

# Corporate governance statement



# Corporate governance statement

## I. Introduction

Governance at Terveystalo Plc (hereinafter referred to as "Terveystalo" or the "Company") is based on applicable laws, the rules and recommendations of Nasdaq Helsinki Ltd (hereinafter referred to as the "Helsinki Stock Exchange"), and the Company's Articles of Association. In addition, the Company follows the Finnish Corporate Governance Code 2020 ("Corporate Governance Code"), issued by the Securities Market Association and available on its website at [www.cgfinland.fi](http://www.cgfinland.fi). Terveystalo complies with all the recommendations in the Corporate Governance Code with one temporary exception described in more detail in the section regarding the Remuneration Committee. Terveystalo's Corporate Governance Statement has been prepared in accordance with the Corporate Governance Reporting section of the Corporate Governance Code.

This statement has been reviewed and approved by Terveystalo's Audit Committee and Board of Directors, and it has been prepared separately from the Report of the Board of Directors. The statement is available on the Company website at: <https://www.terveystalo.com/en/company/investors/corporate-governance/>.

## II. Descriptions concerning corporate governance

Terveystalo Plc is a Finnish public limited liability company domiciled in Helsinki. The parent company, Terveystalo Plc, and its subsidiaries form the Terveystalo Group (hereinafter referred to as the "Group"). The responsibility for the administration and operations of Terveystalo Group lies with the governing bodies of the parent company, Terveystalo Plc. These governing bodies include the Annual General Meeting, the Board of Directors, and the CEO. The AGM elects the members of the Board of Directors on the basis of the proposal of the Shareholders' Nomination Board consisting of the largest shareholders. The work of the Board of Directors is aided by two committees. The Board elects the committee members from amongst its members. The CEO appointed by the Board manages the operations of Terveystalo Group, assisted by the rest of the Executive Team. The work of the Board of Directors, its committees, the CEO, and the rest of the Executive Team is governed by the Company's corporate governance principles, adopted by the Board of Directors. These principles include the Charters of the Board and its committees, the division of responsibilities between the decision-making bodies, and the principles concerning the arrangement of internal control and risk management. The Company's governance structure is described in the chart on the this page.

Terveystalo's governance structure



## Annual General Meeting

The Annual General Meeting is Terveystalo's highest decision-making body. The Annual General Meeting is held annually on a date determined by the Board of Directors, within six (6) months of the end of the financial year.

The Annual General Meeting deals with matters falling within its competence pursuant to the Finnish Limited Liability Companies Act and Terveystalo's Articles of Association, and any possible other matters. An Extraordinary General Meeting is convened when necessary. More detailed information about the Annual General Meeting is provided in Terveystalo's Articles of Association, which can be found on the company website at: <https://www.terveystalo.com/en/company/investors/corporate-governance/>. The Annual General Meeting for 2022 was held on 7 April 2022. The decisions of each Annual General Meeting can be found on Terveystalo website at: <https://www.terveystalo.com/en/company/investors/corporate-governance/annual-general-meeting/>.

## Shareholders' Nomination Board

In accordance with the decision of the Annual General Meeting, the Shareholders' Nomination Board (hereinafter referred to as the "Nomination Board") annually prepares proposals to the next Annual General Meeting concerning the number of Members on the Board and their election and remuneration. It also identifies candidates for Members of the Board. The Nomination Board consists

of the Chair of the Company's Board of Directors and, generally, representatives of the Company's four largest shareholders. If the ownership of the Company's fifth largest shareholder exceeds ten (10) percent of all the shares and votes in the Company, the five largest shareholders shall be represented in the Nomination Board. The composition of the Nomination Board is determined based on the shareholdings on the first bank day in September each calendar year. The Chair of the Board of Directors convenes the first meeting of the Nomination Board. The Nomination Board elects a Chair from amongst its members. Subsequent meetings of the Nomination Board are convened by the elected Chair. If more than half of the members of the Nomination Board are present, they constitute a quorum. The Nomination Board has a written Charter which includes a more detailed description of the election process and the duties of the Nomination Board members as well as the procedures of the Nomination Board's meetings. A description of the main contents of the Charter of the Nomination Board can be found on the Company website at: <https://www.terveystalo.com/en/company/investors/corporate-governance/shareholders-nomination-board/>.

In accordance with shareholdings on 1 September 2022, Terveystalo's Nomination Board consists of the representatives of the Company's four largest shareholders and the Chair of the Board of Directors. In accordance with the above, the following persons are members of Terveystalo's Nomination Board from 10 September 2022

onwards: Risto Murto (Varma Mutual Pension Insurance Company), Tomas von Rettig (Rettig Group AB), Peter Therman (Hartwall Capital), Timo Ritakallio (Pohjola Vakuutus), and Kari Kauniskangas (Chair of the Board of Directors of Terveystalo Plc). Matts Rosenberg, Rettig Group AB, served as a member of the Nomination Board until 13 June 2022, and Olli Lehtilä, OP Group until 13 September 2022. Tomas von Rettig, Rettig Group AB, was appointed as new member as of 13 June 2022, and Timo Ritakallio, Pohjola Insurance, as of 13 September, 2022.

In its organizing meeting held on 13 September 2022, the Nomination Board re-elected Risto Murto as its Chair. The Shareholders' Nomination Board forwarded its proposals for the Annual General Meeting to Terveystalo's Board of Directors on 16 December 2022. In 2022, the Nomination Board convened six times. The attendance rate of members was 91.7 percent.

## Board of Directors

According to Terveystalo's Articles of Association, the Board of Directors has a minimum of five (5) and a maximum of eight (8) ordinary members. The Annual General Meeting of Shareholders elects the members of the Board of Directors. The Board of Directors elects the Chair from amongst its members. In 2022, the Annual General Meeting elected six members to the Board of Directors. Biographical details are provided on the following page.



