



Corporate
Governance Statement
2024

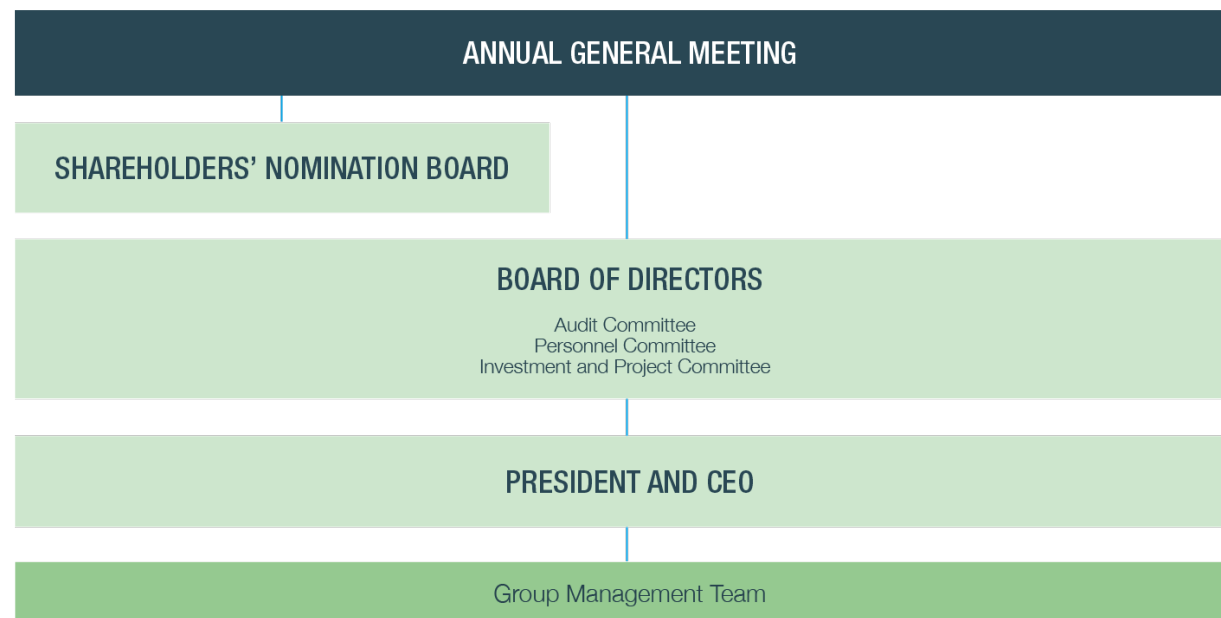


YIT Corporation's Corporate Governance Statement for 2024

This Corporate Governance Statement by YIT Corporation has been prepared separately from the the report of the Board of Directors. The statement has been published together with the Board of Director's report and is available on YIT Corporation's website at www.yitgroup.com/corporategovernance.

The administration of YIT Corporation complies with the valid legislation, the company's Articles of Association and the rules and regulations of bodies that regulate and supervise the operations of Finnish listed companies. YIT complies with the recommendations of the Finnish Corporate Governance Code approved by the Securities Market Association in June 2024, which came into force on 1 January 2025. The Code is publicly available on the Securities Market Association's website at www.cgfinland.fi/en.

YIT Corporation's auditor, audit firm Ernst & Young Oy, has checked to ensure that the general description presented in this statement of the internal control and risk management systems related to the financial reporting process is consistent with the financial statements. The Audit Committee of the Board of Directors has reviewed and approved this statement.



ANNUAL GENERAL MEETING

The General Meeting is YIT's highest decision-making body, where the shareholders participate in the supervision and control of the company and exercise their right to speak and vote. The Annual General Meeting is held each year by the end of June on a date determined by the Board of Directors. Extraordinary General Meetings can be held when the Board of Directors deems it necessary or when required by legislation.

The General Meeting makes decisions on matters falling within its scope of responsibilities by virtue of the Limited Liability Companies Act and the company's Articles of Association, such as:

- Approval of the financial statements
- Profit distribution
- Discharge of members of the Board of Directors and the President and CEO from liability
- Election of the Chair, Vice Chair and members of the Board and their remuneration
- Election of the auditors and their remuneration
- Amendments to the Articles of Association
- Decisions leading to changes in the share capital
- Purchase and transfer of company shares

The Chair of the Board of Directors, the members of the Board of Directors, the President and CEO and the external auditor are all present at the General Meeting. Persons nominated to seats on the Board of Directors shall be present in the General Meeting deciding on their election.

ANNUAL GENERAL MEETING 2024

The Annual General Meeting was held on March 14, 2024 in Helsinki. A total of 265 shareholders participated in the meeting personally or by proxy, representing 121,490,360 shares and voting rights, which corresponded to approximately 57.55 per cent of the company's shares and voting rights.

