

Risk management

Risk management is an integral part of the Group's management, monitoring and reporting systems. Risk management is described in the [Corporate Governance Statement 2016](#).

From a strategic point of view Caverion has pursued to develop its business mix to be more stable and balanced, in order to handle changing economic cycles. Regular monitoring and analysis of the market make it possible to react quickly to changes in the operating environment and to capitalise on new business opportunities.

Caverion's target is to grow both organically and through acquisitions. Risks associated with acquisitions are managed by selecting targets according to strict criteria and effective integration processes which familiarise new employees with Caverion's values, operating methods and strategy. The Group has a uniform process and guidelines for the implementation of acquisitions.

Caverion's typical operational risks include risks related to tenders, service agreements, project management, personnel and availability and retention of skilled and competent staff.

During the year 2016, the focus has been in particular on the selectiveness of tenders, taking into account the risks, opportunities and profitability of the projects. Tender reviews include, among other things, the review of contractual terms and contract risks and are conducted according to the approval process and authority limits defined in Caverion.

The most significant risks and uncertainties are described in the Board of Directors' Report 2016.

In 2016, Caverion has continued the roll-out of the annual, group-wide compliance e-learning programme which all employees must complete as well as trained the division management on compliance matters. Also certain compliance-related policies have been reviewed and updated.

Caverion's business does not include significant environmental risks.

- Read more about risk factors in the [Board of Directors' Report 2016](#)
- Read more about our risk management system in our [Corporate Governance Statement \(pdf\)](#)