### Kari Kauniskangas

b. 1962, M.Sc. (Econ.), Finnish citizen. Chairman of the Board of Directors since 2019. Independent of the company and its largest shareholders.

**Committee memberships:** Chairman of the Remuneration Committee, member of the Shareholders' Nomination Board

**Main occupation:** Board Professional

**Primary working experience:** 2008–2017, Fiskars Corporation, President and CEO 1999–2007 Amer Sports Corporation, multiple executive positions, most recently Senior Vice President, Sales & Distribution and Head of Winter & Outdoor division

**Main positions of trust:** 2019– Veho Oy AB, Chairman of the Board of Directors, 2013– Veho Oy AB, Member of the Board of Directors, 2022– Ahlström Capital Oyj, Vice Chairman of the Board of Directors

**Main past positions of trust:** 2020–2022 Ahlström Capital Oyj, Chairman of the Board of Directors, 2018–2019 Raisio Plc, Vice Chairman of the Board of Directors, 2008–2010 Wärtsilä Corporation, Member of the Board of Directors

**Shareholding in Terveystalo as of 31 December, 2022:** 16,532



### Matts Rosenberg

b.1977, Ph.D. (Econ.), Finnish Citizen. Member of the Board of Directors since 2022. Independent of the company, but not of its significant shareholders due to his position as the CEO of Rettig Group.

**Committee memberships:** Member of the Audit Committee

**Main occupation:** Rettig Group, CEO

**Primary working experience:** 2019– Rettig Group, CEO, 2018–2019 Rettig Group, Deputy CEO & Head of Core Investments, 2016–2018 Rettig Group, COO, 2014–2016 Fortaco Group, Deputy CEO & CFO, 2005–2013 IK Partners, Investment Professional

**Main positions of trust:** 2021– Purmo Group, Vice Chairman of the Board of Directors, 2021– Purmo Group, Chairman of the M&A Committee, 2018– Purmo Group, Member of the Audit Committee

**Main past positions of trust:** 2016–2021 Purmo Group, Member of the Board of Directors, 2018–2021 Nordkalk Corporation, Chairman of the Board of Directors, 2016–2018 Nordkalk Corporation, Member of the Board of Directors, 2018–2021 Nordkalk Corporation, Member of the Audit Committee, 2020–2021 Alandia Försäkring Abp, Chairman of the Board of Directors, 2020–2021 Alandia Försäkring Abp, Chairman of the Solvency & Investment Committee, 2017–2020 Alandia Försäkring Abp, Deputy member of the Board of Directors

**Shareholding in Terveystalo as of 31 December, 2022:** 11,366



### Carola Lemne

b.1958, Licensed physician, M.D. and associate professor, Karolinska Institutet, Swedish citizen. Member of the Board of Directors since 2022. Independent of the company and its largest shareholders.

**Committee memberships:** Member of the Remuneration Committee

**Main occupation:** Board Professional

**Primary working experience:** 1998– Karolinska Institutet, Associate professor, 2014–2018 Confederation of Swedish Enterprise, Director General, 2008–2014 Praktikertjänst AB, CEO and President, 2000–2007 Danderyds University Hospital, CEO, 1993–2000 Pharmacia Corporation, Multiple managerial positions, most recently Vice President, Clinical Development and Regulatory Affairs Strategy

**Main positions of trust:** 2022– Swedish Heart Lung Foundation, Member of the Board of Directors, 2017– Arjo AB, Non-Executive Director, 2019– Junior Achievement Sweden, Chairman of the Board of Directors, 2019– IRLAB AB, Vice Chairman of the Board of Directors

**Main past positions of trust:** 2019–2022 ArtClinic AB, Chairman of the Board of Directors, 2019–2022 International English School AB, Chairman of the Board of Directors, 2018–2019, Alecta AB, Vice Chairman of the Board of Directors, 2015–2018 AFA Försäkringar, Member of the Board of Directors, 2013–2017 Uppsala University, Chancellor, 2010–2014 Investor, Independent Director, 2009–2011 Meda, Member of the Board of Directors, 2008–2018 Confederation of Swedish Enterprise, Member of the Board of Directors, 2004–2009 Apoteket, Member of the Board of Directors, 2004–2009 Strategic Research Foundation, Member of the Board of Directors, 2003–2017 Getinge AB, Member of the Board of Directors

**Shareholding in Terveystalo as of 31 December, 2022:** 2,627



### Kristian Pullola

b. 1973, M.Sc (Econ), Finnish Citizen. Member of the Board of Directors since 2021. Independent of the company and its largest shareholders.

**Committee memberships:** Chairman of the Audit Committee

**Main occupation:** CFO, Finnair Oyj

**Primary work experience:** 2022– CFO, Finnair Oyj, 2017–2020 Nokia Corporation, Executive Vice President and CFO 2006–2016 multiple executive and managerial positions in finance and treasury at Nokia Corporation, most recently Senior Vice President, Corporate Controller

**Main positions of trust:** 2020– Antilooppi real estate investment company, Chairman of the Board of Directors, 2021– Kemira Oyj, Member of the Board of Directors, 2021– Eduhouse Oy, Chairman of the Board of Directors

**Main past positions of trust:** 2010–2020 Ilmarinen Mutual Pension Insurance Company, Member of the Board of Directors and Chairman of the Audit Committee

**Shareholding in Terveystalo as of 31 December, 2022:** 5,075



### Katri Viippola

b. 1976, Executive MBA, Master of Arts, Finnish citizen. Member of the Board of Directors since 2018. Independent of the company.