The Annual General Meeting adopted the financial statements for 2023 and discharged the members of the Board of Directors and the President and CEO from liability. The Annual General Meeting decided on the payment of dividends, the composition and remuneration of the Board of Directors, and the authorization of the Board of Directors to purchase the company's own shares and issue shares. The election of the company's auditor for the 2024 financial year and the remuneration to be paid to him had already been decided at the previous Annual General Meeting, which was held on 16 March 2023. At that time, the audit firm Ernst & Young Oy was elected as the auditor for the 2024 financial year. The audit firm announced that APA Mikko Ryttilahti would act as the principal auditor.

Annual General Meeting 2023 authorized the Board of Directors to decide on share issues. Based on this authorization, the Board of Directors of the company resolved in its meeting 12 March 2024, to issue 20,960,000 new shares based on the authorisation granted to it by the Annual General Meeting of the company on 16 March 2023 and in deviation from the shareholders' pre-emptive subscription rights. The Board of Directors has accepted the terms and conditions of the share issue and the subscriptions made in accordance with the terms and conditions of the share issue.

There were weighty financial reasons for the company to deviate from shareholders' pre-emptive subscription rights, as the share issue strengthened the company's balance sheet, improved the company's liquidity position, enabled the execution of beneficial loan terms for the company, and provided equity on terms and timetable that, in the assessment of the Board of Directors, would otherwise not have been available. The shares subscribed for in the share issue represented approximately 9.9 per cent of all of the company's shares immediately prior to the share issue and approximately 9.0 per cent of all of the company's shares following the share issue. After the shares subscribed in the share issue were registered with the Finnish Trade Register, the total number of all registered shares in the company is 232,059,853.

BOARD OF DIRECTORS

The Board of Directors steers and supervises the management and operations of the company. The Board is responsible for promoting the interests of all shareholders and the Group by seeing to the administration and proper organization of operations.

The Board of Directors comprises the Chair and the Vice Chair, as well as 3–8 members elected by the general meeting of shareholders for one year at a time. The Articles of Association provide no specific order of appointment for members of the Board of Directors. The majority of the members must be independent of the company. In addition, at least two of these members must be independent of the company's significant shareholders. The President and CEO cannot be elected as Chair of the Board. Both genders must be represented on the Board of Directors in accordance with the Board's diversity principles.

The Board of Directors meets regularly at the invitation of the Chair. A quorum is established when more than half of the members are present. The decision will be the opinion that more than half of those present have supported. When the votes are even, the Chair has the casting vote. The President and CEO as the presenter of the matters and the Corporate General Counsel as secretary of the Board are present at Board meetings. Other Group Management Team members and heads of business units and functions attend the meetings when necessary. The President and CEO and the secretary of the Board prepare the meetings with the Chair of the Board and draw up the agendas. The President and CEO ensures that the Board is provided with sufficient information about matters such as the structure, operations, markets and competitive situation of the company in order to carry out its tasks. The meeting agendas and materials are sent to Board members in good time before the meeting.

The Board of Directors and its committees have ratified standing orders. The members of the Board evaluate the operation of the Board and its committees each year, and the results are taken into account in the Board's work and its development.

KEY DUTIES OF THE BOARD OF DIRECTORS

Among other duties, the Board of Directors:

- Ensures that the supervision of accounting and asset management is organized appropriately
- Reviews and approves the company's financial statements and the Board of Directors report, including the sustainability report, as well as interim reports and half-year reports

- Supervises and controls executive management
- Elects and dismisses the President and CEO and their deputy, decides on their salaries and fees, and agrees on the other terms of their employment
- Convenes the Annual General Meeting and makes proposals on matters to be included on the agenda
- Specifies the dividend policy and makes a proposal to the General Meeting on the dividend to be paid annually
- Approves the company's strategy, strategic targets and risk management principles
- Approves budgets and action plans and monitors their implementation
- Approves significant acquisitions and other major investments
- Confirms the Group's functional structure
- Ensures the functioning of management system
- Ratifies the Group's values and management principles
- Monitors and evaluates the Group's financial reporting system, as well as the effectiveness of internal control, internal auditing and risk management
- Monitors the Group's audit and monitors and evaluates the auditor's independence and the provision of non-audit services by the auditor
- Prepares a proposal for the appointment of the auditor.

DIVERSITY OF THE BOARD OF DIRECTORS

The diversity principles ratified by YIT Corporation's Board of Directors refer to the different backgrounds of the Board members, such as age, gender, international experience, education, expertise and competencies. The aim of the diversity of the Board of Directors is to ensure that the Board of Directors is broad-based and versatile, has customer insight and stakeholder insight, and is creative and future-oriented. A sufficiently diverse Board of Directors supports the company's business and its development, promotes open discussion and independent decision-making, and is better equipped to support and challenge the executive management.

