

# Investor Presentation

Greg Palaschuk

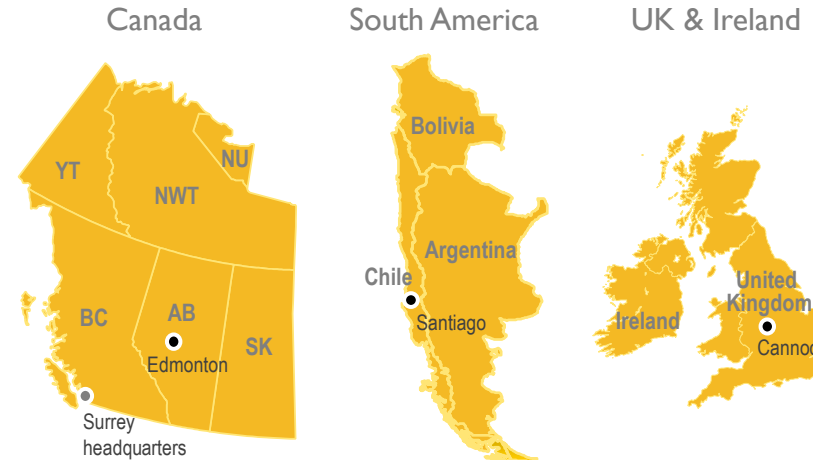
EVP and CFO

Boston and New York Meetings  
June 22-23, 2022

See slides 11 and 12 for important information on forward-looking information, currency, and specified financial measures, including non-GAAP financial measures

# Finning Overview

- Largest Caterpillar dealer
- Unrivalled service for nearly 90 years
- Diversified by geography, customer base, product, and sector
- ~12,740 employees at March 31, 2022

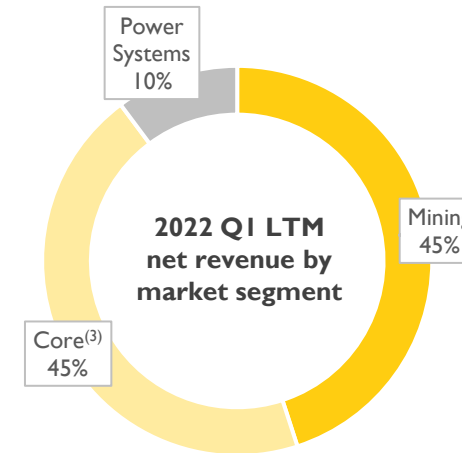
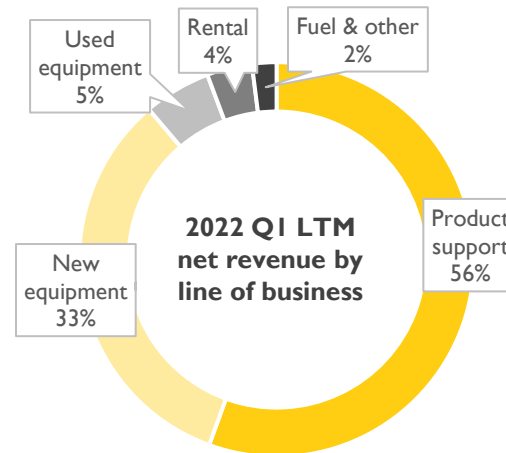
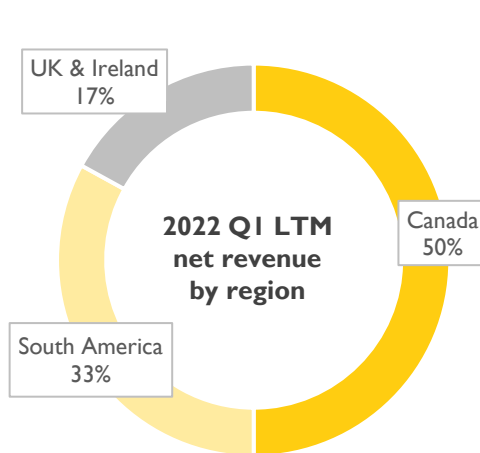


### Market Statistics<sup>(1)</sup> - FTT (TSX)

Share price	29.45
Market Cap	4.6B
S&P/DBRS rating	BBB+/high
Annual dividend / share	0.91
Dividend yield	3.1%

### 2022 Q1 LTM Financial Statistics

Revenue	7.7B
Net revenue <sup>(2)</sup>	7.0B
EBIT	584M
EBITDA <sup>(2)</sup>	907M
Basic EPS	2.42
Invested capital <sup>(2)</sup>	3.8B
ROIC <sup>(2)</sup>	17.0%



### Consecutive Dividend Growth



S&P/TSX Canadian Dividend Aristocrats Index Constituent

<sup>(1)</sup> At June 20, 2022

<sup>(2)</sup> This is a specified financial measure. See slide 12 for more information.

