

# Corporate Governance Statement



# Corporate Governance Statement

## 1. 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, and the Company's Articles of Association. In addition, the Company follows the Finnish Corporate Governance Code 2020 (hereinafter referred to as the "Corporate Governance Code"), issued by the Securities Market Association and available on its website at <https://www.cgfinland.fi/en/>. Terveystalo complies with all the recommendations in the Corporate Governance Code. 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's website at <https://www.terveystalo.com/en/company/investors/corporate-governance/>.

## 2. 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 General Meeting, the Board of Directors, and the CEO. The General Meeting elects the members of the Board of Directors on the basis of the proposal of the Shareholders' Nomination Board consisting of the Company's largest shareholders. The work of the Board of Directors is aided by two committees. The Board elects the committee members from among 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 this page.

Terveystalo's governance structure



## General Meeting

The 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 General Meeting is provided in Terveystalo's Articles of Association, which can be found on the Company's website at <https://www.terveystalo.com/en/company/investors/corporate-governance/>. The Annual General Meeting for 2023 was held on 23 March 2023. The decisions of each General Meeting can be found on Terveystalo's website at <https://www.terveystalo.com/en/company/investors/corporate-governance/annual-general-meeting/>.

## Shareholders' Nomination Board

In accordance with the decision of the 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 of 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 among 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's website at <https://www.terveystalo.com/en/company/investors/corporate-governance/shareholders-nomination-board/>.

In accordance with shareholdings on 1 September 2023, 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 as of 12 September 2023: Risto Murto (Varma Mutual Pension Insurance Company), Tomas von Rettig (Rettig Group AB), Timo Ritakallio (Pohjola Insurance Ltd), Peter Therman (Hartwall Capital), and Kari Kauniskangas (Chair of the Board of Directors of Terveystalo Plc). There were no changes in the composition of the Nomination Board during 2023.

In its organising meeting held on 12 September 2023, 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 28 November 2023. In 2023, the Nomination Board convened five times. The attendance rate of the members was 100 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 General Meeting of Shareholders elects the members of the Board of Directors. The Board of Directors elects the Chair from among its members. In 2023, the General Meeting elected seven members to the Board of Directors. Biographical details of the members are provided on the following pages.



## 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

**Relevant work 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:** 2022–Ahlström Capital Oyj, Vice Chairman of the Board of Directors, 2019–Veho Oy AB, Chairman of the Board of Directors, 2013–Veho Oy AB, Member 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 on 31 December 2023:** 21,802



## Matts Rosenberg

b. 1977, Ph.D. (Econ.), Finnish citizen. Vice Chairman 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

**Relevant work experience:** 2019–Rettig Group, CEO, 2018–2019 Rettig Group, Deputy CEO and Head of Core Investments, 2016–2018 Rettig Group, COO, 2014–2016 Fortaco Group, Deputy CEO and 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:** 2020–2021 Alandia Försäkring Abp, Chairman of the Board of Directors, 2020–2021 Alandia Försäkring Abp, Chairman of the Solvency and Investment Committee, 2017–2020 Alandia Försäkring Abp, Deputy 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, 2016–2021 Purmo Group, Member of the Board of Directors

**Shareholding in Terveystalo on 31 December 2023:** 14,498



## Sofia Hasselberg

b. 1983, M.D. Licenced Physician, Swedish citizen. Member of the Board of Directors since 2023. Independent of the Company and its largest shareholders.

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

**Main occupation:** Bonnier Capital, Investment Director

**Relevant work experience:** 2022–Bonnier Capital, Investment Director, 2020–2022 Clinic Friends AB, Co-founder and CEO, 2018–2020 MSD Sweden, Head of Marketing and Digital Operations, 2011–2017 McKinsey & Co., Management Consultant

**Main positions of trust:** 2023–Acast AB, Chairwoman of the Nomination Committee, 2022–Elypta AB, Member of the Board of Directors, 2022–Medoma AB, Member of the Board of Directors, 2021–Preglife AB, Member of the Board of Directors

**Main past positions of trust:** 2020–2023 Clinic Friends AB, Member of the Board of Directors, 2021–2022 ATOS Medical AB, Member of the Board of Directors and Member of Remuneration Committee, 2017–2022 Getinge AB, Member of the Board of Directors and Member of Audit Committee

**Shareholding in Terveystalo on 31 December 2023:** 2,499



## Ari Lehtoranta

b. 1963, M.Sc. (Eng.), Helsinki University of Technology, Finnish citizen. Member of the Board of Directors since 2023. Independent of the Company and its largest shareholders.

