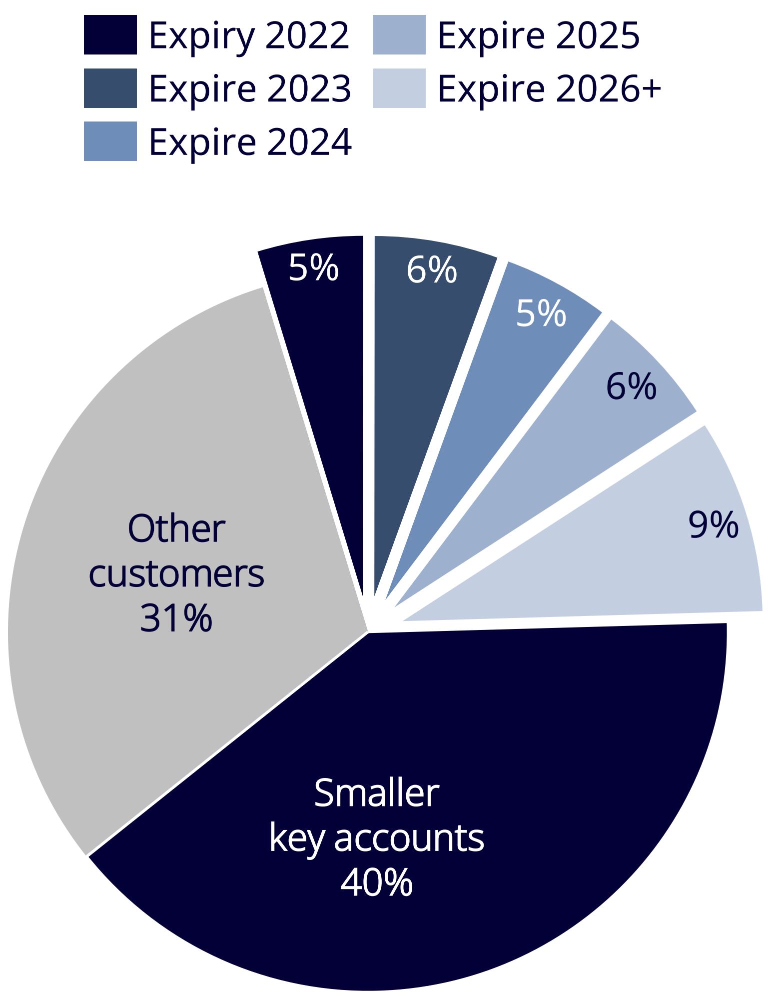
Retentions[1)]

- Pharmaceutical company, Global
- Hewlett Packard Enterprise, Global
- Transportation customer, United Kingdom
- Retail and Wholesale customer, United Kingdom
- Technology customer, United Kingdom
- Life Science customer, Austria
- Victorian State Government, Australia

Losses[1)]

- Aviation customer, United States (c. DKK 150 m)

Large key accounts[2)] contract maturity profile



1) New since Q3 results on 4 November 2021. Includes contracts above DKK 100 million
2) Chart is based on all global key accounts and key accounts generating revenue above DKK 200 million annually

Kasper Fangel
Group CFO

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2021 financials at a glance

- ✓ *Turnaround on plan with solid financial improvement compared to 2020*
- ✓ *The outlook was upgraded during 2021 with delivery on all KPIs*

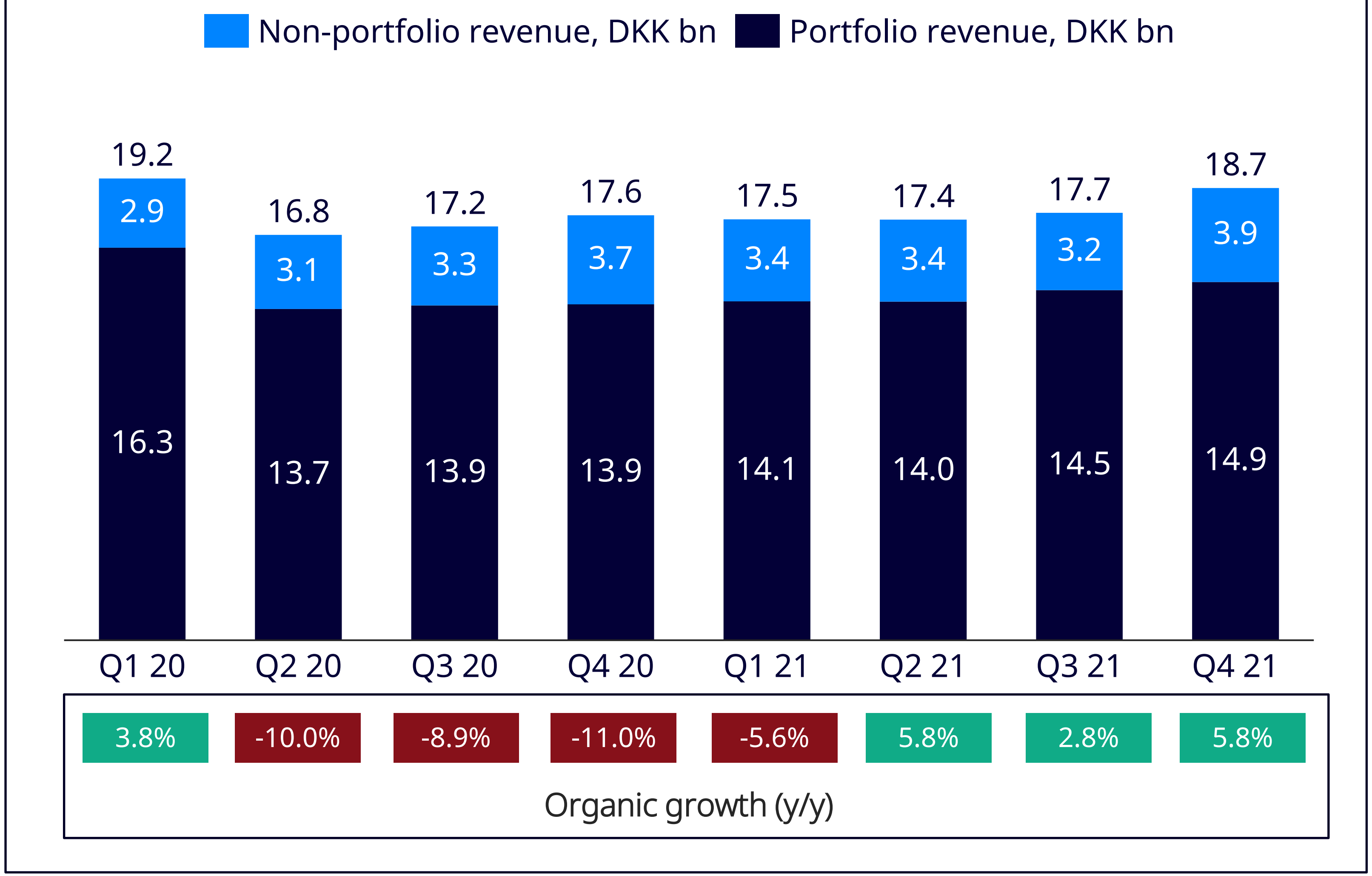
	FY 2020	Initial outlook	Latest outlook[1]	FY 2021 realised
Organic growth	-6.6%	Positive growth	Positive growth	2.0%
Operating margin	0.5%[2]	Above 2%	Around 2.5%	2.5%
Free cash flow	DKK -1.8 bn	Slightly positive	Around DKK 1.5 bn	DKK 1.7 bn