<sup>(3)</sup> Core market segment includes construction, forestry, pipeline, quarrying, waste management, industrial services, public services, and agriculture

# Q1 2022 Highlights

## Executing on Our Strategic Plan

Drive Product Support	Reduce Costs	Reinvest to Compound
<p><b>Product support revenue</b> Q1 2022 vs Q1 2021</p> <p><b>↑ 16%</b></p> <div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> <p>Construction</p> </div> <div style="font-size: 2em;">&gt;</div> <div style="text-align: center;"> <p>Mining</p> </div> </div>	<p><b>EBIT as a % of net revenue <sup>(1)</sup></b> Q1 2022 vs Q1 2021 Adjusted <sup>(1)</sup></p> <p><b>↑ 180 bps</b></p> <p><b>Focused on driving productivity</b> People   Facilities   Supply Chain</p>	<p><b>HYDRAQUIP</b> HOSE &amp; HYDRAULICS</p> <p>\$61 million of share repurchases Q1 2022</p> <p><b>Targeting above mid-teens EPS growth in 2022 <sup>(2)</sup></b> Sustained Upcycle, 2021 Base</p>

## Supporting Customers in a Supply Constrained Environment

Driving Construction Rebuilds	Executing Used & Rental Strategy	Inventory Arriving for Backlog Delivery				
<ul style="list-style-type: none"> <li>Offering a wide range of rebuild options on most equipment models</li> <li>Providing attractive financing and warranty with Caterpillar</li> <li>Leveraging RRR network for faster turnaround and cost efficiencies</li> </ul>	<ul style="list-style-type: none"> <li>Leveraging connected machine data and customer relationships</li> <li>Expanding used equipment capabilities</li> <li>Sourcing used equipment</li> <li>Prioritizing rental fleet availability</li> </ul>	<table border="0"> <tr> <td style="text-align: center;">Inventory Q1 2022 vs Q1 2021</td> <td style="text-align: center;">Equipment Backlog <sup>(1)</sup> Q1 2022 vs Q1 2021</td> </tr> <tr> <td style="text-align: center;"><b>↑ 32%</b></td> <td style="text-align: center;"><b>↑ 70%</b></td> </tr> </table>	Inventory Q1 2022 vs Q1 2021	Equipment Backlog <sup>(1)</sup> Q1 2022 vs Q1 2021	<b>↑ 32%</b>	<b>↑ 70%</b>
Inventory Q1 2022 vs Q1 2021	Equipment Backlog <sup>(1)</sup> Q1 2022 vs Q1 2021					
<b>↑ 32%</b>	<b>↑ 70%</b>					

### 5<sup>th</sup> Annual Sustainability Report



#### New Absolute GHG Emissions Target <sup>(2)</sup>

2027 vs 2017, including 4Refuel

**↓ 40%**

#### Accelerated Adoption of Low Emission Products



**72**

CAT® 3512E DGB Engines

Dynamic Gas Blending Engines sold in Western Canada since the start of 2021



Scan to view our sustainability report

<sup>(1)</sup> This is a specified financial measure. See slide 12 for more information.

<sup>(2)</sup> This is forward-looking information. See slide 11 for more information.

# Q1 2022 Results

	vs Q1 2021
<b>Net Revenue</b> <b>\$1.7B</b>	<b>18%</b>
<b>EBITDA</b> <b>\$221M</b>	<b>30%</b> vs Q1 2021 Adjusted EBITDA <sup>(2)</sup>
<b>EPS</b> <b>\$0.59</b>	<b>68%</b> vs Q1 2021 Adjusted EPS <sup>(1)</sup>

## Q1 2022 Summary

- Upcycle demand conditions across all regions and sectors
- Strong execution of product support growth strategy
- All regions demonstrated improved operating leverage vs Q1 2021
- Continued management of supply constraints and inflationary pressures
- Inventory arrival supports backlog delivery and higher revenue expected for remainder of 2022 <sup>(3)</sup>
- Quarterly dividend raised by 5% to \$0.236 per share