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

**Main occupation:** Board professional

**Relevant work experience:** 2021–2022 Parmaco Oy, Interim CEO, 2017–2021 Caverion Corporation, CEO and President, 2014–2017 Nokian Tyres Plc, CEO and President, 2008–2014 Kone Corporation, multiple executive positions, most recently Executive Vice President, Central and Northern Europe, 1985–2008 Nokia Telecommunications/Networks, multiple VP/EVP level positions

**Main positions of trust:** 2021–Koiviston Auto Oy, Chairman of the Board of Directors, 2021–Parmaco Oy, Member of the Board of Directors, 2016–Orion Corporation, Member of the Board of Directors (2020–Chairman of the Audit Committee)

**Main past positions of trust:** 2013–2017 Caverion Corporation, Member of the Board of Directors (2015–2016 Chairman of the Board of Directors), 2009–2014 Elisa Corporation, Member of the Board of Directors, 2012–2014 Elisa Corporation, Vice Chairman of the Board of Directors, 2002–2003 Redback (Nasdaq), Member of the Board of Directors

**Shareholding in Terveystalo on 31 December 2023:** 6,504



## 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

**Relevant work 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, 2019– IRLAB AB, Chairman of the Board of Directors, 2019– Junior Achievement Sweden, Chairman of the Board of Directors, 2017– Arjo AB, Non-Executive Director

**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 on 31 December 2023:** 5,126



## 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:** Finnair Oyj, CFO

**Relevant work experience:** 2022– Finnair Oyj, CFO, 2017–2020 Nokia Corporation, Executive Vice President and CFO, 1999–2016 multiple executive and managerial positions in finance and treasury at Nokia Corporation, most recently Senior Vice President, Corporate Controller

**Main positions of trust:** 2022– FinanceKey Oy, Chairman of the Board of Directors, 2021– Eduhouse Oy, Chairman of the Board of Directors, 2021– Kemira Oyj, Member of the Board of Directors

**Main past positions of trust:** 2020–2023 Antilooppi real estate investment company, Chairman of the Board of Directors, 2010–2020 Ilmarinen Mutual Pension Insurance Company, Member of the Board of Directors and Chairman of the Audit Committee

**Shareholding in Terveystalo on 31 December 2023:** 8,207



## Katri Viippola

b. 1976, Executive MBA, M.A., Finnish citizen. Member of the Board of Directors since 2018. Independent of the Company, but not of its significant shareholders due to her position as the SVP, People, Communications and Development and member of the Group Executive Team at Varma Mutual Pension Insurance Company until spring 2023.

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

**Main occupation:** Association for Finnish Work, CEO

**Relevant work experience:** 2016–2023 Varma Mutual Pension Insurance Company, Senior Vice President, People, Communications and Development, 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

**Main positions of trust:** 2023– Museum of Architecture and Design ADM, Member of the Board of Directors, 2023– Baltic Sea Action Group, Member of the Board of Directors, 2023– Digital Commerce Finland, Vice Chairman of the Board, 2018– Junior Achievement (JA) Finland, Member of the Board of Directors

**Main past positions of trust:** The Finnish Broadcasting Company Yle, Vice Chairman of the Board

**Shareholding in Terveystalo on 31 December 2023:** 11,453

## Independence of the Board of Directors

According to the Board of Directors' assessment, all Board members are independent of the Company. Kari Kauniskangas, Sofia Hasselberg, Ari Lehtoranta, 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 current or former main occupation: Katri Viippola (Varma Mutual Pension Insurance Company, SVP, HR and Communications until spring 2023) and Matts Rosenberg (Chief Executive Officer, Rettig Group).

## Changes to the Board of Directors

During 2023, Kari Kauniskangas (Chair), Matts Rosenberg, Carola Lemne, Kristian Pullola, and Katri Viippola were members of the Board of Directors until 23 March 2023. They all were re-elected as members of the Board of Directors in the Annual General Meeting for 2023 which was held on 23 March 2023.