(1) Disclosed at the Q3 Trading Update on 4 November 2021
(2) Before restructuring and one-offs

PEOPLE MAKE PLACES

Organic growth of 5.8% in Q4
- Driven by return to office and above-base work

Quarterly revenue and organic growth

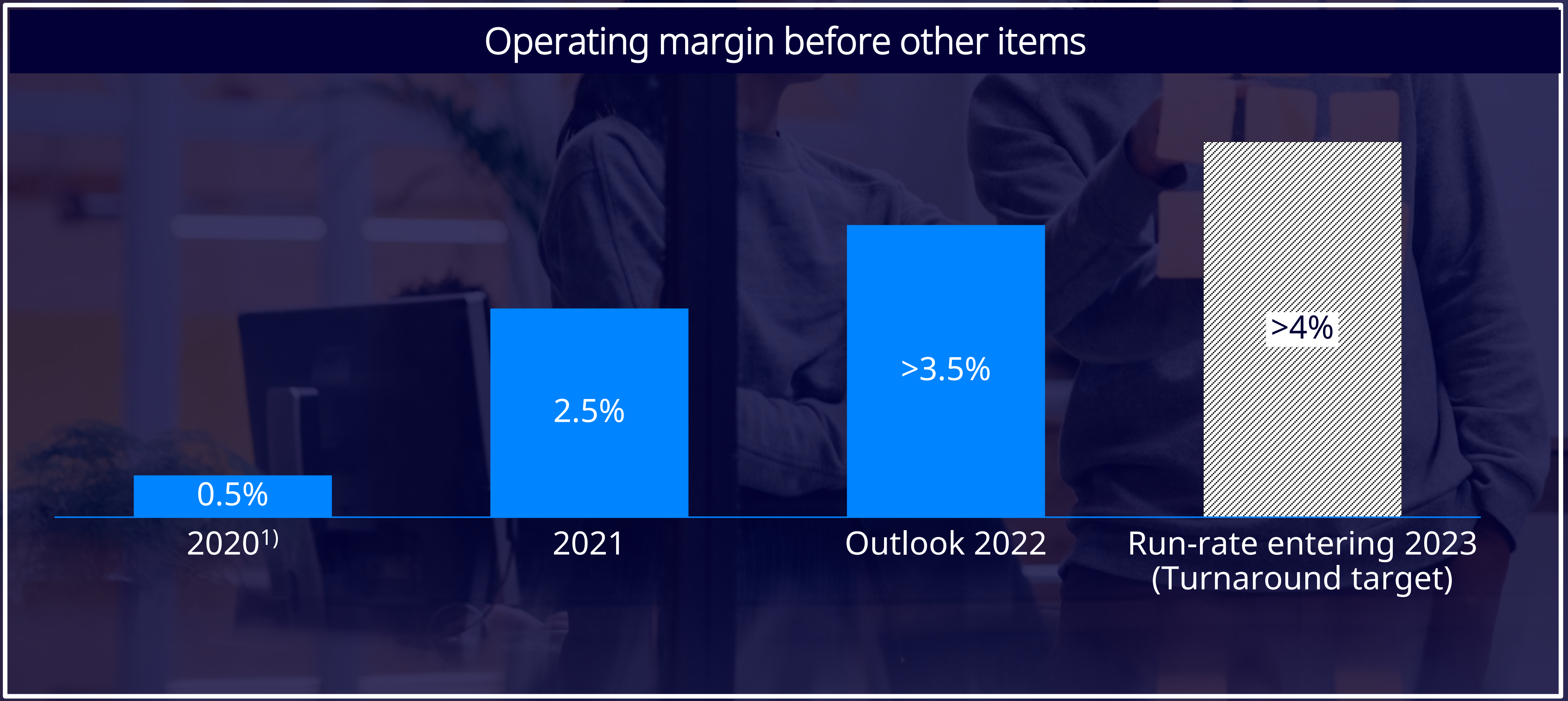


Key comments Q4 2021

- Revenue increased to DKK 18.7 billion and organic growth increased to 5.8% as the gradual return to office from Q3 continued into Q4.
- The development was further supported by strong demand for above-base services both covid-19 related and regular project work in some countries.
- Limited impact from the emergence of the omicron variant and increased restrictions in Q4.
- The new variant is expected to delay the more broad-based return to office that was expected in early Q1, especially in the US food service business

Note: Chile has been reclassified into continuing operations. All figures have been restated accordingly.