The members of the Board of Directors having different backgrounds, experiences and views supports the achievement of YIT Corporation's strategic targets. A Board member is required to have the required qualifications that correspond to the company's business needs and development phase, as well as the competence requirements for the Board and its committees. Persons elected as members of the Board of Directors must have the capacity to allocate sufficient time to managing their duties.

The long-term diversity objective is that the process of selecting and evaluating candidates for Board membership involves representatives of both genders to facilitate a balanced gender distribution on the Board of Directors.

Between January 1 and March 14, 2024, 25% of the composition of the Board were women and 75% men, and as of March 14, 2024, 33.3% were women and 66.6% were men, in accordance with the Board's diversity principles. The Board's diversity principles and gender balance have been implemented in accordance with the Recommendation 8 of the Corporate Governance Code, which entered into force January 1, 2025.

MEMBERS OF THE BOARD OF DIRECTORS AND BOARD MEETINGS IN 2024

Between January 1 and March 14, 2024 the Board of Directors of YIT Corporation consisted of Chair Harri-Pekka Kaukonen, m, Vice Chair, Jyri Luomakoski, m, and members Casimir Lindholm, m, Sami Laine, m, Keith Silverang, m, Barbara Topolska, f, and Kerttu Tuomas, f.

The Annual General Meeting held on March 14, 2024, elected four (4) ordinary members to YIT's Board of Directors in addition to the Chair and the Vice Chair. In accordance with the proposal of the Shareholders' Nomination Board, Jyri Luomakoski, m (b. 1967), MBA, was elected as Chair of the Board. Casimir Lindholm, m (b. 1971), MSc (Econ), CEO of Cargotec Corporation, was elected as Vice Chair of the Board. Sami Laine, m (b. 1971), MSc (Econ), CFO of eniferBio Ltd, and Kerttu Tuomas, f (b. 1957), BSc (Econ) were re-elected as members of the Board. Anders Dahlblom, m (b. 1974), MSc (Econ), CEFA, COO of Virala Oy Ab, and Leena Vainiomäki, f (b. 1961), MBA, MSc (Political Science) were elected as new members of the Board.

The members who served on the board in 2024 were independent of YIT and its most significant shareholders, with the exception of Anders Dahlblom, who was dependent on a significant shareholder.

The Board of Directors convened 16 times during 2024. The members' total attendance rate was 95 per cent. Corporate General Counsel Juha Jauhiainen served as the secretary of the Board of Directors.

**YIT CORPORATION'S BOARD OF
DIRECTORS ON DECEMBER 31, 2024****Jyri Luomakoski**

Chair

b. 1967, MBA

**Casimir Lindholm**

Vice Chair

b. 1971, MSc (Econ), MBA

**Anders Dahlblom**

Member

b. 1974, MSc (Econ), CEFA

**Sami Laine**

Member

b. 1971, MSc (Econ)

**Kerttu Tuomas**

Member

b. 1957, BSc (Econ)

**Leena Vainiomäki**

Member

b. 1961, MBA, MSc (Political Science)

In addition to its main tasks, a significant part of the Board of Directors' work in 2024 consisted of the preparation process and approval of company's strategy for the years 2025-2029 and in particular the group's refinancing arrangements. During the year, the work of the Board of Directors focused also on supporting the development and monitoring of implementation of measures to improve the performance and profitability of the group, especially due to the continued challenging residential market situation. At the end of the period the Board of Directors conducted its annual self-evaluation, based on which the Board defined focus areas for the further development of Board work. The Board of Directors carried out an annual self-evaluation, based on which the Board identified specific focus areas for further development of Board work.

SHARE OWNERSHIP OF THE BOARD MEMBERS ON DECEMBER 31, 2024

Name	Position	Shares	Total
Luomakoski Jyri	Chair of the Board	43,271	43,271
Lindholm Casimir	Vice Chair of the Board	31,896	31,896
Dahlblom Anders	Board member	10,626	260,626
Chanda Oy Controlled entity by the person		250,000	
Laine Sami	Board member	22,312	22,312
Tuomas Kerttu	Board member	34,543	34,543
Vainiomäki Leena	Board member	10,626	10,626

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors had three permanent committees in 2024: the Personnel Committee, the Audit Committee, and the Investment and Project Committee.

The Board of Directors elects the members and Chairs of the committees from among its members at its organizational meeting following the Annual General Meeting. The committees have written standing orders ratified by the Board of Directors. The committees report to the Board of Directors on the matters dealt with by them and the required actions on a regular basis at the Board meeting following each committee meeting.

In addition to the aforementioned permanent committees, the Board may also appoint other permanent or temporary committees to focus on certain duties assigned by the Board.