## 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 principles concerning the diversity on 10 February 2021. The Company regards the diversity of the Board of Directors as an essential factor, which supports the Company's business operations and its development as well as the attainment of the Company's strategic targets. The work of the Board of Directors requires understanding of the differences in cultures, values, and ways of conducting business. Diversity is

assessed from number of aspects, 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 2023, the Company's Board of Directors met the diversity criteria. The age span of the Board members was 40–65 years as at 31 December 2023. Three of the Board members are women and four 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 13 February 2024. The Charter supplements the provisions of the Company's 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), other members of the Company's Executive Team, and the General Counsel, 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 concerning the Company. 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. Following the Corporate Sustainability Reporting Directive (CSRD), the duties of the Board of Directors going forward also include monitoring and assessing the sustainability reporting system, monitoring the assurance of the sustainability statements as well as preparation of the election of the assurance provider. The Board of Directors 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 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 2023, the Board of Directors convened 14 times. The average attendance rate at Board meetings was approximately 98 percent. The attendance rate of each member is shown in a separate table under Attendance of board members at Board and Committee meetings in 2023.

## 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 13 February 2024. 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 and the quality and integrity of the financial statements and other financial reports. In addition, the Audit Committee monitors the statutory audit of the financial statements and consolidated financial statements. The Audit Committee also monitors and assesses the effectiveness 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. Following the CSRD, the Committee's duties going forward also include assisting the Board of Directors in fulfilling and monitoring its duties pertaining to the sustainability reporting process and assurance. 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, among other things, 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 Katri Viippola and Matts Rosenberg served as Committee members until 23 March 2023. As of 23 March 2023, Kristian Pullola continued as the Chair, and Katri Viippola and Matts Rosenberg as Committee members, while Sofia Hasselberg started as a new member. The Audit Committee convened five times during the financial

year 2023. 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 2023.

### 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 9 February 2023. The Board's Remuneration Committee prepares Terveystalo's Remuneration Policy for Governing Bodies and the Remuneration Report. The Remuneration Committee prepares the appointment of the CEO and the rest of the senior management team who report directly to the CEO. It also assists the Board of Directors with any major management reorganisations based on the preparation and proposals by the CEO. The Remuneration Committee assists the Board of Directors with the performance evaluation of the CEO and the rest of the senior management team reporting directly to the CEO, prepares and assesses the remuneration of the CEO and the rest of the senior management team who report directly to the CEO, prepares the short-term and long-term incentive plans, as well as reviews appropriate succession planning procedures for the CEO and the rest of the senior management team who report directly to the CEO. 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, as well as personnel and executive remuneration.

The Remuneration Committee establishes its own meeting schedule and meets as frequently as necessary to carry out its responsibilities under its Charter, and in any event at least twice a year. During 2023, the composition of the Remuneration Committee was until 23 March 2023 as follows: Kari Kauniskangas as the Chair, and Carola Lemne and Katri Viippola as members. As of 23 March 2023, Kari Kauniskangas continued as the Chair of the Committee, and Carola Lemne as member, while Ari Lehtoranta started as a new member.

The Remuneration Committee convened five times during the financial year. 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 2023.

## Attendance of board members at Board and Committee meetings in 2023

Name	Attendance at Board meetings*	Attendance at Audit Committee meetings*	Attendance at Remuneration Committee meetings*
Kari Kauniskangas	14/14		5/5
Matts Rosenberg	14/14	5/5	
Sofia Hasselberg	11/11	4/4	
Ari Lehtoranta	10/11		3/3
Carola Lemne	14/14		5/5
Kristian Pullola	13/14	5/5	
Katri Viippola	14/14	5/5	2/2

\* 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 Executive Team and management system.

## Group Executive Team and management system

The Company's CEO serves as the Chair of the Executive Team. In 2023, until 31 October 2023, the Executive Team included, in addition to the CEO, the Chief Commercial Officer and the Chief Operating Officer, Senior Vice President responsible for Portfolio Businesses, the Chief Medical Officer, and the Officers and Senior Vice Presidents responsible for finances, HR, and digitalisation.

On 31 October 2023, Terveystalo announced that it renews its management structure. In order to complete the changes in Terveystalo's operating model and organisational structure announced in October 2022, Terveystalo combined the commercial and operational management of the Healthcare Services business area under a single leader. The planned changes are implemented in stages.

As of 1 November 2023, the Executive Team has, in addition to the CEO, included the Chief Medical Officer, Chief Financial Officer, Executive Vice President of Healthcare Services Business Area, Executive Vice President of Portfolio Businesses, Executive Vice President of the Swedish Business Area, Senior Vice President of Digital Services as well as Senior Vice President of People and Careers. Sari Heinonen, born 1976, Ph.D., Marketing, has been appointed Executive Vice President of the Healthcare Services Business Area and a member of Terveystalo's Executive Team as of 5 February 2024. Henri Mäenalanen served as the Chief Operating Officer until 31 October 2023 and as interim EVP of the Healthcare Services Business Area until Sari Heinonen took up her position. Mäenalanen took over the position of Executive Vice President of Portfolio Businesses as of 6 February 2024. Executive Vice President of Portfolio Businesses Mikko Tainio continued as a member of Terveystalo's Executive Team until 6 February 2024.

