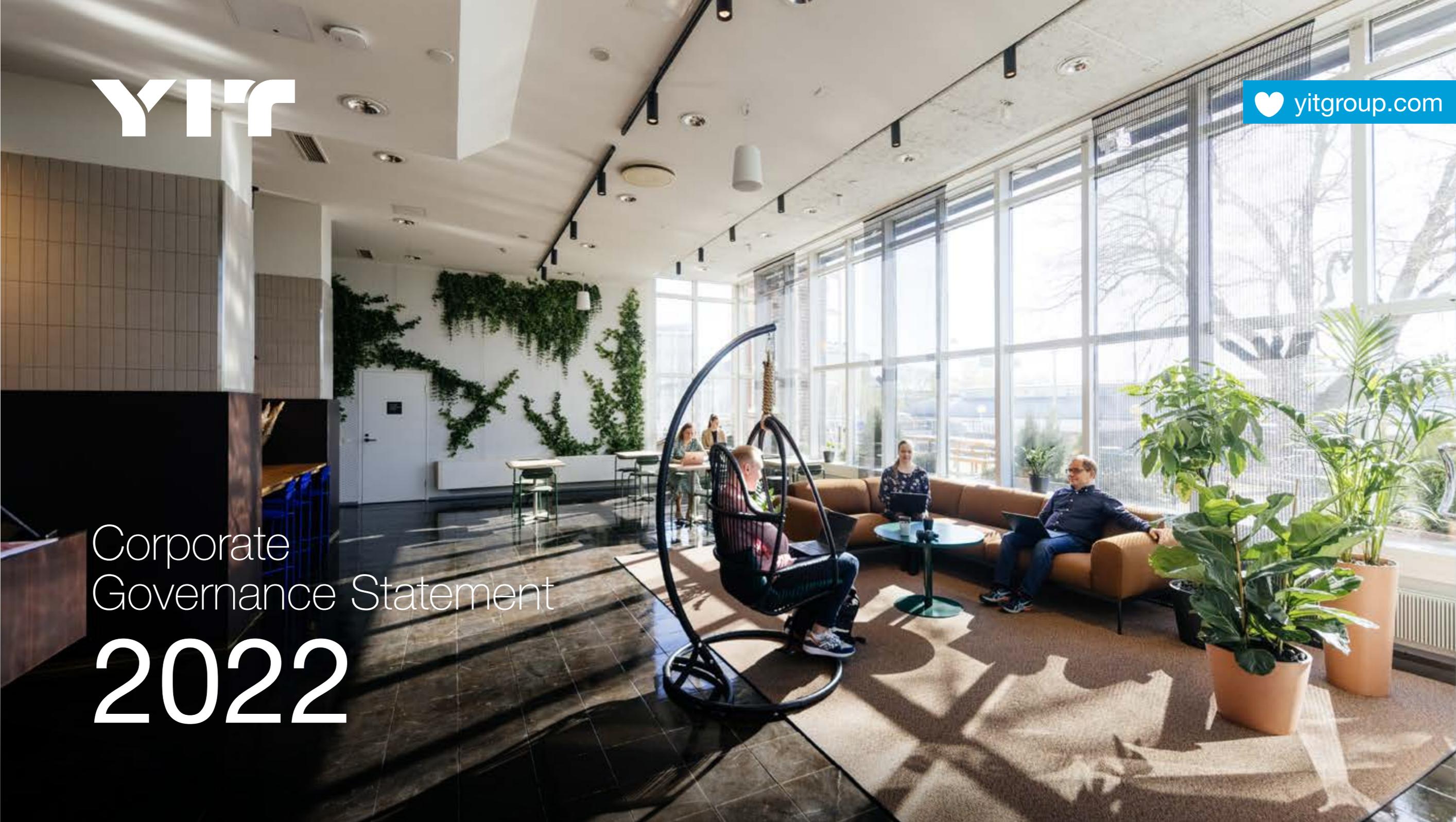




Corporate
Governance Statement

2022

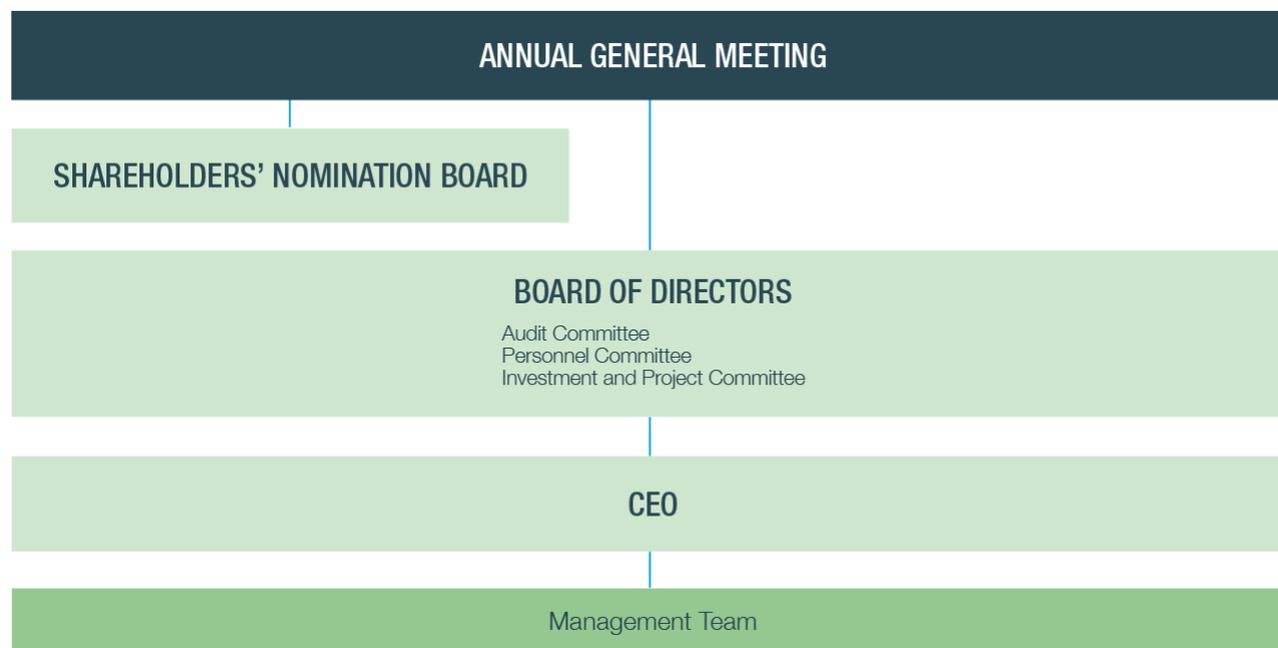


YIT Corporation's Corporate Governance Statement for 2022

This Corporate Governance Statement by YIT Corporation has been prepared separately from the Board of Directors' report, pursuant to the Finnish Securities Markets Act and the Finnish Corporate Governance Code. The Statement is available on YIT Corporation's website at www.yitgroup.com/corporategovernance.

The administration of YIT Corporation complies with 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 September 2019, which took effect on 1 January 2020. The Code is publicly available on the Securities Market Association's website at www.cgfinland.fi/en.

YIT Corporation's auditor PricewaterhouseCoopers Oy has reviewed the description of the main features of the internal control and risk management systems in relation to the financial reporting process in this Statement and found it to be consistent with the financial statements. The Audit Committee of the Board of Directors reviewed, and the Board of Directors approved the Statement at its meetings held on 9 February 2023.



ANNUAL GENERAL MEETING

The Annual 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 Annual 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:

- The approval of the financial statements
- The distribution of profits
- Discharging members of the Board of Directors and the President and CEO from liability
- The election of the Chairman of the Board of Directors, Vice Chairman and other members, and the remuneration paid to them
- The election of the auditors and the auditors' fees
- Amendments to the Articles of Association
- Decisions leading to changes in the share capital
- The repurchase and transfer of the Company's own shares

The Chairman 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 Annual General Meeting. Persons nominated to seats on the Board of Directors must always participate in the Annual General Meeting deciding on their election.

ANNUAL GENERAL MEETING 2022

The Annual General Meeting was held on 17 March 2022 in Helsinki without the presence of shareholders or their representatives at the meeting venue, in accordance with temporary legislation. Shareholders could participate in the meeting and exercise their shareholder's rights only by voting in advance and by presenting counterproposals and questions in advance. A total of 227 shareholders participated in advance voting for the Annual General Meeting, representing 120,445,085 shares and voting rights, which corresponded to approximately 57.06 per cent of the company's shares and voting rights.