PERSONNEL COMMITTEE

The task of the Personnel Committee is to assist the Board of Directors in matters related to the appointing and rewarding key personnel. Its duties include preparing proposals for the development of corporate culture and personnel policy and terms of remuneration and incentive schemes, as well as the performance bonus rules and performance bonuses for the management. The committee oversees the talent identification process, key personnel development, and succession planning for the management, in addition to preparing the remuneration policy and the remuneration report for governing bodies.

The committee meets at the invitation of the Chair, and consists of 3–5 members with experience in the Group's business operations, as well as personnel and remuneration matters. The majority of the members of the Personnel Committee must be independent of the company. The President and CEO or other members of the company's management cannot be members of the Personnel Committee. The Executive Vice President, People and Culture, acts as the secretary to the committee.

Personnel Committee in 2024

From January 1 to March 14, 2024, the members of the Personnel Committee were Kerttu Tuomas (Chair), Harri-Pekka Kaukonen, Jyri Luomakoski and Keith Silverang.

At its organizational meeting following the Annual General Meeting on March 14, 2024, the Board of Directors elected Kerttu Tuomas as Chair of the Personnel Committee and Jyri Luomakoski and Leena Vainiomäki as its members.

The committee convened five times during the year. The members' total attendance rate was 100 per cent. In addition to the members, the meetings of the Personnel Committee were attended by the company's President and CEO. Jennie Haasmaa, EVP, People and Culture, served as the secretary of the committee.

In 2024, the Personnel Committee followed closely the actions related to personnel and culture development, retention and remuneration to support the company's transformation program kicked off in 2023. The Committee also prepared and monitored the implementation of the remuneration policy update as well as reviewed the results of the conducted employee surveys and action plans, the Health and Safety focus areas and actions, and dealt with talent management and succession processes and plans.

During the reporting period, the Committee prepared and submitted for the Board of Directors' approval the remuneration principles pursuant to the governance model, short and long-term incentive programs pursuant to the remuneration policy as well as the

budget, the key indicators, goals and target groups. In addition, the Committee prepared for the approval by the Board of Directors the nominations to group key positions as well as the remuneration proposals for the President and CEO and other management.

AUDIT COMMITTEE

The Audit Committee assists the Board of Directors in the supervision of the Group's reporting and accounting processes. Its duties include overseeing the financial reporting process of the company and the effectiveness of internal control, internal audit and risk management systems, in addition to monitoring and assessing the audit. The committee participates in the preparation of the Group's financing policy, financing plan and financing arrangements. In addition, the committee reviews the financial statements and interim and half-year reports, assesses compliance with laws and regulations, and monitors the audit and the Group's financial situation. The committee convenes at least four times per year and more often if necessary. The committee comprises 3–5 members, the majority of whom must be independent of the company, and at least one of the members must be independent of major shareholders. Persons with extensive knowledge of the Group's business operations and business segments and who possess the qualifications required by the committee's sphere of duties are elected as members of the committee. The Corporate General Counsel serves as the secretary of the Audit Committee.

Audit Committee in 2024

Between January 1 and March 14, 2024, the Audit Committee consisted of Jyri Luomakoski (Chair), Sami Laine and Kerttu Tuomas.

At its organizational meeting following the Annual General Meeting on March 14, 2024, the Board of Directors elected Jyri Luomakoski from among its members as Chair of the Audit Committee and Sami Laine, Leena Vainiomäki and Anders Dahlblom as its members.

The Audit Committee convened five times in 2024. The members' total attendance rate was 100 per cent. In addition to the members, the meetings were attended by the company's President and CEO and its principal auditor (Samuli Perälä, PricewaterhouseCoopers Oy, until March 14, 2024, and Mikko Ryttilähti, Ernst & Young, from March 14, 2024 onward), and based on matters to be discussed the meetings, members of the company's management and experts such as a representative of the internal audit service provider. Corporate General Counsel, Juha Jauhiainen served as the committee's secretary.

In 2024, the Audit Committee addressed and monitored regularly, in addition to its main tasks, the development of company's investments, financing and balance sheet position, participated to the financing renewal preparations and supported accomplishment as well as addressed the achievement of cash flow and profitability targets, in particular taking into account the continued uncertainties and risks caused by the continued challenging residential market environment. In addition, the Audit Committee regularly monitored the progress of company's preparations for sustainability reporting and related verification measures and financial reporting of company's projects. During the accounting period the Audit Committee monitored and addressed also the progress and execution of the transformation and capital release program and strategic divestments and their financial impacts.

INVESTMENT AND PROJECT COMMITTEE

The Investment and Project Committee discusses and prepares for the Board of Directors significant contract tenders, property development projects, plot and area project investments and divestments, acquisitions, disposals and equity investments. It also monitors the related portfolios, financial reporting and risk management. In addition, the committee discusses the investment policy to be submitted to the Board of Directors for approval.