**Committee memberships:** Member of the Remuneration Committee and the Audit Committee

**Main occupation:** 2016– Varma Mutual Pension Insurance Company, Senior Vice President, People, Communications and Development Relevant work history: 2013–2015 Keva, HR and Administrative Director, HR Director, 2008–2013 Yle (Finnish Broadcasting Company), Head of Personnel Development, HR Manager, HR Consultant, 2002– 2008 Yle, Yle News and Aamu-tv morning show, Journalist and News Anchor

**Key positions of trust:** The Finnish Broadcasting Company Yle, Vice Chairman of the Board, Economy and Youth TAT, Member of the Board of Directors

**Past key positions of trust:** -

**Shareholding in Terveystalo as of 31 December, 2022:** 8,954

## Independence of the Board of Directors

According to the Board's assessment, all the members of the Board of Directors are independent of the Company. Kari Kauniskangas, Carola Lemne and Kristian Pullola are in addition independent of the major shareholders of the Company. According to the Board of Directors' assessment, the following members of the Board are not independent of the major shareholders of the Company due to their main occupations: Katri Viippola (Varma Mutual Pension Insurance Company, SVP, HR and Communications) and Matts Rosenberg (Chief Executive Officer, Rettig Group Oy Ab).

## Changes to the Board of Directors

In accordance with the decision of the Annual General Meeting of 2021, Kari Kauniskangas (Chair), Dag Andersson, Åse Aulie Michelet, Niko Mokka Katri Viippola, Tomas von Rettig and Kristian Pullola were members of the Board of Directors until 7 April 2022. Dag Andersson served as a member of the Board of Directors until he suddenly passed away in fall 2022, with the said change to the Board of Directors having been registered on 10 October 2022.

Information presented as per 7 April 2022:

### Dag Andersson

b. 1961, BA (Hons) Stockholm School of Economics, MBA Insead, Swedish citizen. Member of the Board of Directors since 2019. Independent of the company and its largest shareholders.

**Committee memberships:** Member of the Remuneration Committee

**Main occupation:** President and CEO of XVIVO Perfusion AB

**Primary working experience:** 2008–2018 Diaverum AB (formerly Gambro Health Care), President and CEO, 1998–2007 Mölnlycke Health Care AB, multiple executive positions, most recently President of the Surgical Division

**Main positions of trust:** Chairman of the Board of Directors of GHP International

**Main past positions of trust:** 2018–2019 Diaverum Arabia, Chairman of the Board of Directors, 2009–2011, Terveystalo, Member of the Board of Directors, 2015–2020

Nolato, Member of the Board of Directors, 2018–2020  
GHP AB, Member of the Board of Directors

### Åse Aulie Michelet

b. 1952, M. Sc. Pharm. Norwegian citizen. Member of the Board of Directors since 2016. Independent of the company and its largest shareholders.

**Committees:** Member of the Remuneration Committee

**Main occupation:** Board Professional

**Relevant work history:** Managing Director of Teres Medical Group AS, Managing Director of Marine Harvest ASA and Senior Management at GE Healthcare

**Key positions of trust:** Chairman of the Board of Spin Chip Diagnostics AS, Csam Health Group AS and BI Norwegian Business School, Member of the Board of Directors of Odfjell SE

**Past key positions of trust:** Chairman of the Board of Directors of Photocure ASA, Member of the Board of Directors of Royal Greenland AS, Cermaq ASA, Norske Skog ASA, Orkla ASA, and Yara ASA

### Niko Mokka

b. 1979, M.Sc. (Tech.), M.Sc. (Econ.), Finnish citizen. Member of the Board of Directors since 2020. Independent of the company.

**Committee memberships:** Member of the Audit Committee

**Main occupation:** Managing Director, Head of Investments, Hartwall Capital Oy Ab

**Relevant work history:** 2007–2019, Altor Equity Partners, multiple positions, most recently Director, 2005–2007, Merrill Lynch, Analyst

**Key positions of trust:** 2021 - Duell Yhtiöt Oy, Member of the Board of Directors, 2020–Konecranes Plc, Member of the Board of Directors, 2019– Remeo Oy, Member of the Board of Directors, 2019– LeaseGreen Group Oy, Chairman of the Board of Directors

**Past key positions of trust:** 2016–2021 Realia Group Oy, Member of the Board of Directors, 2018–2019 Trioplast Industrier AB, Member of the Board of Directors

### Tomas von Rettig

b. 1980, BBA (Bachelor of Business Administration), CEFA (Certified European Financial Analyst). Finnish citizen. Vice Chairman of the Board of Directors since 2018. Independent of the company.

**Committee memberships:** Member of the Audit Committee

**Main occupation:** 2019– Rettig Group Oy AB, Chairman of the Board of Directors

**Relevant work history:** 2016–2019 Rettig Group Oy Ab, President and CEO, 2008–2016 several management positions at Rettig Group Oy Ab, 2006–2008 Skandinaviska Enskilda Banken Ab

**Key positions of trust:** Purmo Group Oy, Chairman of the Board Directors, EQ Plc, Member of the Board Directors

**Past key positions of trust:** Nordkalk Oy, Bore Oy, Roof Productions Oy, Chairman of the Board of Directors, Finlayson Oy, Member of the Board of Directors

## Diversity of the Board of Directors

The Company's principles concerning the diversity of the Board of Directors came into effect on 27 September 2017. The Board of Directors updated the diversity policy on 10 February 2021. The Company regards the diversity of the Board of Directors as a material factor, which supports the Company's business and its development as well as the achievement of the Company's strategic targets. The work of the Board of Directors requires an understanding of the differences in cultures, values, and business practices. Diversity is assessed from different perspectives, including age, gender, education, and professional background. Both genders shall be represented on the Board of Directors. In planning the composition of the Board of Directors, the Nomination Board considers the composition of the Board from the perspective of the Company's current and future business needs, taking into account the diversity of the Board. In 2022, the Company's Board of Directors met the diversity criteria. The age span of the Board members is 45–64 years. Two of the Board members are women and three are men.