EXTRAORDINARY GENERAL MEETING 2022

The Extraordinary General Meeting was held on 6 October 2022 in Helsinki. A total of 193 shareholders participated in the meeting personally or by proxy, representing 119,565,373 shares and voting rights, which corresponded to approximately 56.64 per cent of the company's shares and voting rights.

BOARD OF DIRECTORS

The Board of Directors supervises and controls the management and operations of the company. The duty of the Board is to promote the interests of all shareholders and the Group by seeing to the administration and proper organisation of operations.

The Board of Directors comprises the Chairman and the Vice Chairman and 3–8 members elected by the Annual General Meeting of shareholders for one year at a time. The Articles of Association have no special provisions on the members of the Board of Directors. The majority of the members must be independent of the company. In addition, it is required that at least two of these members are independent of the major shareholders of the company. The President and CEO cannot be elected as the Chairman of the Board. Both genders must be represented on the Board of Directors in accordance with the diversity principle of the Board of Directors.

The Board of Directors convenes regularly as summoned by the Chairman. A quorum is established when more than half of its members are present. An opinion supported by more than half of the members present becomes the decision. When the votes are even, the Chairman has the casting vote. The CEO as referendary 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 Chairman of the Board and draw up the agendas. The President and CEO ensures that the Board is provided with sufficient information on 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 operations of the Board and its committees each year, and the results are taken into account in the Board's work and its development.

KEY TASKS OF THE BOARD OF DIRECTORS

Among other duties, the Board of Directors:

- ensures that the supervision of accounting and asset management is organised appropriately
- reviews and approves the company's Financial Statements and the Board of Directors' report as well as interim reports and half-yearly reports
- supervises and controls operating management

- elects and dismisses the CEO and his 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 Annual General Meeting on the dividend to be paid annually
- approves the Group's strategy, strategic goals and risk management principles
- approves budgets and action plans and oversees their implementation
- approves significant acquisitions and other investments
- confirms the Group's functional structure
- ensures the functioning of management systems
- 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 election 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 diversity on the Board of Directors is to ensure it is broad-based, versatile, has both customer 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 operating management.

The members of the Board of Directors having different backgrounds, experiences and views supports the achievement of YIT Corporation's strategic objectives. Anyone elected to the Board of Directors must be qualified for the position, taking into account the requirements and development stages of the company's business as well as the areas of expertise required by the Board of Directors and its committees. Anyone elected as a member of the Board of Directors must have the capacity to allocate sufficient time to managing their duties.

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

MEMBERS OF THE BOARD OF DIRECTORS AND BOARD MEETINGS IN 2022

The members of YIT Corporation's Board of Directors from 1 January to 17 March 2022 were: Harri-Pekka Kaukonen, Chairman; Eero Heliövaara, Vice Chairman; and Alexander Ehrnrooth, Frank Hyldmar, Olli-Petteri Lehtinen, Kristina Pentti-von Walzel, Barbara Topolska and Tiina Tuomela, members.

The Annual General Meeting held on 17 March 2022 elected, in accordance with the Shareholder's Nomination Board proposal, six (6) ordinary members to YIT's Board of Directors in addition to the Chairman and the Vice Chairman. Harri-Pekka Kaukonen, born 1963, Ph.D. (Computational material physics), M.Sc. (Eng.), was re-elected as the Chairman of the Board, with Eero Heliövaara, born 1956, M.Sc. (Eng.), M.Sc. (Econ.), re-elected Vice Chairman, and the following were re-elected as ordinary members: Frank Hyldmar, born 1961, M.Sc. (Econ.), CEO at Currenta GmbH & Co OHG; Olli-Petteri Lehtinen, born 1960, M.Sc. (Econ.); and Barbara Topolska, born 1966, MBA, CPI Property Group, General Director, Poland. The following were elected as new members of the Board of Directors: Casimir Lindholm, born 1971, M.Sc. (Econ.), MBA; Jyri Luomakoski, born 1967, MBA; and Kerttu Tuomas, born 1957, B.Sc. (Econ.).