The committee convenes at least twice a year, and more frequently by separate invitation from the Chair if deemed necessary in view of the matters discussed by the committee. The committee comprises 3–5 members, the majority of whom must be independent of the company and at least one of the members must be independent of significant shareholders. Persons with extensive knowledge of the Group's business operations and business segments and who possess the qualifications required by the committee's sphere of duties are elected as committee members. The Corporate General Counsel serves as the secretary of the Investment and Project Committee.

Investment and Project Committee in 2024

Between January 1 and March 14, 2024, the Investment and Project Committee consisted of Casimir Lindholm (Chair), Harri-Pekka Kaukonen, Sami Laine and Barbara Topolska.

At its organizational meeting following the Annual General Meeting on March 14, 2024, the Board of Directors elected Casimir Lindholm from among its members as the Chair of the Investment and Project Committee and Sami Laine and Anders Dahlblom as members.

The Investment and Project Committee convened 11 times in 2024. The members' total attendance rate was 88 per cent. In addition to the members, the company's CEO participated in the committee meetings. Corporate General Counsel Juha Jauhiainen served as the committee's secretary.

In 2024, in accordance with its main tasks, the Investment and Project Committee concentrated on decision-making tasks related to significant tenders, investments, divestments and strategic acquisitions presented to the Board of Directors for decision. The Committee participated in the development of key strategic projects and investment portfolio, as well as monitoring and reporting practices for the development of invested capital.

Meeting attendance of the Board of Directors and its committee in 2024

Name	Board of Directors	Personnel Committee	Investment and Project Committee	Audit Committee	Attendance rate (%)
Luomakoski Jyri, Chair ¹	16/16	5/5		5/5	100
Kaukonen Harri-Pekka ²	5/5	1/1	2/2		100
Lindholm Casimir, Vice Chair ³	15/16		11/11		96
Dahlblom Anders ⁴	9/11		8/9	4/4	88
Laine Sami	16/16		11/11	5/5	100
Silverang Keith ⁵	5/5	1/1			100
Topolska Barbara ⁶	4/5		1/2		71
Tuomas Kerttu ⁷	16/16	5/5		1/1	100
Vainiomäki Leena ⁸	11/11	4/4		4/4	100
Attendance rate (%)	95	100	88	100	95

¹ Luomakoski Jyri was the Vice Chair of the Board until March 14, 2024, and has been the Chair of the Board since March 14, 2024.

² Kaukonen Harri-Pekka was the Chair of the Board and a member of the Personnel Committee and the Investment and Project Committee until March 14, 2024.

³ Lindholm Casimir has been the Vice Chair of the Board of Directors since March 14, 2024.

⁴ Dahlblom Anders has been a member of the Board of Directors and a member of the Audit Committee and the Investment and Project Committee since March 14, 2024. Due to conflict of interest, Dahlblom has not attended 2/11 meetings in 2024.

⁵ Silverang Keith was a member of the Board of Directors and the Personnel Committee until March 14, 2024.

⁶ Topolska Barbara was a member of the Board of Directors and a member of the Investment and Project Committee until March 14, 2024.

⁷ Tuomas Kerttu was a member of the Audit Committee until March 14, 2024.

⁸ Vainiomäki Leena has been a member of the Board of Directors and a member of the Personnel Committee and the Audit Committee since March 14, 2024.

SHAREHOLDERS' NOMINATION BOARD

Since 2016, YIT has had a Shareholders' Nomination Board, whose task is to prepare proposals to the Annual General Meeting regarding the election and remuneration of the members of the Board of Directors.

The Shareholders' Nomination Board is a body comprised of representatives appointed by the company's shareholders. Its task is to annually prepare proposals for the selection and remuneration of Board members for the Annual General Meeting and, if necessary, for the Extraordinary General Meeting, in accordance with the principles of Board diversity. The primary purpose of the Nomination Board is to ensure that the Board of Directors and its members have sufficient expertise, competence and experience in view of the company's needs, and to prepare proposals, with justifications, on the election and remuneration of members of the Board of Directors to the General Meeting for this purpose.

The Nomination Board comprises the company's three major shareholders, as determined by the standing order. The right to nominate members to represent shareholders in accordance with the standing order rests with three shareholders who are registered in the shareholders' register maintained by Euroclear Finland Ltd or another operator on the last weekday of August in the year preceding the General Meeting, and who hold the largest number of votes conferred by shares according to the shareholder register.

The Nomination Board has been established to serve until further notice. The term of office of the Nomination Board members ends at the appointment of new members every year.

The Nomination Board must submit its proposal to the YIT Board of Directors every year, by the last weekday of January preceding the next Annual General Meeting. The proposals of the Nomination Board are published in a stock exchange release and included in the notice of the meeting. Furthermore, the Nomination Board presents and justifies its proposals and gives an account of its operations to the Annual General Meeting.