## Description of the work of the Board of Directors

The Board of Directors has adopted a written Charter of the Board on 23 January 2018 and last updated it on 10 February 2021. It supplements the provisions of the Articles of Association and the applicable laws and regulations. The Charter of the Board of Directors describes the Board's composition, election process of the directors reporting directly to the CEO, responsibilities of the Board, meeting arrangements, and Terveystalo's executive management's reporting to the Board of Directors. In principle, the CEO attends Board meetings.

The Chief Financial Officer (CFO), General Counsel, and other members of the Executive Team attend Board meetings upon invitation by the Board of Directors. The Board of Directors has general competence to decide and to act in matters that do not fall within the competence of the General Meeting or the CEO's general authority under law or the Company's Articles of Association. The Board of Directors is responsible for the Company's governance and the appropriate arrangement of its operations. In addition, the Board of Directors is responsible for ensuring appropriate supervision of the Company's accounting and asset management. The Board of Directors decides on matters of principle and on any issues that could have broad-ranging implications for the Company. It decides on major corporate plans and transactions. The Board of Directors

also establishes limits for capital expenditure, investments, divestments, and financial commitments. The Board of Directors' responsibilities also include reviewing and approving the strategic objectives and strategic plans of the Company and its various business functions as well as monitoring their implementation. The Board of Directors also reviews and approves the Company's financial targets. In addition, the Board of Directors monitors and assesses the Company's financial reporting system, approves the Company's financial reports, and monitors the Company's external audit process. It also ensures that the Company has defined the operating principles of internal control, internal auditing, and risk management, and monitors compliance with these principles. In all situations, the Board of Directors shall act in the best interest of the Company and its shareholders. The Board of Directors appoints and dismisses the CEO, supervises the CEO's actions, and approves the CEO's service contract. It also approves the CEO's remuneration and other benefits upon the recommendation of the Remuneration Committee, within the framework of the Remuneration Policy presented to the Annual General Meeting. Upon the proposal of the CEO, the Board of Directors appoints the rest of the Executive Team reporting directly to the CEO and approves their service contracts and remuneration based on the recommendation of the Remuneration Committee. In addition, the CEO shall consult the Chair of the Board of Directors on the dismissal of members of the Executive

Team reporting directly to the CEO. The number of terms or the age of Board members has not been limited. A description of the main contents of the Charter of the Board of Directors can be found at: <https://www.terveystalo.com/en/company/investors/corporate-governance/board-of-directors/>.

The Board of Directors may establish committees to support the Board with the preparation and performance of its duties and responsibilities. The Board of Directors determines the size and composition of such committees and approves their charters. In 2022, the Board of Directors convened 16 times. The average attendance rate at Board meetings was approx. 97 percent. The attendance rate of each member is shown in a separate table under Attendance of Board members at Board and Committee meetings in 2022.

## Committees of the Board of Directors

The Company's Board of Directors has established two committees to improve the efficacy of the work of the Board: the Audit Committee and the Remuneration Committee.

## Audit Committee

The Audit Committee carries out its responsibilities under its Charter adopted by the Board of Directors on 23 January 2018 and last updated on 10 February 2021. The Audit Committee assists the Board of Directors in performing and monitoring its supervisory duties related to the financial reporting process and auditing. In addition, the Audit Committee assists the Board of Directors in supervising matters related to financial reporting, internal control, internal auditing, and risk management. The Audit Committee monitors and assesses the financial reporting system, the quality and integrity of the financial statements and other financial reports, and the Company's financial performance. In addition, the Audit Committee monitors and assesses the statutory audit of the financial statements, consolidated financial statements, and the annual, half-year, and interim reports. The Audit Committee also monitors and assesses the efficiency of the Company's internal control, internal auditing, and risk management systems and assesses the performance of internal auditing. Furthermore, the Audit Committee evaluates the qualifications and independence of the external auditor and, in particular, the provision of non-audit services to the Company, prepares the proposal for the election of the external auditor, and monitors compliance with laws and regulations. The Audit Committee prepares the proposal for the remuneration and election or re-election of the external auditor and submits its recommendation for the appointment of the external auditor to the Board of Directors. The Audit Committee monitors and assesses how agreements and other legal acts between the Company and its related parties meet the requirements of

the ordinary course of business and arm's-length terms. In addition, the Audit Committee shall ensure that the Board of Directors is aware of matters which may significantly impact the Company's financial condition or business operations. A description of the main contents of the Charter of the Audit Committee can be found at: <https://www.terveystalo.com/en/company/investors/corporate-governance/board-of-directors/>.

The Audit Committee consists of at least three members appointed by the Board of Directors. The Audit Committee has a Chair, elected by the Board of Directors. The members of the Audit Committee must meet the expertise and independence criteria and other criteria applicable to Audit Committee members of publicly listed companies in Finland. These provide, for example, that the majority of the Audit Committee members shall be independent of the Company, and at least one member shall be independent of the major shareholders of the Company.

Kristian Pullola served as Chair of the Audit Committee, and Niko Morkkila and Tomas Von Rettig served as Committee members until 7 April 2022. As of 7 April 2022, the Audit Committee members have comprised Katri Viippola and Matts Rosenberg, as well as Kristian Pullola, who continued as the Chair. The Audit Committee convened six times in the financial year 2022. The average attendance rate of the Committee members was 100 percent. The attendance rate of each member is shown in a separate table under Attendance of Board members at Board and Committee meetings in 2022.