Operating margin development
- The margin recovery is a key priority and progressing in line with plan



(1) Operating profit before other items adjusted for restructuring and one-offs costs

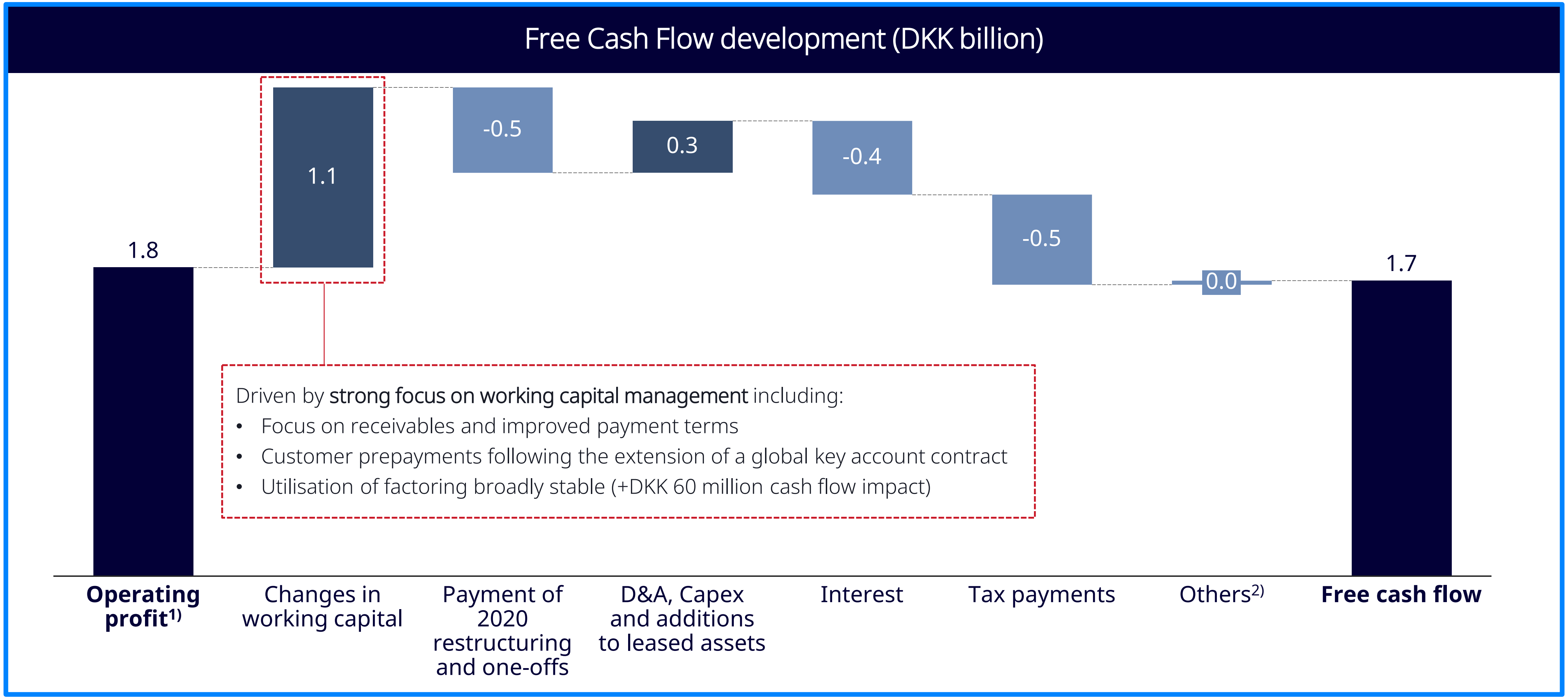
Margin recovery journey towards turnaround target
- First year completed ahead of plan driven by solid progress in the UK

CONCEPTUAL AND INDICATIVE

Margin recovery drivers	Key Development Q4 2021	Contribution to Group Margin Target (By end of 2022 vs. 0.5%[1] in 2020)	Financial progress (end of Q4 2021)
UK recovery	• Turnaround journey nearing completion • Organisation is streamlined, and processes improved • New organisational structure enhances commercial opportunities	+100bp (Recover to low single-digit margins)	
France recovery	• Restructuring and cost savings are progressing in line with plan • Business still impacted by the pandemic with slow volume recovery	+40bp (Recover to low single-digit margins)	
Underperforming contracts	• Deutsche Telekom turnaround on track, but still loss-making • Exit of the Danish Defence contract commenced	+100bp (Based on break-even)	
COVID-19 restructuring and revenue recovery	• Revenue recovery continued in Q4 across the Group • Broad based return-to office postponed due to Omicron variant	+130bp (Recover ~60% of lost revenue and payback of restructuring)	
Rest of business and new operating model	• Accelerated investments in group functions and capabilities • Savings programme gradually ramping up	Above -20bp (Ongoing restructuring costs, investments, savings and other effects)	
Turnaround target and estimated progress		= Above 4%	

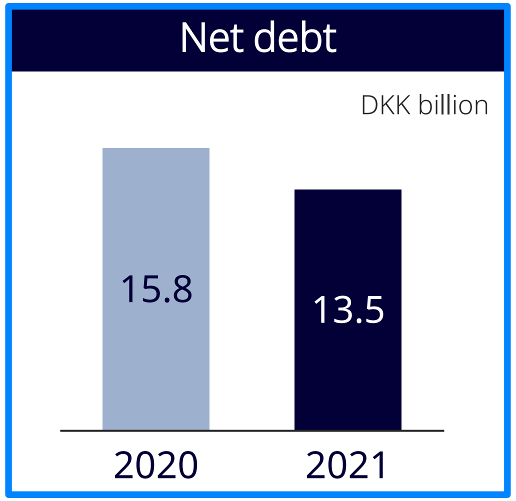
(1) Before restructuring and one-offs of DKK 3.6bn in 2020