The Extraordinary General Meeting held on 6 October 2022 resolved to amend YIT Corporation's Articles of Association and elected two (2) new supplement members to the Board of Directors. Consequently, the Board of Directors has eight (8) ordinary members in addition to the Chairman and the Vice Chairman. In accordance with the Shareholder's Nomination Board proposal, Sami Laine, born 1971, M.Sc. (Econ.) and Keith Silverang, born 1961, BA, MBA were elected as new supplement members to the Board of Directors for a term ending at the close of the next Annual General Meeting.

In 2022, all members of the Board of Directors were independent of YIT and its major shareholders, except Alexander Ehrnrooth (Board member between 1 January 2022 and 17 March 2022), who was not independent of significant shareholders.

The Board of Directors convened 16 times during 2022. The members' total attendance rate was 99 per cent. Corporate General Counsel Juha Jauhiainen served as the secretary of the Board of Directors.

BOARD OF DIRECTORS ON 31 DECEMBER 2022



Harri-Pekka Kaukonen

Chairman

Born 1963, Ph.D. Computational material physics, M.Sc. (Eng., Technical Physics)



Eero Heliövaara

Vice Chairman

Born 1956, M.Sc. Engineering, M.Sc. (Econ.)



Frank Hyldmar

Member

Born 1961, M.Sc. (Econ)



Sami Laine

Member

Born 1971, M.Sc. (Econ.)



Olli-Petteri Lehtinen

Member

Born 1960, M.Sc. (Econ.)



Casimir Lindholm

Member

Born 1971, M.Sc. (Econ.), MBA



Jyri Luomakoski

Member

Born 1967, MBA



Keith Silverang

Member

Born 1961, BA, MBA



Barbara Topolska

Member

Born 1966, MBA



Kerttu Tuomas

Member

Born 1957, B.Sc. (Econ.)

In 2022, a significant part of the Board of Directors' work was, among the main responsibilities and tasks, dedicated to the sale of Russian operations and managing and limiting the potential business impacts of the geopolitical situation, accelerating the implementation of the strategy, and selecting a new CEO. During the year, the work of the Board of Directors also focused on supporting the development and improvement measures of the group's performance and profitability, also taking into account the sustainability development targets, and at the end of the period, the effective start-up and ensuring of the activities of the renewed board composition.

The Board of Directors also conducted the annual self-evaluation. The evaluation emphasized identification of the development areas related to the Board's strategic work, Board annual agenda and practices in order to further develop the Board of Directors' work.

SHARE OWNERSHIP OF THE MEMBERS OF THE BOARD OF DIRECTORS ON 31 DECEMBER 2022

Name	Position	Ownership
Kaukonen Harri-Pekka	Chairman of the Board	58,516
Heliövaara Eero	Vice Chairman of the Board	40,811
Hyldmar Frank	Member of the Board	16,552
Laine Sami	Member of the Board	3,363
Lehtinen Olli-Petteri	Member of the Board	26,701
Lindholm Casimir	Member of the Board	5,367
Luomakoski Jyri	Member of the Board	5,367
Silverang Keith	Member of the Board	3,363
Topolska Barbara	Member of the Board	16,552
Tuomas Kerttu	Member of the Board	8,014
Yhteensä		184,606

COMMITTEES FOR THE BOARD OF DIRECTORS

The Board of Directors had three permanent committees in 2022: The Personnel Committee, the Audit Committee and the Investment and Project Committee.

The Board of Directors elects the members and Chairmen of the committees from among its members at its constitutional 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 they deal with and the required actions on a regular basis at the Board meeting following each committee meeting.

In addition to Audit, Personnel and Investment and Project committees, the Board may 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 issues related to appointing and rewarding key personnel. Among other things, the Personnel Committee prepares proposals for the development of the Group's corporate culture and HR policy, remuneration and incentive schemes, the rules for performance-based bonuses, and the performance-based bonuses paid to management. In addition, identifying talents, the development of key personnel, and planning for management successors fall under the preparation responsibility of the committee. The committee also prepares the remuneration policy and remuneration report for the company's governing bodies.