## Remuneration Committee

The Remuneration Committee carries out its responsibilities under its Charter adopted by the Board of Directors. The Charter of the Remuneration Committee was adopted on 23 January 2018 and last updated on 10 February 2021. The Board's Remuneration Committee prepares Terveystalo's Remuneration Policy for Governing Bodies and Remuneration Report to the Company's management. The Remuneration Committee prepares the appointment of the CEO of the Company and the rest of the senior management team. It also assists the Board of Directors with any major management reorganizations based on the preparation and proposals by the CEO. The Remuneration Committee assists the Board of Directors with the evaluation and remuneration of the CEO and the rest of the Executive Team reporting directly to the CEO, oversees the Company's remuneration policies, schemes, and plans, as well as reviews appropriate succession planning procedures for the Executive Team. A description of the main contents of the Charter of the Remuneration Committee can be found at: <https://www.terveystalo.com/en/company/investors/corporate-governance/board-of-directors/>.

The Remuneration Committee consists of a minimum of three members elected by the Board of Directors from among its members. The members of the Remuneration Committee must meet the independence criteria applicable to such committee members of publicly listed companies in Finland, including that the majority of the members of the committee must be independent of the Company. Remuneration Committee members must possess the expertise and experience required for the performance of the duties and responsibilities of the Remuneration Committee. Desirable qualifications for members of the

Remuneration Committee include experience in business management, corporate governance, human resources management, and personnel and executive remuneration.

The Remuneration Committee establishes its own schedule and meets as frequently as necessary to carry out its responsibilities under its Charter, and in any event at least twice a year. The composition of the Remuneration Committee was until 7 April, 2022 as follows: Kari Kauniskangas as the Chair and Dag Andersson, Åse Aulie Michelet and Katri Viippola as members. As of 7 April, 2022 Kari Kauniskangas continued as the Chair of the Committee and Dag Andersson as member, while Carola Lemne started as a new member. Dag Andersson served as member of the Committee until his sudden passing away in fall 2022, followed by Katri Viippola's appointment as his successor as of 14 October 2022. Due to the sudden passing of Remuneration Committee member Dag Andersson, the Committee temporarily consisted of two members during a period of approximately three weeks in fall 2022. Due to the sudden change of circumstances and for a limited time, Terveystalo departed from Corporate Governance Code Recommendation 15 regarding the minimum number of Committee members. Katri Viippola was elected as the third member of the Remuneration Committee by the Board of Directors on 14 October 2022, following which Terveystalo complied with said recommendation of the Governance Code again.

The Remuneration Committee convened seven times during the financial year. The average attendance rate of the Committee members was 96 percent. The attendance rate of each member is shown in a separate table under Attendance of Board members at Board and Committee meetings in 2022.

## Attendance of Board Members at Board and Committee Meetings in 2022

<b>Name</b>	<b>Attendance at Board meetings*</b>	<b>Attendance at Audit Committee meetings*</b>	<b>Attendance at Remuneration Committee meetings*</b>
Kari Kauniskangas	16/16		7/7
Matts Rosenberg	11/11	5/5	
Dag Andersson	11/12		4/5
Carola Lemne	9/11		6/6
Kristian Pullola	16/16	6/6	
Katri Viippola	16/16	5/5	3/3
Members of the Board of Directors until 7 April 2022:			
Åse Aulie Michelet	5/5		1/1
Niko Morkkila	5/5	1/1	
Tomas von Rettig	5/5	1/1	

\* Attendance rates cover meetings held during each member's term of office.

## Chief Executive Officer

The CEO is responsible for the day-to-day management of the company and for implementing the Company strategy in accordance with the instructions and orders issued by the Board of Directors. The CEO undertakes the execution of measures approved by the Board of Directors and oversees preparations for strategically important measures. The CEO ensures that the management of the Company is adequately arranged, and that the Company's accounting complies with the applicable legislation. The CEO also ensures the appropriate arrangement of the Company's administration and asset management. Ville Iho has served as the CEO for Terveystalo since late 2019. Biographical details of the CEO are provided below under Group Management.

## Group Executive Team and management system

The Company's CEO serves as the Chair of the Executive Team. Until 31 October 2022, the Executive Team also included the Chief Medical Officer and the Officers and Senior Vice Presidents responsible for digitalization, finances, HR, legal, as well as the various business lines and the clinic network.

On October 14 2022, Terveystalo announced changes in its operating model and organizational structure to strengthen long-term value creation, customer focus and the execution of the profit improvement program announced on 14 October 2022. The planned changes took effect on 1 November 2022, after which the Executive Team has comprised CEO, Chief Medical Officer, the Officers and Senior Vice Presidents responsible for digitalization, portfolio businesses, finances and HR as well as the Chief Commercial Officer and Chief Operating Officer.

The share holdings of the members of the Executive Team and their controlled entities on 31 December 2022 are presented below.





**Ville Iho**

**President and CEO**

Born 1969, M.Sc. (engineering), Finnish citizen. President and Chief Executive Officer from 6 December 2019.

Relevant work history:

CEO of Nurminen Logistics Plc, multiple managerial positions at Finnair, most recently as COO, Deputy CEO, and acting CEO

Key positions of trust:

The Finnish Association of Private Care Providers, Chairman of the Board of Directors, Confederation of Finnish Industries (EK), Member of the Executive Committee and of the Labor Committee

Shareholding in Terveystalo as of 31 December, 2022:

5,000



**Petri Bono**

**Chief Medical Officer**

Born 1970, M.D., specialist in oncology, adjunct professor. Finnish citizen. Chief Medical Officer and member of the Terveystalo Executive Team since 2019.

Relevant work history:

Hospital District of Helsinki and Uusimaa (HUS), Deputy Chief Medical Officer, Helsinki University Hospital (HUCH), Chief Medical Officer, HUS Comprehensive Cancer Center, Director

Key positions of trust:

Association of Finnish Private Healthcare Providers, Vice Chairman of the Board of Directors, Instru Science Foundation, Chairman of the Board of Directors, Finnish Medical Association, Member of the Quality Council, TILT therapeutics, Oncorena and Faron Pharmaceuticals, member of the Scientific Advisory Board

Past positions of trust:

Member of the Board of Directors at HUS Kiinteistöt Oy and HYKS Instituutti Oy, Vice Chairman of the Board of Directors at Orion Research Foundation

Shareholding in Terveystalo as of 31 December, 2022:

7,587



**Juuso Pajunen**

**Chief Financial Officer**

Born 1981, MSc (Econ), Finnish citizen. Chief Financial Officer and Member of the Executive Team since 28 Nov 2022.