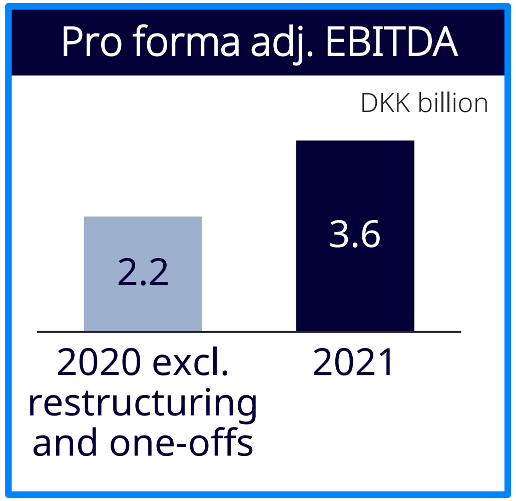
Free cash flow 2021
- Impacted by working capital efficiencies & covid-19 restructuring

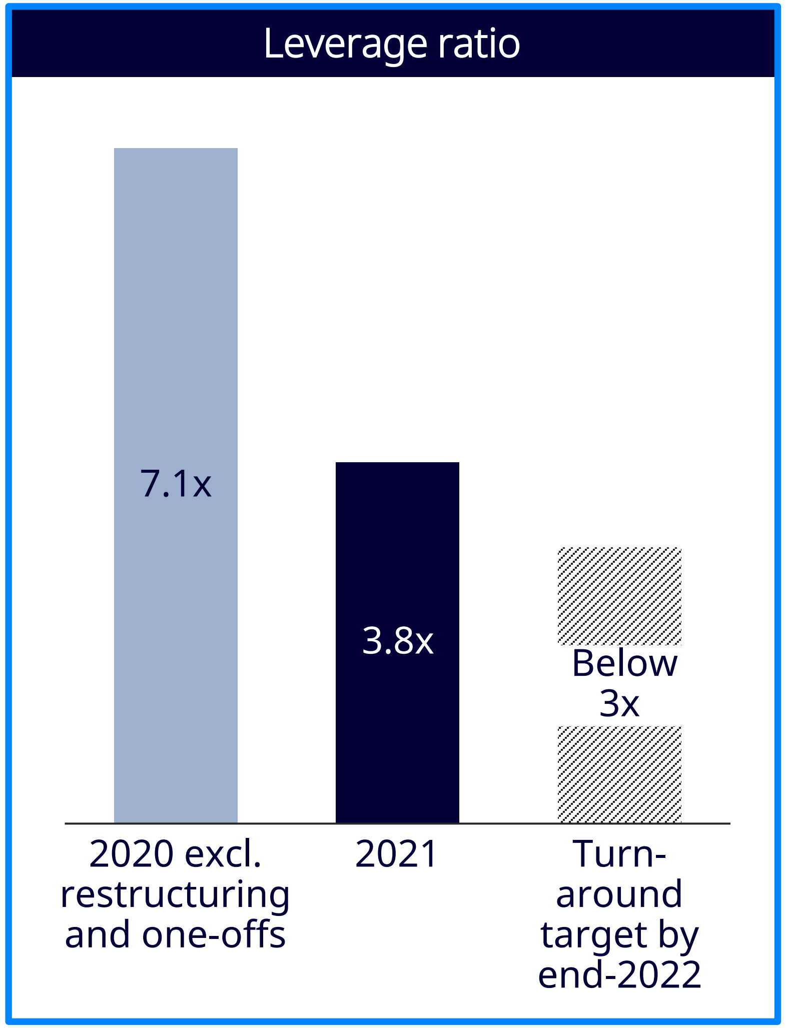


(1) Including operating profit from Discontinued Operations
(2) Others include: 'Changes in provisions, pensions and similar obligations', 'Acquisition of financial assets excl. investments in equity-accounted investees', Other expenses paid' and 'Share-based payments' but excludes one-offs and restructuring charges paid relating to 2020 announcement