Shareholders' nomination board 2024

Between January 1 and August 31, 2024 (elected in 2023), the Nomination Board consisted of the following members: Alexander Ehrnrooth (Chair); Tercero Invest AB, Kristina Pentti-von Walzel, CEO Laponie Oy, as the representative appointed by the shareholders' Group; and Risto Murto, President and CEO, Varma Mutual Pension Insurance Company. Jyri Luomakoski, Chair of Board of Directors of YIT Corporation, participated in the work of the Committee as an expert member. Alexander Ehrnrooth served as Chair of the committee, and General Counsel Juha Jauhiainen as its secretary.

Since September 1, 2024, the Nomination Board has consisted of the following members: Alexander Ehrnrooth, m, Chair of Board of Directors; Tercero Invest AB, Kristina Pentti-von Walzel, f, CEO Laponie Oy, as the representative appointed by the shareholders' Group; and Risto Murto, m, CEO of Varma Mutual Pension Insurance Company.

Alexander Ehrnrooth served as Chair of the committee, Jyri Luomakoski, Chair of the Board of Directors of YIT Corporation, participated in the work of the Committee as an expert member and General Counsel Juha Jauhiainen acted as secretary.

The Nomination Board convened twice during 2024. Between meetings, the Nomination Board prepared its proposals under the leadership of its Chair. The members' total attendance rate was 100 per cent.

PRESIDENT AND CEO AND HIS DEPUTY

The President and CEO attends to the day-to-day administration of the company in accordance with the instructions and regulations laid down by the Board of Directors. The Board of Directors appoints and discharges the President and CEO and supervises their actions. It also decides on the President and CEO's salary and remuneration, as well as the other terms of their employment. The President and CEO ensures that the company's accounting is lawful, and that its asset management is organized reliably. YIT's President and CEO serves as Chair of the Group Management Team.

Heikki Vuorenmaa (b. 1981), MSc (Econ.) is the President and CEO of YIT Corporation. Antti Inkilä (b. 1969), MSc (Eng.), acted as his deputy until December 31, 2024.

GROUP MANAGEMENT TEAM

YIT's Group Management Team is the highest operational decision-making body and is responsible for allocating resources to the business segments. The Group Management Team is also responsible for assessing the segments' performance.

The President and CEO and other members appointed by the Board of Directors make up the Group Management Team. The President and CEO appoints the Group Management Team's secretary. The Group Management Team, which meets on a regular basis, around once a month, assists the President and CEO with operational planning and management and prepares matters that are to be discussed by the Board of Directors.

Among other duties, the Group Management Team formulates and coordinates the Group's strategic and annual planning, and supervises the implementation of plans and financial reporting.

The development of the Group's internal cooperation and the promotion of joint development projects are among the Group Management Team's key duties. The President and CEO is responsible for the decisions made by the Group Management Team. The task of the members of the Group Management Team is to implement the decisions in their respective areas of responsibility.

GROUP MANAGEMENT TEAM ON DECEMBER 31, 2024

Name	Born	Position	Education	Share ownership, pcs
Vuorenmaa Heikki, m	1981	President and CEO, Chair of the Management Team	MSc (Econ.)	60,000
Forssell Peter, m	1969	Executive Vice President, Business Premises segment	MSc (Tech.)	19,300
Haasmaa Jennie, f	1975	Executive Vice President, People and Culture	MSc (Ed.) eMBA	0
Inkilä Antti ¹ , m	1969	Executive Vice President, Housing segment, deputy to the President and CEO	MSc (Tech.)	50,926
Kostiainen Juha, m	1965	Executive Vice President, Urban Development and ESG	MSc (Tech.), DSc (Admin.)	31,924
Laine Aleksi, m	1981	Executive Vice President, Infrastructure segment	MSc (Tech.)	9,534
Mäkipeska Tuomas, m	1978	CFO	MSc (Econ.)	14,664
Total				186,348

¹ Antti Inkilä, Executive Vice President, Housing segment and deputy to the President and CEO until December 31, 2024.

GROUP MANAGEMENT TEAM ON DECEMBER 31, 2024



Heikki Vuorenmaa
President and CEO,
b. 1981, MSc (Econ.)



Peter Forssell
EVP, Business Premises segment
b. 1969, MSc (Tech.)



Jennie Haasmaa
EVP, Human Resources
b. 1975, MSc (Ed.), eMBA



Antti Inkilä
EVP, Housing segment, Deputy to
President and CEO
b. 1969, MSc (Tech.)



Juha Kostianen
EVP, Urban Development & ESG
b. 1965, MSc (Tech.), DSc (Adm)



Aleksi Laine
EVP, Infrastructure segment
b. 1981, MSc (Tech.)