The members of the Executive Team as well as their and their controlled entities' shareholdings in Terveystalo on 31 December 2023 are presented below.





## Ville Iho

President and CEO

b. 1969, M.Sc. (Eng.), Finnish citizen. President and Chief Executive Officer since 6 December 2019.

**Relevant work experience:** Nurminen Logistics Plc, CEO. Prior to this, multiple managerial positions at Finnair Plc, most recently as COO, Deputy CEO, and acting CEO

**Main positions of trust:** The Finnish Association of Private Care Providers, Vice Chairman of the Board of Directors

**Shareholding in Terveystalo on 31 December 2023:** 13,306



## Petri Bono

Chief Medical Officer

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

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

**Main 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, Chairman of the Quality Council, TILT therapeutics and Oncorena, Member of the Scientific Advisory Board

**Main past positions of trust:** HUS Kiinteistöt Oy and HYKS Instituutti Oy, Member of the Board of Directors and, Faron Pharmaceuticals, Member of the Scientific Advisory Board

**Shareholding in Terveystalo on 31 December 2023:** 2,087



## Juuso Pajunen

Chief Financial Officer

b. 1981, M.Sc. (Econ.), Finnish citizen. Chief Financial Officer and Member of the Executive Team since 28 November 2022.

**Relevant work experience:** AFRY AB, CFO, Pöyry Group, CFO. Prior to this, multiple senior financial positions at Pöyry Group.

**Main positions of trust:** 3Step IT Group Oy, Member of the Board of Directors

**Shareholding in Terveystalo on 31 December 2023:** 19,000



## Henri Mäenalanen

Interim Executive Vice President,  
Healthcare Services\*

b. 1983, M.Sc. (Eng.), Finnish citizen. Interim Executive Vice President, Healthcare Services since 1 November 2023\* and Member of the Executive Team since 12 April 2023.

**Relevant work experience:** Terveystalo Plc, multiple managerial positions, most recently Director of Operations (COO), Regional Director and Business Unit Director. Prior to this, managerial positions at Anttila Oy and Kesko Group.

**Shareholding in Terveystalo on 31 December 2023:** 2,230

\* Sari Heinonen, b. 1976, Ph.D., Marketing, has been appointed Executive Vice President of the Healthcare Services Business Area and a member of Terveystalo's Executive Team as of 5 February 2024. Henri Mäenalanen served as the interim EVP of the Healthcare Services Business Area until Sari Heinonen took up her position, and took over the position of the Executive Vice President of Portfolio Businesses as of 6 February 2024.



## Mikko Tainio

Executive Vice President, Portfolio Businesses\*

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

**Relevant work experience:** Finnair Cargo Oy, Managing Director. Prior to this multiple managerial positions at Finnair Plc.

**Main positions of trust:** Finavia Oyj, Member of the Board of Directors

**Shareholding in Terveystalo on 31 December 2023:** 5,596



## Stefan Kullgren

Executive Vice President of the Swedish Business Area and CEO of Feelgood AB

b. 1970, M.Sc. (Econ.), MBA, Swedish citizen. Member of the Executive Team since 1 November 2023.

**Relevant work experience:** Oral Care AB, Deputy CEO and Director responsible for clinics, Evidensia Djursjukvård, Chief Operating Officer (COO), Ambea Group, Director responsible for the business in Sweden and Norway, Danske Bank Corporate Finance, Director M&A

**Shareholding in Terveystalo on 31 December 2023:** 0



## Ilari Richardt

Senior Vice President, Digital Services

b. 1992, M.Sc. (Tech.), Finnish citizen. Senior Vice President Digital Services and member of the Executive Team since 29 March 2023.

**Relevant work experience:** Terveystalo Plc, multiple managerial positions within digital development. Prior to this, multiple software developer roles.

**Shareholding in Terveystalo on 31 December 2023:** 3,134



## Minttu Sinisalo

Senior Vice President, Human Resources

b. 1980, M.Sc. (Econ.), Finnish citizen. Senior Vice President HR and member of the Executive Team since 2020.

**Relevant work experience:** Finnair Plc, multiple HR leadership positions, most recently VP, People and Culture at Finnair Operations business unit. Prior to this, August Associates, HR manager and management consultant.