Relevant work history:

CFO Afry AB, CFO Pöyry Oyj, Pöyry Group, multiple senior financial positions

Shareholding in Terveystalo as of 31 December, 2022:

12,000



**Siina Saksi**

**Chief Operating Officer, Healthcare Services**

Born 1966, MSc (Econ), EMBA, Finnish citizen. Chief Operating Officer, Healthcare Services since 1 November 2022 and Member of the Executive Team since 2016.

Relevant work history:

Chief Operating Officer, Clinic Network, Business Director, Western and Central Finland at Terveystalo, Senior Vice President, HR Specialist Sales at Pohjola Insurance Ltd, Country Manager of Tryg Finland at Tryg Forsikring A/S, Finnish Branch, and a member of Tryg's Sweden-Finland Executive team at Tryg A/S, several managerial positions at Tryg A/S, If P&C Insurance Company Ltd, Merita Bank Plc and Kansallis-Osake-Pankki

Shareholding in Terveystalo as of 31 December, 2022:

60,380



**Minttu Sinisalo**

**Senior Vice President, Human Resources**

Born 1980, MSc (Econ), Finnish citizen. SVP HR and member of the Executive Team since 2020.

**Relevant work history:**

Multiple HR leadership positions at Finnair, most recently VP, People and Culture at Finnair Operations business unit, August Associates HR manager and management consultant

**Key positions of trust:**

Hakonen Solutions Oy, Member of the Board of Directors

**Past key positions of trust:**

A-Talent Recruiting Oy, Member of the Board of Directors, Finnair Pension Fund Board member and Chairman of the Board

Shareholding in Terveystalo as of 31 December, 2022: 0



**Kati Sulin**

**Senior Vice President, Digital Business**

Born 1974, MSc (Econ), Finnish citizen. SVP, Digital Business and Member of the Executive Team since 1 Sep 2022.

**Relevant work history:**

Managing Director of Ifolor. Before that CDO, VP Brand Development, Marketing & Digital Services of DNA. Earlier managerial positions at Sanoma Group, Fazer and Hill & Knowlton

**Past key positions of trust:**

Member of the Board of Directors of Apetit Plc, Witted Megacorp Plc, Viestimedia and LocalTapiola Mutual Life Insurance

Shareholding in Terveystalo as of 31 December, 2022: 0



**Mikko Tainio**

**Senior Vice President, Portfolio Businesses**

Born 1979, M.Sc (Econ), Finnish citizen. Senior Vice President, Portfolio Businesses since 1 November 2022 and Member of the Executive Team since 2020.

**Relevant work history:**

Managing Director at Finnair Cargo Oy and before that several managerial positions at Finnair Plc

**Past key positions of trust:**

Member of the logistics committee of Confederation of Finnish Industries EK

Shareholding in Terveystalo as of 31 December, 2022: 518



**Marja-Leena Tuomola**

**Chief Commercial Officer, Healthcare Services**

Born 1962, LL.M., eMBA, Finnish citizen. Chief Commercial Officer, Healthcare Services since 1 November 2022 and Member of the Executive Team since 2021.

**Relevant work history:**

President & COO Schibsted Finland (formerly Sanoma Digital Finland), previously held several management positions in the Sanoma Group, including as SVP Business & Digital Operations Development

**Key positions of trust:**

Suomi Broadcast Networks Holdings Oy, Member of the Board of Directors

Shareholding in Terveystalo as of 31 December, 2022: 1,000

The current information on the Executive Team can be found from the Company's website: <https://www.terveystalo.com/en/company/investors/corporate-governance/ceo-and-executive-team/>.

The Executive Team meets once or twice a month or as needed. It assists the CEO with tasks such as the preparation and execution of the Company strategy, business plans, matters of principle, and any other important matters. In addition, the rest of the Executive Team assists the CEO in ensuring the flow of information and working internal cooperation. The Company's Board of Directors decides on the nomination and remuneration of Executive Team members.

During 2022, the Group Executive Team also comprised Petri Keksi and Juha Juosila until June 2022, Ilkka Laurila until July 2022, and Veera Siivonen until October 2022. Ville Salmi was interim SVP of Public Partnerships and a member of the Executive Team as of 1 August 2022 until 31 October 2022. Elina Saviharju was a member of the Group Executive Team until 31 October 2022 and continues in her role as General Counsel of Terveystalo also thereafter.

## Changes in the Group Executive Team

### Juha Juosila

#### Chief Digital Officer

Born 1972, MSc (Econ), Finnish citizen. Chief Digital Officer and Member of the Executive Team from 2016 until June 2022

**Relevant work history:** Director of Business Development and Strategy of Sanoma Pro Ltd, Chief Marketing and Technology Officer of Realia Group Oy, several managerial positions at MTV Sisällöt Oy (MTV 3) and Sonera Plc

**Past key positions of trust:** Member of the Board of Directors of Realia Isännöinti Oy, Huoneistokeskus Oy, Huoneistomarkkinointi Oy, Realia Management Oy, SKV Kiinteistönvälitys Oy, Sentraali Oy and Jokakoti Oy (currently Oikotie Asunnot Oy), a deputy Member of the Board of Directors of Oy Suomen Uutisradio Ab

### Petri Keksi

#### Senior Vice President, Growth businesses

b. 1974, M.Sc (Econ), Finnish Citizen. SVP, Growth businesses and Member of the Executive Team from 2021 to June 2022