The committee convenes as necessary and when summoned by the Chairman. It has 3–5 members, who all have knowledge of the Group's business operations and business segments, as well as HR and remuneration-related matters. The majority of the members of the Personnel Committee must be independent of the company. The President and CEO and other members of the company's executive management cannot be members of the Personnel Committee. The Executive Vice President, Human Resources, acts as the secretary to the committee.

Personnel Committee in 2022

During the period 1 January–17 March 2022, the members of the Personnel Committee were Harri-Pekka Kaukonen, Chairman, and Eero Heliövaara and Tiina Tuomela as members.

At its organisational meeting following the Annual General Meeting on 17 March 2022, the Board of Directors elected, from among its members, Kerttu Tuomas as the Chairperson of the Personnel Committee, and Harri-Pekka Kaukonen and Eero Heliövaara as members.

At its organisational meeting following the Extraordinary General Meeting on 7 October 2022, the Board of Directors decided to supplement the Personnel Committee by electing Keith Silverang as a fourth member of the committee.

In addition to the members, the meetings of the Personnel Committee were attended by the company's President and CEO. The committee convened a total of six times during the year. The members' total attendance rate was 100 per cent. The Executive Vice President, Human Resources Katja Ahlstedt served as the Committee's secretary.

In 2022 the Personnel Committee prepared the People Focus Areas to support the company strategy, followed the quarterly conducted employee survey MiniVoice results and action plans, and reviewed the Health and Safety focus areas and actions as well as talent management and succession plans. 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 indicators, goals and target groups. In addition, the Committee prepared for the approval by the Board of Directors the nominations to 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 tasks include overseeing the financial reporting process of the company, the effectiveness of internal control, internal audit and risk management systems, as well as monitoring and assessing the audit. The committee participates in the preparation of the Group's financing policy, financing plan and financing arrangements. The committee reviews, among other things, the company's Financial Statements, Interim Reports and Half-Year Reports and monitors auditing. It evaluates compliance with laws and regulations and follows the Group's financial position. 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. To be selected as a member of the committee, a person must have extensive knowledge of the Group's business operations and business segments and possess the qualifications required by the committee's sphere of duties and have experience with the mandatory tasks related to auditing. The Corporate General Counsel acts as the secretary of the Audit Committee.

Audit Committee in 2022

During the period 1 January–17 March 2022, the members of the Audit Committee were Olli-Petteri Lehtinen, Chairperson, and Alexander Ehrnrooth, Frank Hyldmar and Kristina Pentti-von Walzel as members.

At its organisational meeting following the Annual General Meeting on 17 March 2022, the Board of Directors elected, from among its members, Olli-Petteri Lehtinen as the Chairman of the Audit Committee, and Frank Hyldmar and Jyri Luomakoski as members.

At its organisational meeting following the Extraordinary General Meeting on 7 October 2022, the Board of Directors decided to supplement the Audit Committee by electing Sami Laine as a fourth member of the committee.

The Audit Committee convened six times in 2022. The members' total attendance rate was 97 per cent. Corporate General Counsel Juha Jauhiainen served as the Committee's secretary. The company's President and CEO and, as the company's chief auditor, Samuli Perälä (PricewaterhouseCoopers) also participated in the committee's meetings, as did members of the company's management and experts – such as a representative of the internal audit service provider – depending on the matters dealt with in the meeting.

In 2022, the Audit Committee regularly monitored and handled the development of the company's investments, financing and balance sheet position, the realization of the financing plan, and handled the achievement of cash flow and profitability targets, in particular taking into account the uncertainty caused by the geopolitical situation and the increased risks in the market environment. In addition, the Audit Committee regularly handled the financial reporting of the company's major projects.

During the accounting period, in addition to its main tasks, the Audit Committee handled with the implementation of the enterprise resource planning system implemented in the first half of the year and its progress, as well as the divestment of the Russian operations and its financial consequences.

INVESTMENT AND PROJECT COMMITTEE

The main function of the Investment and Project Committee is to assist the Board of Directors by discussing and preparing, in accordance with the internal decision-making authorisations approved by the Board of Directors, significant contract tenders, property development projects, plot and area development project investments and divestments, acquisitions, disposals and equity investments, and to monitor the development, financial reporting and risk management of the respective portfolios.