**Main positions of trust:** Hakonen Solutions Oy, Member of the Board of Directors

**Main past 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 on 31 December 2023:** 1,400

\* Executive Vice President of Portfolio Businesses, Mikko Tainio, concluded his duties on 6 February 2024. Henri Mäenalanen took over the position of the Executive Vice President of Portfolio Businesses as of 6 February 2024.

The current information on the Group Executive Team can be found from the Company's website at <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 matters relating to the Company's 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.

## Changes in the Group Executive Team in 2023

During 2023, the Group Executive Team also comprised Kati Sulin until March 2023 and Siina Saksi until April 2023, who both left the Company. Marja-Leena Tuomola was a member of the Group Executive Team until 31 October 2023 and currently serves as SVP, Consumer, Insurance, and Specialties. As of 1 November 2023, Tuomola has reported to the EVP of the Healthcare Services Business Area.

### Kati Sulin Senior Vice President, Digital Business

b. 1974, M.Sc. (Econ.), Finnish citizen. SVP, Digital Business and Member of the Executive Team since 1 September 2022 until March 2023.

**Relevant work experience:** Ifolor Oy, Managing Director. Prior to this, Chief Digital Officer and VP Brand Development, Marketing and Digital Services at DNA Plc.

**Main past positions of trust:** Member of the Board of Directors of Apetit Plc, Witted Megacorp Plc, Viestimedia and LocalTapiola Mutual Life Insurance

**Siina Saksi**  
Chief Operating Officer, Healthcare Services  
b. 1966, M.Sc. (Econ.), EMBA, Finnish citizen. Chief Operating Officer, Healthcare Services since 1 November 2022, Member of the Executive Team since 2016 and until April 2023.

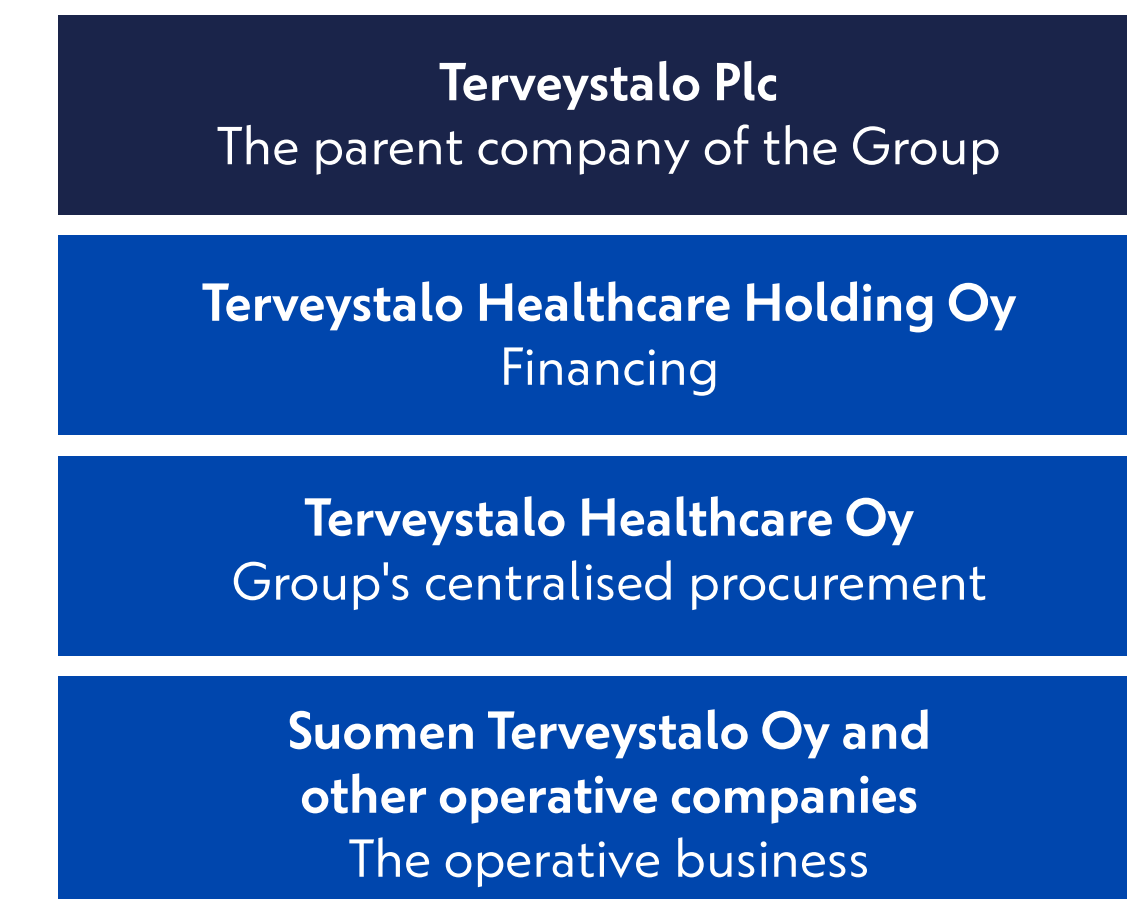
**Relevant work experience:** Terveystalo Plc, multiple managerial positions, most recently Chief Operating Officer. Prior to this managerial positions, among others, at Pohjola Insurance Ltd, Tryg A/S and If P&C Insurance Company Ltd.