Tuomas Mäkipeska
CFO
b. 1978, MSc (Econ.)

THE MAIN FEATURES OF INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS RELATED TO THE FINANCIAL REPORTING PROCESS

OBJECTIVES

The objective of YIT's internal control and risk management in financial reporting is to ensure that the company's financial reporting gives a correct picture of YIT's financial performance and position, and the assurance that operations are being carried out in accordance with internal instructions, and that YIT is complying with the applicable laws and regulations and other obligations imposed on listed companies. YIT's consolidated financial statements are drawn up in accordance with the International Financial Reporting Standards (IFRS). A further objective of risk management is to support the achievement of the company's strategic and business targets by anticipating and managing potential threats and opportunities.

MAIN CHARACTERISTICS OF INTERNAL CONTROL

YIT's financial reporting, planning and control are based on an operating model specified by the Group, policies approved by the Board of Directors, and financial reporting manuals and instructions that need to be adhered to throughout the Group. In accordance with the operating model, the reporting and evaluation of financial results is performed at multiple levels of monitoring, performed by the Group's businesses, the persons responsible for finances in each company and Group functions. The lowest levels of monitoring are the project level and unit level. The highest levels of monitoring are the company level, business segment level and group level.

Responsibilities for the performance and control of financial reporting have been assigned in accordance with YIT's operating model to the businesses and the centralized Group-level financial functions. The businesses are responsible for the project-related financial reporting and measurement of assets used in each business, for example. The centralized group-level financial functions engage in planning, guidance, training and coordination related to reporting, make key interpretations concerning accounting principles for financial reporting, and prepare financial reporting for review by YIT's Audit Committee and Board of Directors.

The key control and supervision process for monitoring the achievement of financial targets consists of monthly reporting to the business and Group management based on the same IFRS accounting principles as external Group reporting. Monthly repeated

controls, including both automatic and manual controls, are used to ensure the accuracy of reporting. The business segments and Group functions monitor and evaluate the the outcomes and forecasts reported monthly. Self-developed projects and contracting projects constitute a key component of YIT's financial reporting as a whole. The project portfolio is analyzed on a monthly basis and reviewed for material changes, on a project-by-project basis if necessary. The financial reporting of the projects by the businesses is supported and supervised by the Business Controlling functions of the businesses.

The strategies of the Group and its businesses are evaluated annually and updated as necessary. Annual plans based on the strategy and the budget for the next year are typically drawn up during the second half of the year. The strategy and annual plans are approved by YIT's Board of Directors.

RISK MANAGEMENT

The Group's investment, risk management and corporate security function coordinates and develops the systematic assessment of risks and opportunities as part of business planning and core decision-making processes. The function coordinates the assessment of risks and opportunities related to the business environment, operational activities, assets and financial position in order to limit unnecessary or excessive risk-taking. The business segments are responsible for the identification, assessment and management of risks in their respective areas of operation. Business-related risks and strategic risks are reported to the Group management on a regular basis. The Group management supervises and monitors the implementation of measures related to the risks. YIT's Board of Directors regularly reviews the risk portfolio based on the Group management's assessment. More information about the principles of risk management can be found in the Risks and risk management section of the annual review.

PUBLICATION OF FINANCIAL REPORTS

YIT publishes quarterly financial reports and annual financial statements annually. The Audit Committee reviews the reports and presents its recommendations concerning the reports to the Board of Directors. YIT's Board of Directors approves the reports for publication.

YIT publishes the main principles of its investor relations activities and its disclosure policy on the company's website. [The Disclosure policy](#) sets out YIT's practices concerning the publication of financial information.

FINANCIAL INFORMATION SYSTEMS

The key components of YIT's financial reporting include basic financial systems and project reporting systems. YIT continued to harmonise its basic financial reporting systems in 2024. These harmonization efforts led to financial processes becoming more consistent between the different countries and companies. At the end of 2024, the common basic system for financial information was in use in Finland and Sweden. The deployment of the basic financial information system is continuing in YIT's other operating countries.

In the monthly closing process for each period, the accounting data for each company is transferred from the basic financial information systems to the Group's centralized consolidation system, which produces Group-level and segment-level financial reporting, including both actual figures and forecasts. The functioning and information security of the systems used in financial reporting are monitored and inspected on a regular basis, and regular back-ups are made to ensure continuity.

RELATED PARTY TRANSACTIONS

The company maintains a list of its related parties and monitors and evaluates related party transactions on a regular basis in accordance with with the applicable principles and regulations. The members of the Board of Directors and the Group Management Team, as well as certain other management key persons, are obligated to notify the company of any related party transactions. Any possible related party transactions are reported in connection with the company's consolidated financial statements. During the 2024 financial period, the company did not have any material related party transactions that deviated from the company's normal business operations or were not implemented on arm's-length terms.