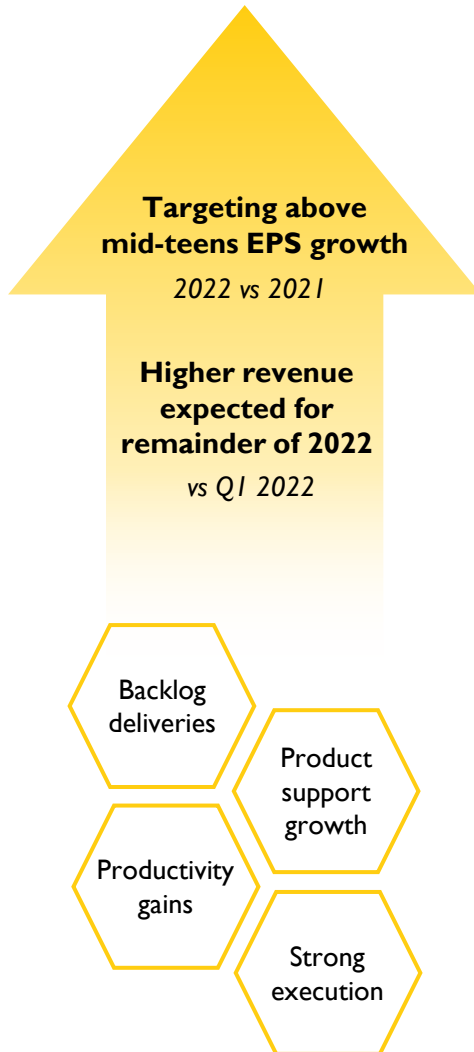
Q1 2022 Financial Statistics			
<i>\$ millions, except EPS</i>		<i>Key Ratios</i>	
Revenue	1,953	Invested capital turnover <sup>(1)</sup>	2.03 times
Net revenue	1,736	Working capital to net revenue <sup>(1)</sup>	23.8 %
EBIT	140	Inventory turns (dealership) <sup>(1)</sup>	2.66 times
EPS	\$0.59	ROIC	17.0 %
Free cash flow <sup>(2)</sup>	(303)	Net debt to Adjusted EBITDA <sup>(1)</sup>	1.6 times

<sup>(1)</sup> This is a specified financial measure. See slide 12 for more information.

<sup>(2)</sup> This is a non-GAAP financial measure. See slide 12 for more information.

<sup>(3)</sup> This is forward-looking information. See slide 11 for more information.

# Outlook - Key Themes <sup>(1)</sup>



**Western Canada**

- Healthy demand environment
  - Strong commodity prices
  - Public and private sector investments in infrastructure and energy
  - Increased customer capital budgets
- Growing backlog with increasing proportion of mining equipment
- Continued focus on driving construction product support

**Chile & Argentina**

- Strong demand for mining product support and fleet replacement
  - Strong copper price
  - Mature equipment population
  - Accelerated technology adoption to drive productivity
- Capturing opportunities in Chilean construction sector
- Improved activity in Argentina; managing inflation and ARS devaluation

**UK & Ireland**

- Strong construction activity driven by HS2 and investments in other infrastructure projects
- Growing demand for power systems solutions, including in the data centre market
- Significant backlog of equipment and power systems projects

**Global Supply Constraints**

Global supply constraints to continue impacting availability of equipment and parts

**Chile Political Landscape**

Monitoring constitutional reform process and expect a moderate increase in mining royalties

**Inflationary Pressures**

Closely monitoring the impact of inflationary pressures, including price increases from key suppliers

<sup>(1)</sup> This is forward-looking information. See slide 11 for more information.

# Strong Alignment with Caterpillar to Drive Product Support



## Successful Execution of Product Support Growth Strategy



<sup>(1)</sup> ME&T Services Revenues include, but are not limited to, aftermarket parts and other service-related revenues and exclude most Financial Products revenues, discontinued products and captive dealer services. <sup>(2)</sup> Caterpillar Investor Day, May 17, 2022