Net debt and leverage development
- Deleveraging in line with plan

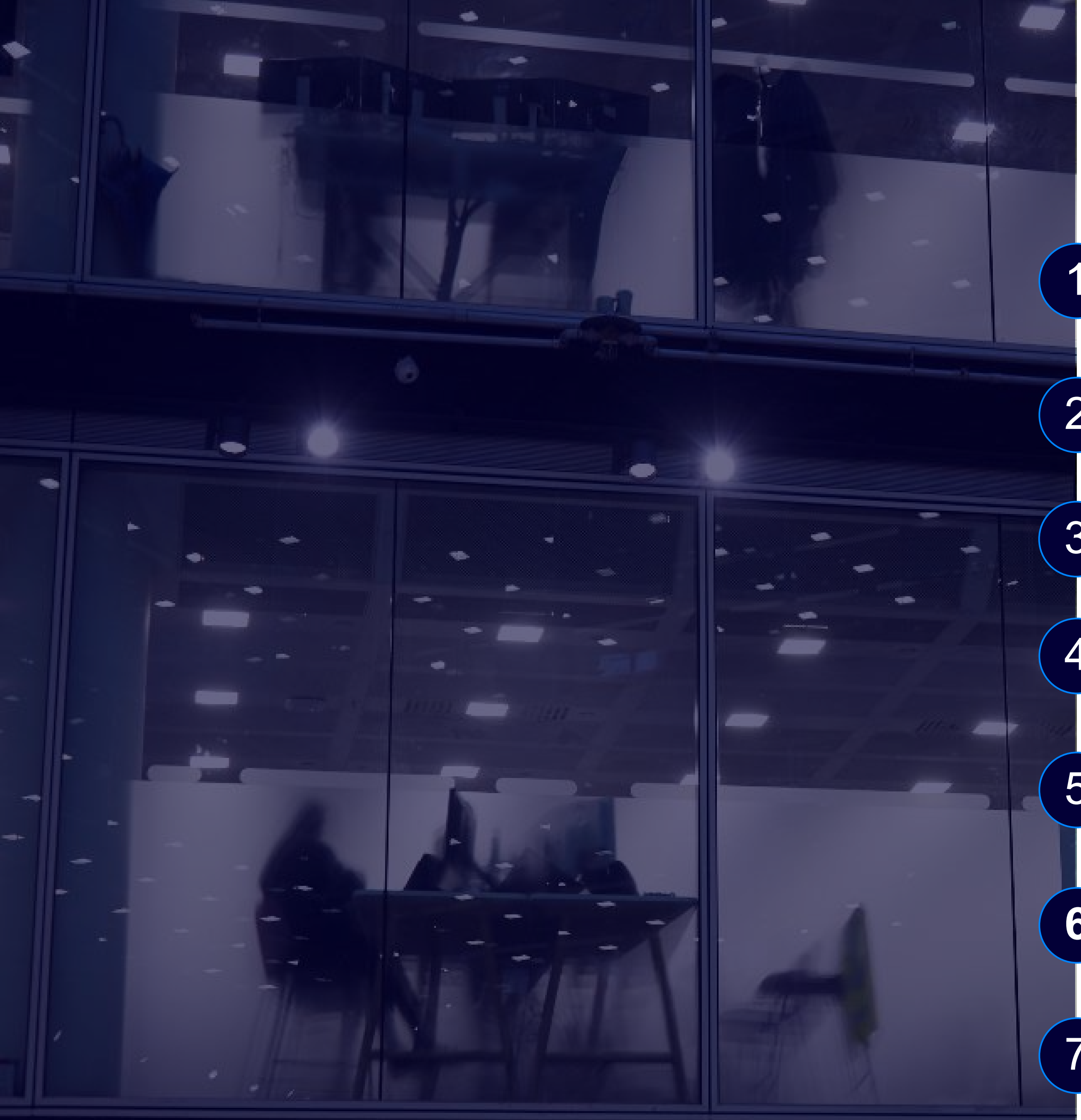






Key comments

- The reduction in leverage is in line with plan, and ISS is well on track to meet the turnaround target of below 3x by the end of 2022.
- Based on the strong liquidity position, ISS cancelled the EUR 700 million backup credit facility in May 2021 and repurchased EUR 200 million of the total outstanding EMTN bonds maturing in 2024.
- Total readily available liquidity at year-end at DKK 10 billion.



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Outlook 2022

Organic Growth

Above 2%

(2021: 2.0%)

Organic growth to increase supported by

- Continued gradual recovery from Covid-19, positive effects from management of inflation and contract wins and expansions
- Partly offset by continued global uncertainties from Covid-19, lower level of projects and above-base revenue and exit of the Danish Defence contact

Operating Margin[1)]

Above 3.5%

(2021: 2.5%)

- Continued recovery of the underperforming contracts and countries, predominately Deutsche Telekom
- Positive effect from revenue growth