**Relevant work history:** Several management positions at Terveystalo since 2009, most recently as Business Director for Oral Health, previously Director of M&A

### Ilkka Laurila

#### CFO

Born 1977, MSc (Econ), MSc (Forestry), Finnish citizen. Chief Financial Officer and Member of the Executive Team from 2015 to June 2022

**Relevant work history:** Terveystalo Head of Treasury and Finance and Head of Procurement, Associate Director of Rahoituksen neuvontapalvelut Inspira Oy, managerial positions at Ernst & Young Oy

**Key positions of trust:** Confederation of Finnish Industries (EK), Member of the Economy and Tax Committee, Hurtti-Paino Oy, Member of the Board of Directors. Since 21 January 2021, member of the Board of Directors of Musti Group Plc

### Elina Saviharju

#### Senior Vice President, Legal

Born 1981, LL.B, LL.M (Harvard), Finnish citizen. Senior Vice President, Legal and member of the Terveystalo Executive Team from 11 May 2020 until 31 October 2022.

**Relevant work history:** Senior Associate at Avance Attorneys involved, inter alia, in healthcare M&A transactions as well as in intellectual property and regulatory issues related to healthcare services. Life Sciences IP Litigation Associate, Paul Hastings LLP (New York City) and Technology Associate, Roschier Attorneys

### Veera Siivonen

#### Senior Vice President, Consumer business

Born 1980, M.Sc. Tech, Industrial Engineering, Finnish citizen. Senior Vice President Marketing and Communications since 24 April 2022 and Senior Vice President, Consumer business 1 January 2021. Member of the Terveystalo Executive Team from 24 April 2020 until 31 October 2022

**Relevant work history:** SVP, Marketing and Communications in 2020. Several leading positions in Sanoma Corporation, as, inter alia Vice President, Portfolio Development and Marketing of Sanoma News & Feature and Marketing Director and Head of Strategy and Business Development for Helsingin Sanomat. Business manager in Blyk Services Oy and multiple international managerial positions in Nokia Mobile Phones

## Subsidiaries – operative business

### Group Organisation



The CEO, CFO, and General Counsel usually serve as members of the subsidiaries’ Board of Directors. From the perspective of business operations, the Group subsidiaries operate in accordance with the Group’s management system. The Group’s operative business activities are mainly carried out by Suomen Terveystalo Oy, Terveystalo Julkiset Palvelut Oy and Terveystalo Kuntaturva Oy in Finland and by Feelgood Företagshälsövärd AB in Sweden. Terveystalo Healthcare Oy is the Group’s purchasing company.

## III. Descriptions of internal control procedures and the main features of risk management systems

### Risk management

Risk management is part of Terveystalo’s management system. The Company applies a risk management policy adopted by the Board of Directors. The purpose of risk management is to ensure fulfilment of the customer promise, patient and occupational safety, high quality of the operations, financial performance, business continuity, a good public image of the Company, and corporate social responsibility.

Risk management is an integral part of the planning processes as well as the monitoring and reporting routines in Terveystalo Group. It is implemented in the day-to-day management and activities at all levels of the organization. Risk management must be consistent and commensurable. It is important to understand the causes and consequences of risks and to ensure that the risk management measures are correct and properly targeted.

### The objectives of risk management include, among others:

- Ensuring business continuity
- Ensuring the achievement of strategic and operative objectives
- Managing risks associated with financial transactions
- Supporting decision-making
- Ensuring top quality care and patient safety
- Ensuring employees’ expertise and occupational safety
- Avoiding operational risks and risks of damage and minimizing damage if a risk is realized
- Ensuring data security, data protection, and environmental responsibility
- Improving risk awareness within the organization
- Identifying opportunities associated with risk-taking, improving risk tolerance
- Identifying development opportunities within the operations
- Gaining the trust of external and internal stakeholders

Terveystalo strives to proactively identify, analyse and manage major risks. Risk management is an integral part of management. It contributes to strategic development, helps managers make informed choices, puts measures in an order of priority, takes into account opportunities, uncertainties, and their effects, and distinguishes between alternative approaches.

The Board of Directors is responsible for risk management and its adequacy and adopts the risk management

policy. The CEO is responsible for organizing risk management in the Group. The rest of the Executive Team support the CEO in implementing risk management, monitoring operational risks, assessing risks, and implementing measures related to risks.

### Risk management process

Risks are assessed on all levels of Terveystalo Group’s organization. Terveystalo identifies risks using, for example, performance indicators, market statistics, effectiveness data, customer feedback, register data, inspection reports and inquiries from the authorities, occupational safety risk surveys, incident information, results of internal audits and audits, and competitor information. Terveystalo’s risk management is assessed annually in internal and external audits of the ISO 9001: 2015 quality system, the ISO 14001: 2015 environmental system and the ISO 13485 quality system for application development.

### Internal control

In its operations, the Company applies a risk management and internal control policy, adopted by the Board of Directors. The objectives of internal control related to the financial reporting process are to ensure that Terveystalo’s financial reporting is reliable; that interim reports and financial statements are prepared in accordance with the accounting principles and policies applied by Terveystalo and give essentially correct information of the Company’s finances; and that the regulations and principles of operation are complied with. Internal control is based on

Terveystalo's risk management system, business culture, and respective practices. The Company values, Code of Conduct, and Group policies and principles, such as the risk management and internal control policy, financial policy, procurement policy, credit policy, disclosure policy, and approval authorizations, guide the internal control. The purpose of internal control and compliance is to ensure compliance with policies, procedures and corporate governance principles throughout the Group and the accuracy of financial reporting. It aims to create a uniform control environment by applying appropriate internal control principles in the various business processes. Terveystalo uses WhistleB, a reporting channel open for everyone. This channel enables anonymous reporting of observed or suspected misconduct at: [www.report.whistleb.com/terveystalo](http://www.report.whistleb.com/terveystalo).