INSIDER ADMINISTRATION

At YIT, insider administration is responsible for internal communication and training related to insider matters, as well as drawing up and maintaining insider lists and submitting them to the Finnish Financial Supervisory Authority upon request.

The insider administration also ensures that trading restrictions and the obligation to notify transactions by managers and their closely associated persons are complied with. The insider administration is responsible for internal communication, training, supervision and the monitoring of regulatory changes in matters pertaining to the trading restriction and notification obligation. It maintains a list of managers and their closely associated persons, informs managers of their obligations related to trading restrictions and the notification of transactions, is responsible for providing guidance to managers regarding

the provision of information to their closely associated persons regarding the closely associated persons' notification obligation as well as the publication of transactions in stock exchange releases, the practical implementation of which is the responsibility of the Investor Relations (IR) function. The person in charge of insider matters at YIT Corporation is the Corporate General Counsel.

INTERNAL AUDIT

Internal audit is part of YIT's internal control system and framework. The internal audit is independent of other functions. It is an objective evaluation, assurance and consulting function intended to create added value for the company and provide recommendations for the further development of operations. The internal audit supports the Board of Directors and the management in the achievement of objectives by evaluating the appropriateness and effectiveness of the company's risk management, control, management and administration processes.

The internal audit carries out independent inspections of the businesses, Group companies, processes and specifically selected targets to evaluate the effectiveness of internal control. The aim of the internal audit function is to ensure compliance with internal policies, guidelines and regulations.

The internal audit systematically evaluates the effectiveness of the aforementioned functions and issues recommendations on the development of operations, thereby helping the company achieve its objectives. The internal audit also supports the sharing of best practices within the Group. In addition to other reporting channels, through internal audit, Group companies can notify the company's management of possible misconduct.

The internal audit operates under the supervision of the Audit Committee of the Board of Directors, and reports the results of its auditing activities to the Audit Committee. The Audit Committee subsequently reports to the Board of Directors. A risk-based annual plan is drawn up for the internal audit and approved by the Audit Committee. The internal audit focus on identified business risks. The focus areas highlighted in the annual plan are reviewed on a quarterly basis. The internal audit reports to the Corporate General Counsel. Deloitte Oy served as the internal audit service provider in the first half of 2024, after which the internal resourcing of the function was strengthened and switched to the multi-service provider model.

AUDIT

YIT has one auditor, which must be an approved and registered auditing firm pursuant to the Auditing Act (1141/2015).

The Annual General Meeting elects the auditor based on a proposal of the Board of Directors. The Board's Audit Committee prepares the draft resolution concerning the election of the auditor. The auditor audits the company's accounts, financial statements and administration for the financial year. The parent company's auditor must also audit the consolidated financial statements. The auditor regularly reports to the Board of Directors and its Audit Committee and provides the Company's shareholders with an auditor's report as required by law. YIT's key subsidiaries engaged in business activities must elect auditors from the same chain of audit firms as the one used by the parent company.

Pursuant to the decision of the Annual General Meeting, the auditor's fee is paid as per an invoice approved by the company. YIT complies with the provisions of the Auditing Act and the EU Audit Regulation with regard to the maximum duration of the auditor's terms of office and, in electing the auditor, also takes into consideration that the total duration of the consecutive terms of office of the auditor with main responsibility must not exceed seven years.

YIT's auditor for the financial year 2024 was the audit firm Ernst & Young Oy, with Mikko Ryttilahti, Authorized Public Accountant, as the principal auditor. The term of office of the auditor began at the end of the 2024 Annual General Meeting and will end at the end of the 2025 Annual General Meeting.

AUDIT FEES IN 2024

EUR million	2024	2023	2022
Statutory audit	1.3	1.0	1.1
Engagements referred to in the Auditing Act, 1.1,2§	0.1	0.0	0.0
Tax services	0.0	0.0	0.0
Other services	0.2	0.3	0.0
Total	1.6	1.3	1.1

BOARD OF DIRECTORS' REPORT

The Board of Directors issued its report for 2024 on March 7, 2025. The Corporate Governance Statement will be separately from the Report of the Board of Directors on the company's website at www.yitgroup.com/corporategovernance.



We build and develop sustainable living environments: functional and attractive homes, future-proof public and commercial buildings, infrastructure to support the green transition as well as industrial, production, and energy facilities to support our customers' processes. YIT's vision is to be the expert partner in developing sustainable homes, spaces and cities – for a good life. There are approximately 4,100 professionals in our team and our revenue in 2024 was EUR 1.8 billion. YIT Corporation's shares are listed on Nasdaq Helsinki.

Read more: www.yitgroup.com

YIT Corporation

B.O. Box 36

00621 Helsinki, Finland

Tel. +358 20 433 111

firstname.lastname@yit.fi