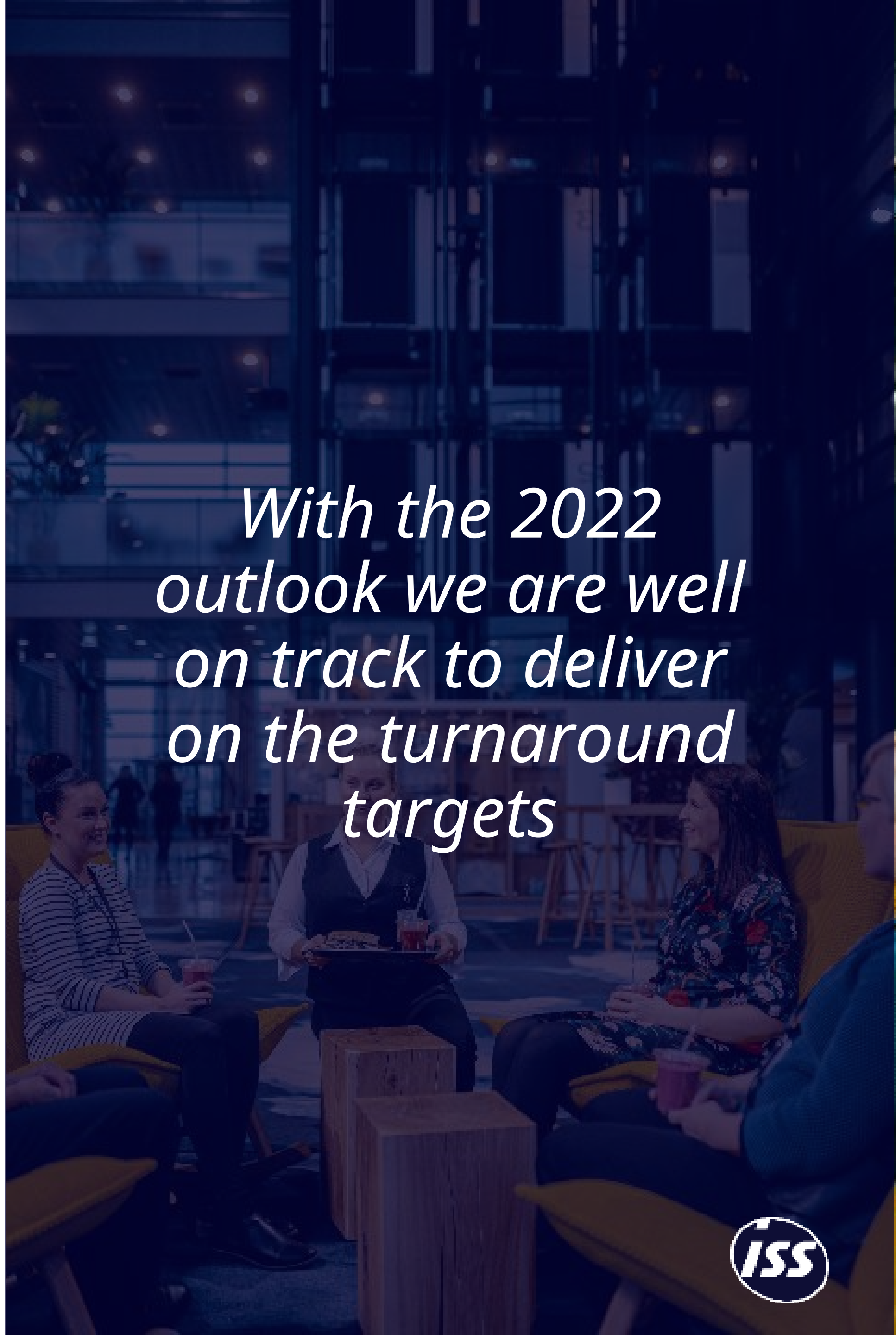
Free Cash Flow

Above DKK 1.3 bn

(2021: DKK 1.7 billion)

- Improvement in operating profit
- Neutral to slightly positive impact from working capital following significant inflow in 2021
- Payment of restructuring costs incurred in 2020 of around DKK 0.5 billion

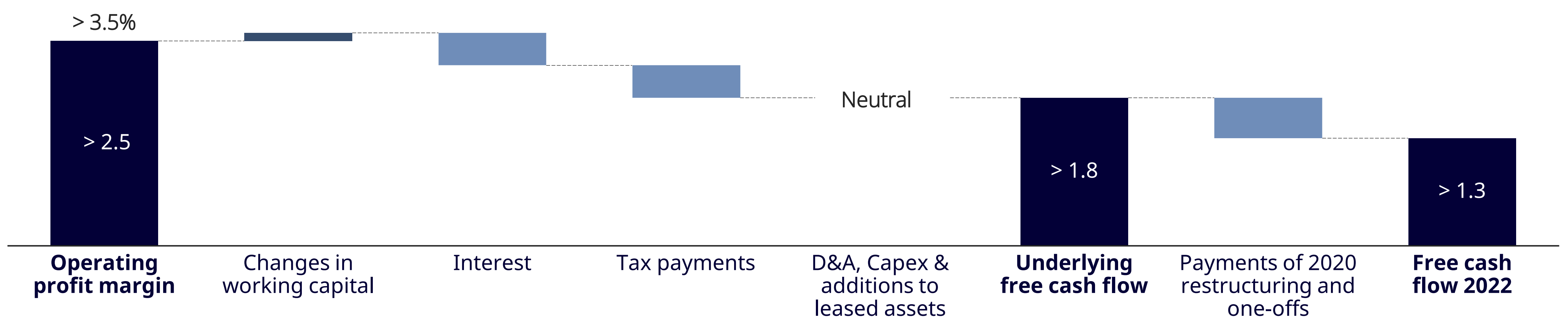
(1) Operating profit margin before other income and expenses



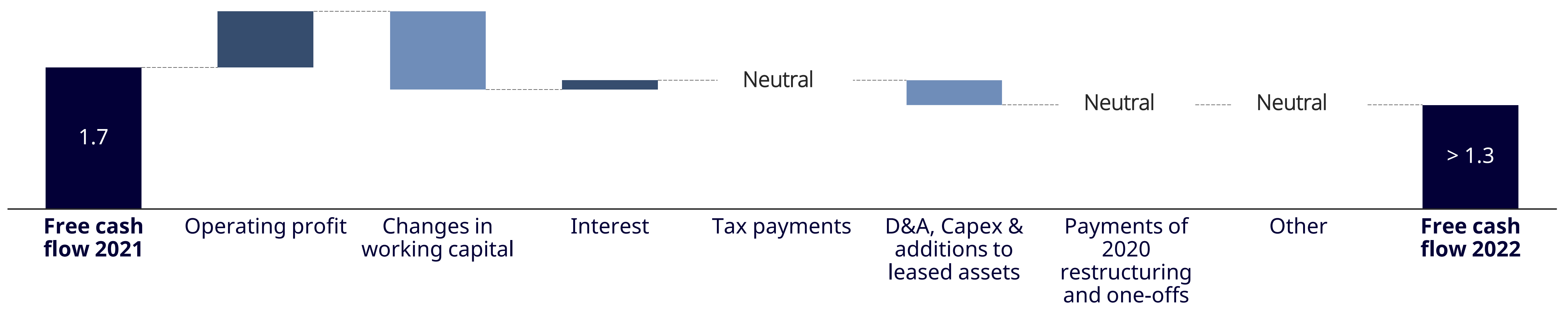
Free cash flow outlook
- Another year of solid free cash flow in 2022

CONCEPTUAL AND INDICATIVE

Bridge from operating profit to free cash flow 2022 outlook (DKK billions)



Free cash flow bridge from 2021 to 2022 (DKK billions)



Turnaround targets confirmed
- Recovery on track

Operating margin[1)] above 4% when entering 2023

Above DKK 1.3 billion Free cash flow in 2022

Deleveraging to below 3x by end 2022

(1) Before other income and expenses, net

FY 2021 RESULTS

Q&A

INVESTOR PRESENTATION

Appendix

Regional performance 2021

	Continental Europe (39% of Group)	Northern Europe (33% of Group)	APAC (17% of Group)	Americas (10% of Group)
Organic Growth	4% *(2020: -3%, Q4 2021: 6%)*	1% *(2020: -8%, Q4 2021: 3%)*	0% *(2020: -3%, Q4 2021: 2%)*	-2% *(2020: -18%, Q4 2021: 19%)*
Margin	2.8% *(2020: -7.3%, H2 2021: 4.1%)*	4.7% *(2020: -5.3%, H2 2021: 6.6%)*	5.9% *(2020: 5.2%, H2 2021: 5.9%)*	5.5% *(2020: 3.5%, H2 2021: 5.0%[1])*

Continental Europe

- Growth turned positive from Q2 2021 supported by slowly improving business fundamentals.
- Strong demand for projects and above-base work (+13%) across the region.
- The margin increased to 2.8% supported by restructuring, portfolio trimming and the ongoing turnaround of the Deutsche Telekom contract.