Generally, financial reporting-related policies are owned by the Chief Financial Officer. Internal control is carried out by the Board of Directors, Audit Committee, operational management and, in respect of the financial reporting process, the employees in financial administration. Terveystalo's Board of Directors bears overall responsibility for internal control and risk management in the Company. The Board of Directors has delegated the practical implementation of an efficient control environment and control measures related to the reliability of financial reporting to the CEO. The Chief Financial Officer is responsible for the control environment of financial reporting. The CFO acts as the owner of reporting risks, reporting to the Audit Committee and the Board of Directors on risk management and internal control. Control involves various measures, such as the revision of financial reports, the

balancing of accounts, subledgers, and system transfers, logical analyses of reported figures, and reference analyses of forecasts and realizations. Monitoring of monthly performance in relation to the specified targets is an essential factor. These control measures are carried out at different organizational levels.

## IV. Other information provided in the statement

### Internal audit

The primary objective of internal audit is to support the Board of Directors, other corporate bodies, and the management in performing their control duties. The Company has outsourced internal audit to be carried out by authorized public accountants. On the basis of a report drafted by the authorized public accountants, the Company adopts a plan of appropriate measures and monitors the fulfilment of that plan. The internal audit function reports to the Audit Committee on the audits carried out in accordance with its annual audit plan. The report will be brought before the Board of Directors if deemed necessary by the Audit Committee.

The key principles applied in the Company's internal audit are the principles of independence, objectivity and confidentiality. The purpose of internal audit is to produce impartial and independent information for the Board of Directors and the management. Internal audit focuses, in particular, on issues that are important both in the long and short term from the perspective of strategy, business, and operations. When preparing the audit plan and estab-

lishing the scope and focus areas of internal audit, the following matters are typically considered: business-driven internal audit, internal audit relating to the Company's risks and strategy execution, and internal audit focusing on Corporate Governance and Compliance. The planning and risk assessment process of internal audit also includes reviewing the annual plans and work results of the other second line of defence players. In 2022, audits were conducted on the pricing processes as well as on invoicing process. Terveystalo's quality system has been certified in accordance with the ISO 9001:2015 standard. Compliance is assessed regularly through internal audits and audits conducted by an external accredited party. The Company's internal quality function ensures that the organization complies with the quality standards in accordance with the certificate.

### Related party transactions

To identify related party transactions, the Company keeps a record of the individuals and legal persons falling amongst its related parties. According to the Company's definition, related parties include the Group companies, members of the Board of Directors, the CEO and the rest of the Executive Team, including close family members of the aforementioned as well as entities in which the aforementioned have control, joint control, or significant influence. In agreements and other legal acts between the Company and its related parties, the ordinary course of business of the Company and market conditions shall be followed. If a transaction with the Company's related parties was not part of the ordinary course of business of

the Company or if it deviated from arm's-length terms, the decision on entering such related party transaction should be made by the Company's Board of Directors. With regard to agreements or other legal acts between the Company and its related parties, provisions on conflicts of interest shall be observed, as applicable, and the persons connected to the related party in question shall not participate in the decision-making process regarding the related party transaction.

The Company has documented guidelines to identify related party transactions as well as procedures to notify the Company thereof and to handle such transactions. The Company's financial administration monitors related party transactions as part of the Company's normal reporting and control procedures and submits regular reports on related party transactions to the Audit Committee. The Audit Committee monitors and evaluates transactions between the Company and its related parties to ensure that they are in the ordinary course of business and at arm's length. Material transactions between the Company and its related parties are presented annually in Notes to the Consolidated Financial Statements.

### Main procedures of insider management

Terveystalo complies with the EU Market Abuse Regulation (MAR), the Finnish Securities Markets Act, the guidelines and regulations issued by the European Securities and Markets Authority (ESMA) and the Finnish Financial Supervisory Authority (FIN-FSA), and the Guidelines for Insiders published by Nasdaq Helsinki Oy. The insider

policy adopted by the Company's Board of Directors supplements the applicable insider regulation and specifies the procedures of the Company's insider management.

The Company has identified persons in charge of insider management tasks and their substitutes. The Company does not have a permanent, company-specific insider list. Instead, it has project-specific insider lists. In accordance with MAR, the Company has specified the members of the Board of Directors, the CEO, the CFO, and the General Counsel as executives, as well as the SVPs of business lines with profit and loss responsibility. The executives must specify the persons and legal persons closely associated with them and disclose them to Terveystalo as their related parties. Terveystalo's executives and their related parties must report to the Company and FIN-FSA their transactions with Terveystalo's financial instruments that exceed the limit specified by FIN-FSA for a calendar year (EUR 5,000). In order for Terveystalo to monitor compliance with the above notification obligation, Terveystalo has recommended that executives and their related parties unofficially report all transactions with Terveystalo's financial instruments to the Company, regardless of whether the abovementioned threshold is met or not. Terveystalo publishes all executive transactions officially reported to the Company in a stock exchange release. The executives and persons involved in the preparation of the Company's financial reviews, i.e.

those who participate in the preparation or publication of interim reports and annual financial statements/financial statement releases shall not, directly or indirectly, carry out transactions with the Company's financial instruments themselves or on behalf of a third party, or advise anyone to do so, during a silent period of 30 calendar days preceding the publication of the Company's each interim report and annual financial statements release and on the date of publication of such a report.

### Auditor

The Company's auditor in 2022 was Authorised Public Accountants KPMG Oy Ab. APA Henrik Holmbom, elected by the Annual General Meeting 2020, and re-elected by the Annual General Meeting 2021, served as the auditor in charge. Auditor's fees in 2022 for statutory audit totalled approx. EUR 388,000 and fees for other services totalled approx. EUR 52,300. Auditor's fees are presented without VAT.