# Expanding Mining Equipment Population <sup>(1)</sup>



## Artemis Gold - Blackwater Gold Project in British Columbia

### Full Fleet



CAT 793F 256 Ton

Off-highway Trucks



Hydraulic Shovels



5-year Product Support Agreement



Additional 5-year Extension Option

### Artemis' Agreement with Caterpillar <sup>(2)</sup>

Establishes Pathway to Fleet Decarbonization

Caterpillar future zero-emissions haul trucks



## Codelco - Ministro Hales Copper Mine in Northern Chile

### Fleet Expansion



CAT 798 AC Electric Drive 410 Ton

798 AC Trucks



10-year Maintenance and Repair Contract



Delivery Expected to Start



### CAT Electric Drive Benefits

Increased Productivity

Enhanced Fuel Efficiency

Improved Safety

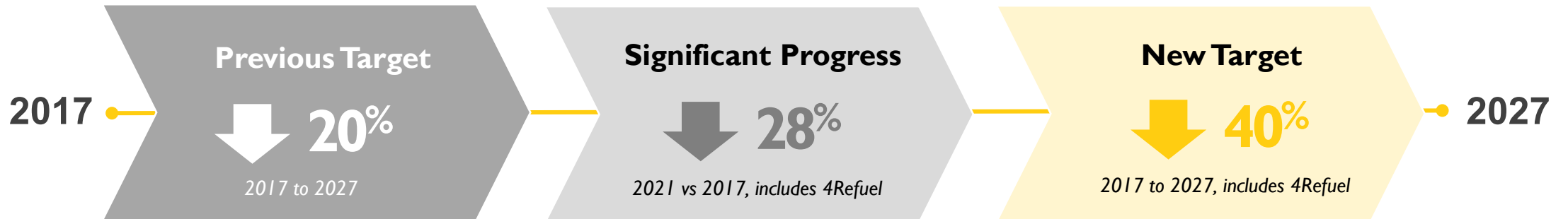
Reduced Carbon Footprint

<sup>(1)</sup> This is forward-looking information. See slide 11 for more information.

<sup>(2)</sup> Artemis Gold announcement, May 24, 2022

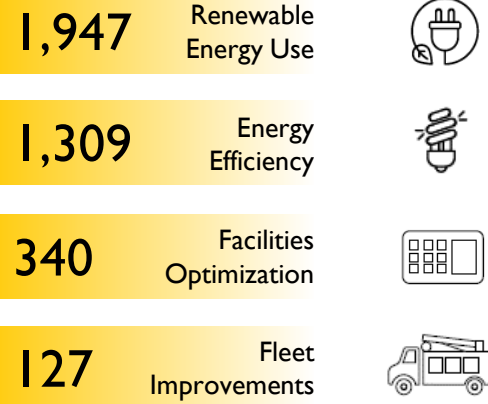
# Reducing Our Carbon Footprint

## Absolute Greenhouse Gas Emissions Reduction Target <sup>(1)</sup>

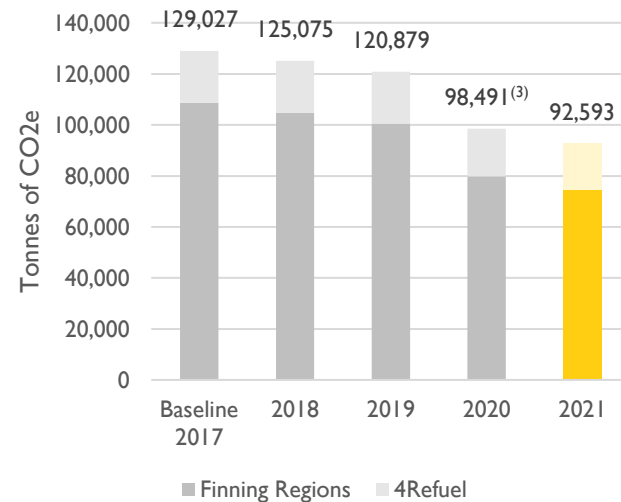


### 2021 Emissions Reduction Initiatives

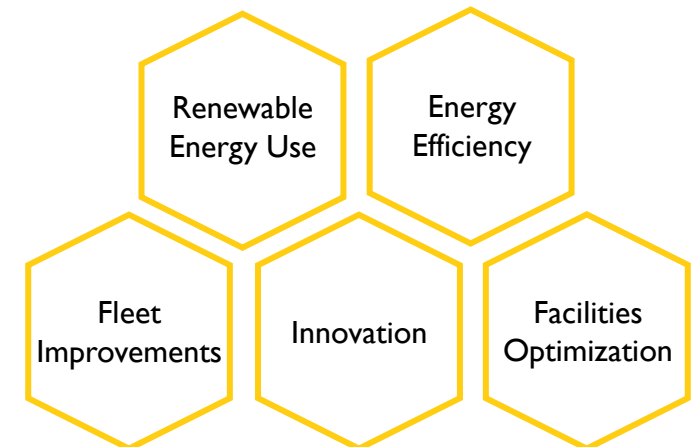
Tonnes CO<sub>2</sub>e avoided in 2021



### Absolute GHG Emissions <sup>(2)</sup>



### Drivers of Lower Emissions



<sup>(1)</sup> This is forward-looking information. See slide 11 for more information.