The committee convenes at least twice a year, and more frequently by separate invitation from the chairman if deemed necessary in view of the matters discussed by the committee. The committee has 3–5 members, who all have extensive knowledge of the Group's business operations and business segments and the competence required by the position. The majority of the members of the Investment and Project Committee must be independent of the company and at least one of the members must be independent of significant shareholders. The Corporate General Counsel acts as the secretary of the Investment and Project Committee.

Investment and Project Committee in 2022

During the period 1 January–17 March 2022, the members of the Investment and Project Committee were Eero Heliövaara, Chairperson, and Alexander Ehrnrooth, Harri-Pekka Kaukonen and Barbara Topolska as members.

At its organisational meeting following the Annual General Meeting on 17 March 2022, the Board of Directors elected, from among its members, Eero Heliövaara as the Chairperson of the Investment and Project Committee, and Harri-Pekka Kaukonen, Casimir Lindholm and Barbara Topolska as members.

The Investment and Project Committee convened a total of nine times in 2022. The members' total attendance rate was 100 per cent. The company's President and CEO also participated in the meetings of the committee. Corporate General Counsel Juha Jauhiainen served as the committee's secretary.

In accordance with the main tasks of the Investment and Project Committee, the Committee concentrated on tasks related to the preparation of significant contract tenders, property development projects, investments, divestments and company acquisitions to be proposed to the Board of Directors for decision. The Committee also participated in the monitoring of the development of the strategic key projects and capital employed as well in the reporting practice development.

Meeting attendance of the Board of Directors and its committee in 2022

Name	Board of Directors	Personnel Committee	Investment and Project Committee	Audit Committee
Kaukonen Harri-Pekka	16/16	7/7	9/9	
Heliövaara Eero	16/16	7/7	9/9	
Ehnrooth Alexander ¹	3/3		2/2	1/1
Hyldmar Frank	16/16			6/6
Laine Sami ²	6/6			2/2
Lehtinen Olli-Petteri	15/16			5/6
Lindholm Casimir ³	13/13		7/7	
Luomakoski Jyri ⁴	13/13			5/5
Pentti-von Walzel Kristina ⁵	3/3			1/1
Silverang Keith ⁶	6/6	2/2		
Topolska Barbara	16/16		9/9	
Tuomas Kerttu ⁷	12/13	6/6		
Tuomela Tiina ⁸	3/3	1/1		
Board of members' average attendance rate	99%	100%	100%	97%

¹ Alexander Ehnrooth was a member of the Board of Directors, the Audit Committee and the Investment and Project Committee until 17 March 2022.

² Sami Laine has been a member of the Board of Directors since 6 October 2022 and the member of the Audit Committee since 7 October 2022.

³ Casimir Lindholm has been a member of the Board of Directors and the Investment and Project Committee since 17 March 2022.

⁴ Jyri Luomakoski has been a member of the Board of Directors and the Audit Committee since 17 March 2022.

⁵ Kristina Pentti-von Walzel was a member of the Board of Directors and the Audit Committee until 17 March 2022.

⁶ Keith Silverang has been a member of the Board of Directors since 6 October and the member of the Personnel Committee since 7 October 2022.

⁷ Kerttu Tuomas has been a member of the Board of Directors and the Chairperson of the Personnel Committee since 17 March 2022.

⁸ Tiina Tuomela was a member of the Board of Directors and the Personnel Committee until 17 March 2022.

SHAREHOLDERS' NOMINATION BOARD

YIT Corporation's 2016 Annual General Meeting resolved to establish a Shareholders' Nomination Board for the company to prepare proposals on the election and remuneration of the members of the Board of Directors for the Annual General Meeting and confirmed the proposal for the standing order of the Nomination Board.

The Shareholders' Nomination Board is a body comprised of the company's shareholders or their representatives, the duty of which is to prepare, in accordance with the Board's diversity principles, proposals on the election and remuneration of the members of the Board of Directors for the Annual General Meeting and, where necessary, for the Extraordinary General Meeting. 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 Annual General Meeting for this purpose.

The Nomination Board comprises the company's three major shareholders or the representatives nominated by these shareholders. 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 Annual 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 shall submit its proposal to YIT's 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 meeting. Furthermore, the Nomination Board shall present and justify its proposals and give an account of its operations to the Annual General Meeting.