Northern Europe

- Positive growth across the region driven by a partial Covid-19 recovery and high demand for projects and above-base work.
- The margin recovery was supported by all countries through continued cost control and recovery from Covid-19 including the turnaround initiatives in the UK that are progressing ahead of plan.

APAC

- Growth is characterised by many APAC countries enforcing significant restrictions resulting in reduced office work.
- The region continued to show resilient and stable margin levels reflecting the strong operational platform in the region.
- Strong demand for above-base services (+9%).

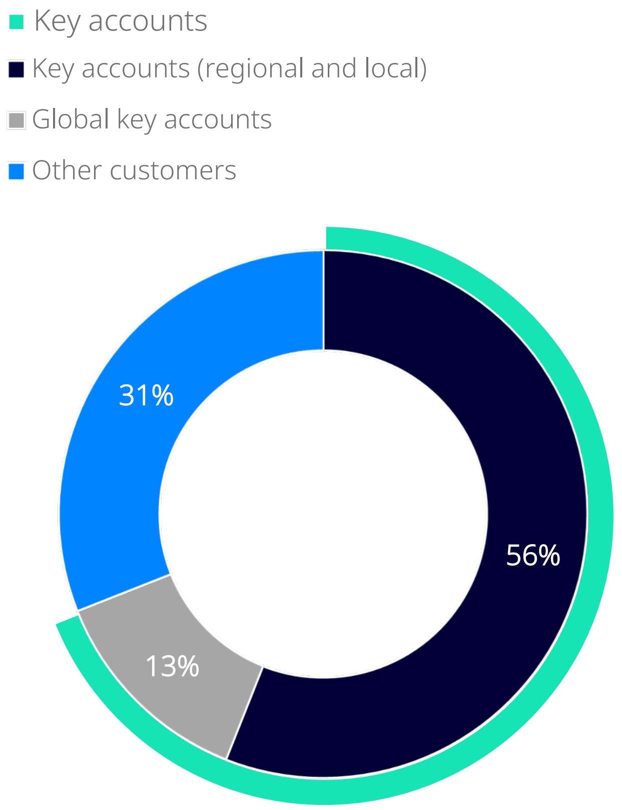
Americas

- Negative growth solely driven by the US following low activity in the food and aviation segments although activity picked up slightly in H2.
- The improved margin was mainly driven by restructuring initiatives in the US initiated towards the end of 2020.
- All food services contracts were renegotiated to "cost-plus" type contracts supporting the margin at reduced volume levels.

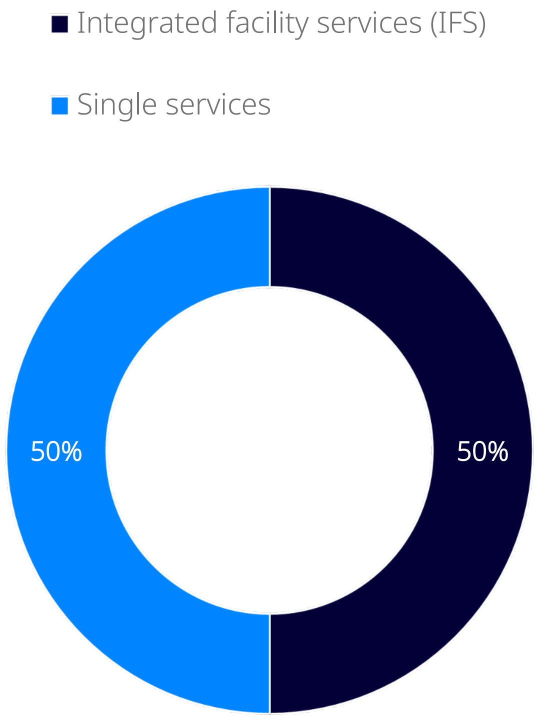
(1) The operating profit before other items in H1 2021 excludes an estimated DKK 14 million relating to depreciation in Chile. According to IFRS, these are recognised at the time of the changed classification, i.e. in December 2021. The adjusted operating margin is 5.4% in H2 2021.

Revenue split (1/2)