**Marja-Leena Tuomola**  
Chief Commercial Officer, Healthcare Services  
b. 1962, LL.M., eMBA, Finnish citizen. Chief Commercial Officer, Healthcare Services since 1 November 2022, Member of the Executive Team since 2021 and until 31 October 2023.

**Relevant work experience:** Schibsted Finland Oy, President and COO. Prior to this, multiple managerial positions at Sanoma Group, including SVP Business and Digital Operations Development.

**Main positions of trust:** Suomi Broadcast Networks Holdings Oy, Member of the Board of Directors

## Subsidiaries – Operative business Group organisation



The CEO, CFO, and General Counsel usually serve as members of the subsidiaries' Board of Directors with the exception of, for example, subsidiaries of Feelgood Svenska AB where the Executive Vice President of the Swedish Business Area usually serves as the member of the 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 Företagshälsövård AB in Sweden. Terveystalo Healthcare Oy is the Group's procurement company.

### 3. 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 and internal control 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 organisation. 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 minimising damage if a risk is realised
- Ensuring data security, data protection, and environmental responsibility
- Improving risk awareness within the organisation
- 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 organising risk management in the Group. The rest of the Executive Team support

the CEO in implementing risk management, monitoring and assessing risks, as well as implementing measures related to risks.

#### Risk management process

Risks are assessed on all levels of Terveystalo Group's organisation. Terveystalo identifies risks using, for example, operating environment and stakeholder analyses, performance indicators, market analyses, 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 Group'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 Group's values, Code of Conduct, and Group policies and principles, such as the risk management and internal control policy, financial

policy, procurement policy, disclosure policy, and approval authorisations, 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, secure sufficient internal controls, and ensure 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 <https://www.report.whistleb.com/en/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 CFO 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 realisations. Monitoring of monthly performance in relation to the specified targets is an essential factor. These control measures are carried out at different organisational levels.

## 4. 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 authorised public accountants. On the basis of a report drafted by the authorised 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 establishing 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 include reviewing the annual plans and work results of the other second line of defence players. In 2023, audit was conducted on the process of Terveystalo's profit improvement program launched in October 2022. 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 organisation 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 among its related parties. According to the Company's definition, related parties include the Group companies and associated 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, practices falling into the ordinary course of business of the Company and market terms shall be followed. If a transaction with the Company's related parties would not be part of the ordinary course of business of the Company or if it deviates 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 made with arm's length terms. 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 (hereinafter referred to as "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 maintains 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 managers, as well as the SVPs of business lines with profit and loss responsibility. The managers must specify the persons and legal persons closely associated with them and disclose them to Terveystalo as their closely associated persons. Terveystalo's managers

and their closely associated persons must report to the Company and FIN-FSA their transactions with Terveystalo's financial instruments that reach the limit specified by FIN-FSA for a calendar year (EUR 5,000). In order for Terveystalo to monitor compliance with the abovementioned notification obligation, Terveystalo has recommended that managers and their closely associated persons 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 transactions of the managers and their closely associated persons officially reported to the Company by a stock exchange release.

The managers 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, and on the date of, the publication of each of the Company's interim reports and annual financial statements releases.

### Auditor

The Company's auditor in 2023 was Authorised Public Accountants KPMG Oy Ab. APA Henrik Holmbom, who has served as the Company's auditor in charge starting from the Annual General Meeting 2020, served as the auditor in charge. In 2023, the auditor's fees for statutory audit totalled approximately EUR 492,000 and the fees for other services totalled approximately EUR 4,300. The auditor's fees are presented without VAT.