<sup>(2)</sup> 4Refuel emissions are added to 2017 and 2018 for modelling and illustrative purposes. Actual data is included in 2019, post acquisition.

<sup>(3)</sup> 2020 emissions are significantly lower due to business impacts of COVID-19.



# Helping Customers Reduce Their Emissions and Environmental Footprint

## Finning Component Remanufacturing and Exchange

2021 OEM Remanufacturing Statistics

<b>16,210</b>	Components remanufactured	<b>3,725</b>	Tonnes of metal recycled
<b>↑ 13%</b>	vs 2020	<b>↑ 16%</b>	vs 2020

### Environmental Benefits of Remanufacturing

- Reduces waste
- Reduces the need for raw material, energy, and water to produce new parts and machines
- Keeps high-value non-renewable resources in circulation longer

Energy savings by OEM's process

**60 - 80%**

Compared to creating new components

### Expanding Remanufacturing Beyond Mining

- Gas compression engines
- Well servicing engines and pumps
- Construction and electrical components



Scan to watch OEM video

## Accelerated Adoption of Low Emission Products and Solutions

### CAT® 3512E Dynamic Gas Blending (DGB) Engine



**72** DGB Engines

Sold to oil & gas customers in Western Canada since the start of 2021

Allows for up to 85% diesel displacement with natural gas and up to 20% hydrogen blend

### CAT Electric Drive and Autonomous Mining Trucks

Enhanced fuel efficiency



Reduced carbon footprint



Copper



Oil sands

### Solar Light Tower Pilot



Kicking Horse Canyon construction site in BC

Powered by 100% renewable energy, reducing GHG emissions by 25-35 tonnes of CO<sub>2</sub> annually

### HVO Powered CAT fleet <sup>(1)</sup>



**BRADLEY DEMOLITION**

Hydrotreated Vegetable Oil (HVO) reduces CO<sub>2</sub> emissions by up to 85% compared to conventional fuel <sup>(2)</sup>

**CUBIQ™ Sustainability Dashboard**

<sup>(1)</sup> Caterpillar Investor Day, May 17, 2022

<sup>(2)</sup> Based on fuel source or lifecycle analysis, Caterpillar Investor Day, May 17, 2022

# Supporting HS2 Infrastructure Project with Value Added Technology <sup>(1)</sup>

**CUBIQ™ Earthworks potential to deliver cost savings to our HS2 customers across key operational metrics <sup>(2)</sup>**

## Value Added Services

### Operational readiness and assurance of supply

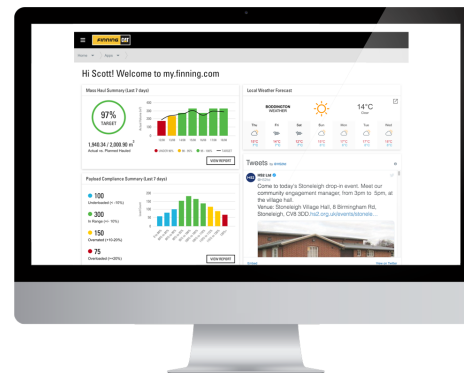
- Mobilises earthworks supply chain around a single operational plan

### Performance enhancements

- Provides data driven insight into performance vs. plan against operational KPIs
- Creates data driven insight into operational performance

### Improved reporting and reduced operating costs

- Enhances health & safety and audit reporting
- Reduces HS2 customers' costs through operational, project, and management overhead reduction <sup>(2)</sup>



HS2 is the largest infrastructure project in Europe

## Key Customer Benefits



Improved Site Safety



Improved Labour Efficiency



Increased Tonnes per Hour Moved



Increased Machine Availability



Reduced Fuel Consumption

<sup>(1)</sup> This is forward-looking information. See slide 11 for more information.