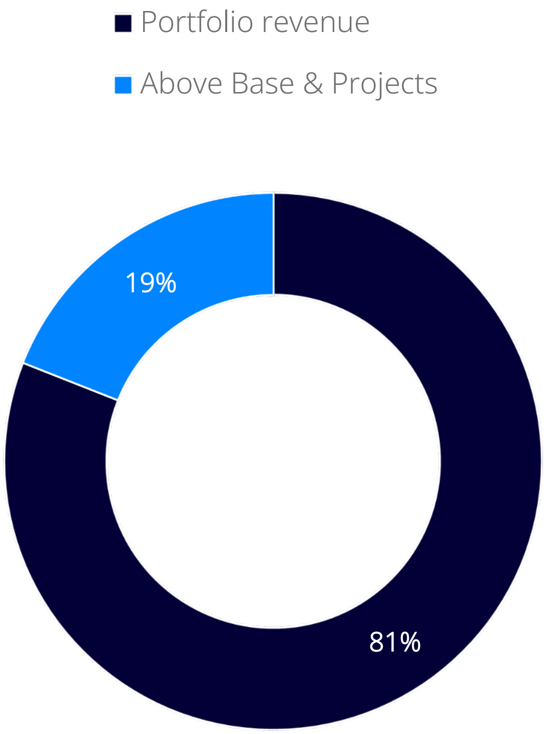
Customer type



Delivery type

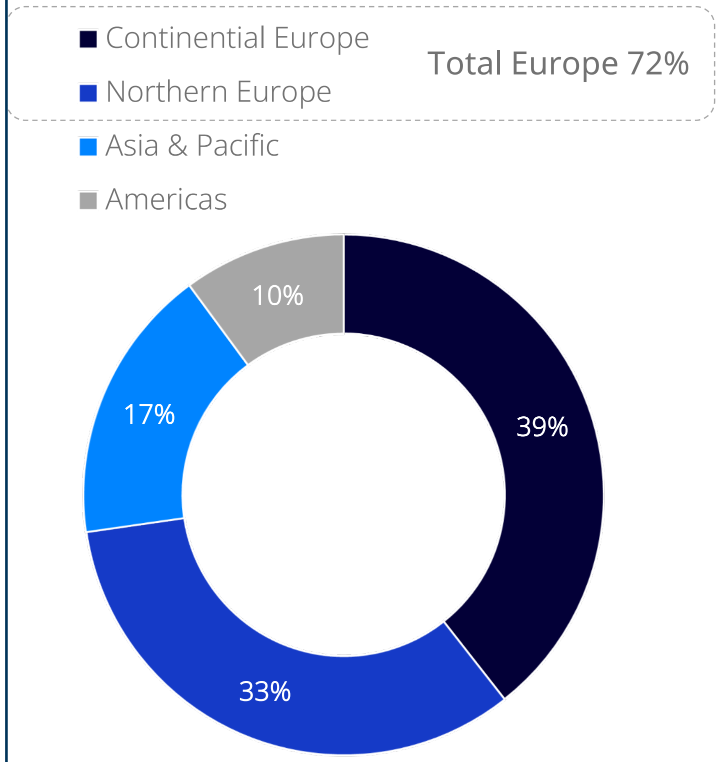


Revenue type

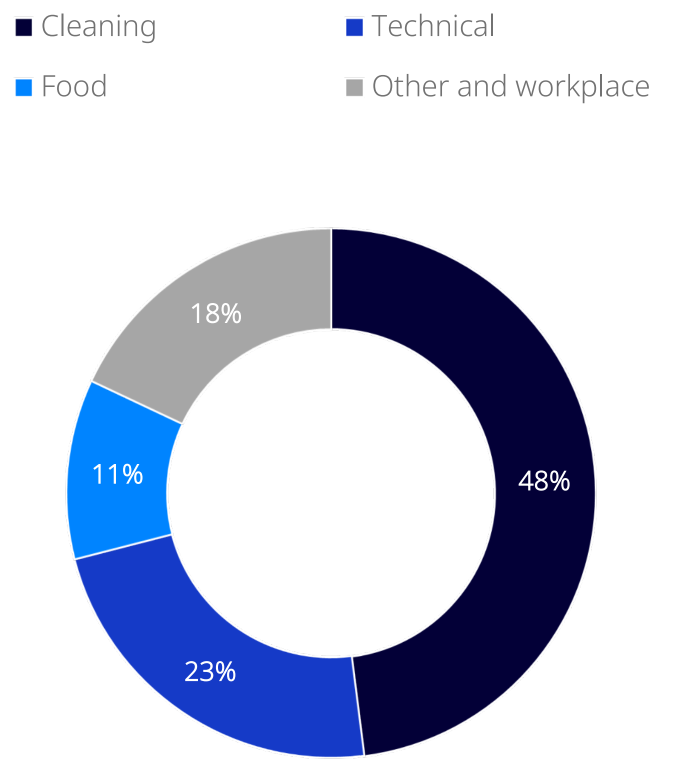


Revenue split (2/2)

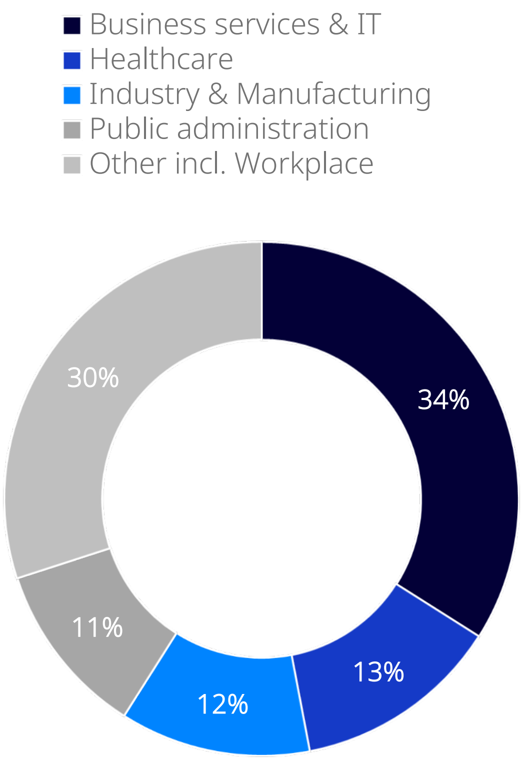
Geography[1)]



Service lines



Customer segments



1) Revenue related to other countries amounted to 1%

Forward-looking statements

This presentation contains forward-looking statements, including, but not limited to, the statements and expectations contained in the “Outlook” section of this presentation. Statements herein, other than statements of historical fact, regarding future events or prospects, are forward-looking statements. The words “may”, “will”, “should”, “expect”, “anticipate”, “believe”, “estimate”, “plan”, "predict," “intend’ or variations of these words, as well as other statements regarding matters that are not historical fact or regarding future events or prospects, constitute forward-looking statements. ISS has based these forward-looking statements on its current views with respect to future events and financial performance. These views involve a number of risks and uncertainties, which could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of ISS. Although ISS believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the facility service industry in general or ISS in particular including those described in the Annual Report 2021 of ISS A/S and other information made available by ISS.

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