<sup>(2)</sup> Cost saving estimates based on customers' generic planning assumptions

# Disclosures

## Forward-looking information

This presentation includes “forward-looking information” (as defined in applicable Canadian securities legislation) that is based on expectations, estimates and projections that we believe are reasonable as of the date of this presentation, but may ultimately turn out to be incorrect. Forward looking information in this presentation includes: our target of above mid-teens EPS growth in 2022 on slides 3 and 5 (assumes continued strong commodity prices, public and private sector investment, and forecasted economic growth in our regions, and that we will successfully manage industry-wide constraints in the global supply chain and inflationary pressures including further price increases from key suppliers); our new absolute GHG emissions reduction target on slides 3 and 8 (assumes our ability to leverage initiatives to drive lower emissions); expected higher revenue for the remainder of 2022 on slides 4 and 5 (assumes growth in product support, continued strong market activity, and inventory arrival will support delivery of our backlog); all outlook and themes on slide 5 regarding our expectations for product support growth and productivity gains, and our expectations regarding our Canada operations (assumes continued strong commodity prices, broad-based economic growth, customers will maintain increased capital budgets, and public and private investments in infrastructure and energy), our expectations for our South America operations (assumes in relation to Chile a continued strong copper price, only a moderate increase in mining royalties, a projected increase in copper mining growth, our ability to capture opportunities in the construction sector, and accelerated technology adoption, and in relation to Argentina assumes our ability to manage inflation and ARS devaluation challenges), and our expectations for our UK & Ireland operations (assumes continued investment in HS2 and other infrastructure projects, and projections of continued growth in the data centre market); the expected supply and delivery timelines to Artemis and Codelco, and expected benefits of CAT electric drive trucks (delivery expectations assume timely placement of binding purchase orders and that our actions to manage supply chain challenges will continue to be successful) and Caterpillar’s future zero emissions haul trucks (assumes zero emissions haul trucks will be successfully brought to market) on slide 7; and the anticipated benefits, including potential cost savings, to our HS2 customers from CUBIQ™ Earthworks on slide 10 (assumes the technology will function and be operated and utilized by customers as intended). No assurances can be given that the information in this presentation will result in sustained or improved financial performance. Information in this presentation has been furnished for information only and is accurate at the time of presentation but may later be superseded by more current information. Except as required by law, we do not undertake any obligation to update the information.

Forward-looking information is subject to known and unknown risks, uncertainties and other factors, and is based on a number of assumptions that we believe are reasonable as of the date of this presentation, which may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information. Assumptions on which the forward-looking information is based include but are not limited to those mentioned above and that: we will be able to execute on our strategic plans, take advantage of growth opportunities, control our costs, inflation and pricing pressures, drive continuous cost efficiency in a recovering market, and manage the impacts of COVID-19; we will be able to manage continued supply chain challenges; we will be able to capitalize on further productivity initiatives underway; and we are assuming an undisrupted market recovery, for example, undisrupted by COVID-19 impacts, commodity price volatility or social unrest. Important information identifying and describing such risks, uncertainties, assumptions and other factors is contained in our most recently filed annual information form (AIF) and in our most recent annual and quarterly management’s discussion and analysis of financial results (MD&A), which are available on our website ([www.finning.com](http://www.finning.com)) and under our profile on SEDAR ([www.sedar.com](http://www.sedar.com)).

# Disclosures

---

## Currency

Monetary amounts referred to in this presentation are in Canadian dollars unless noted otherwise. All variances and ratios in this presentation are based on the functional currency of each operation (Canada: CAD, South America: USD, UK & Ireland: GBP). These variances and ratios for South America and UK & Ireland exclude the foreign currency translation impact from the CAD relative to the USD and GBP, respectively, and are therefore, considered to be specified financial measures. We believe the variances and ratios in functional currency provide meaningful information about operational performance of the reporting segment.

## Specified financial measures

This presentation includes certain specified financial measures, including non-GAAP financial measures, which are called out the first time they are used. The specified financial measures we use do not have any standardized meaning under Generally Accepted Accounting Principles (GAAP) and therefore may not be comparable to similar measures presented by other issuers. For additional information regarding these financial measures, including descriptions, composition, and where applicable, reconciliations from certain specified financial measures to their most directly comparable measure under GAAP see the heading “Description of Non-GAAP Financial Measures and Reconciliations” in our Q1 2022 MD&A. We believe that providing certain specified financial measures, including non-GAAP financial measures, provides users of our MD&A and consolidated financial statements with important information regarding the operational performance and related trends of our business. By considering these specified financial measures in combination with the comparable GAAP measures (where available), we believe that users are provided a better overall understanding of our business and financial performance during the relevant period than if they simply considered the GAAP measures alone.

Reported financial measures may be impacted by significant items we do not consider indicative of operational and financial trends either by nature or amount. Financial measures that have been adjusted to take into account these items are referred to as “Adjusted measures”. For a description of these significant items, please refer to our Q1 2022 MD&A.