SHAREHOLDERS'S NOMINATION BOARD 2022

Between 1 January and 31 August 2022, the Nomination Board (elected in 2021) comprised Juhani Mäkinen, Counsellor of Law, shareholder group; Alexander Ehrnrooth, Chairman of the Board, Tercero Invest AB; and Risto Murto, CEO of Varma Mutual Pension Insurance Company. The Chairman of YIT Corporation's Board of Directors, Harri-Pekka Kaukonen, served as an expert member on the Nomination Board,

Counsellor of Law, Juhani Mäkinen served as Chairperson of the Nomination Board, and YIT's Corporate General Counsel Juha Jauhiainen served as the secretary of the Nomination Board.

Starting from 1 September 2022, the Nomination Board comprised Alexander Ehrnrooth, Chairman of the Board, Tercero Invest AB; Juhani Mäkinen, Counsellor of Law, shareholder group representative and Risto Murto, CEO of Varma Mutual Pension Insurance Company.

The Chairman of YIT Corporation's Board of Directors, Harri-Pekka Kaukonen, served as an expert member on the Nomination Board, Counsellor of Law, Juhani Mäkinen served as Chairman of the Nomination Board, and YIT's Corporate General Counsel Juha Jauhiainen served as the secretary of the Nomination Board.

The Nomination Board convened five times in 2022. Between meetings, the Nomination Board prepared its proposals under the leadership of its chairman. 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 CEO and supervises the operations of the office. The Board of Directors also decides on the CEO's salary and fees and other terms of the service contract. The CEO ensures that the company's accounting is carried out according to the law and asset management is organised reliably. YIT's President and CEO serves as Chairman of the Group Management Team.

Between 1 January and 27 November 2022, YIT Corporation's President and CEO was Markku Moilanen, Ph.D. (Tech.), born 1961, with Antti Inkilä, M.Sc. (Tech.), born 1969, acting as his deputy.

On 28 November 2022, Heikki Vuorenmaa, M.Sc. (Econ.), born 1981, started as the company's new President and CEO, with Antti Inkilä, M.Sc. (Tech.), acting as his deputy.

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 performance of the business segments.

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, approximately once a month, assists the Group CEO with operational planning and management and prepares matters that are to be processed by the Board of Directors. Among other duties, the Group Management Team formulates and co-ordinates the Group's strategic and annual planning, supervises the implementation of plans and financial reporting and prepares significant investments, mergers and acquisitions.

The development of the Group's internal co-operation 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 31 DECEMBER 2022

Name	Year of birth	Position and duties	Education	Share ownership
Vuorenmaa Heikki ¹	1981	President and CEO, Chairman of the Group Management Team	M.Sc. (Econ.)	20,000
Mäkipeska Tuomas	1978	CFO	M.Sc. (Econ.)	0
Ahlstedt Katja ²	1968	EVP, Human Resources	BSc (Eng.)	0
Ekman Tom	1972	EVP, Business Premises segment	M.Sc. (Tech.)	17,622
Inkilä Antti	1969	EVP, Housing segment, Deputy to President and CEO	M.Sc. (Tech.)	42,389
Kostiainen Juha	1965	EVP, Urban development and ESG	M.Sc. (Tech), D.Sc. (Adm.)	26,455
Tolppanen Pasi	1967	EVP, Infrastructure segment	Ph.D. Engineering Geology	600
Tomperi Ilkka ³	1975	EVP, Property Development segment	Ph.D. Finance	0

¹ Heikki Vuorenmaa has been the President and CEO of YIT since 28 November 2022.

² Katja Ahlstedt has been Executive Vice President of Human Resources since 1 April 2022.

³ Ilkka Tomperi was Executive Vice President of the Property Development segment until 31 December 2022.

GROUP MANAGEMENT TEAM ON 1 JANUARY 2023



Heikki Vuorenmaa

President and CEO,
Interim EVP, Property Development
Born 1981, M.Sc. (Econ.)



Tuomas Mäkipeska

CFO
Born 1978, M.Sc. (Econ.)



Katja Ahlstedt

EVP, Human Resources
Born 1968, BSc (Eng.)



Tom Ekman

EVP, Business Premises segment
Born 1972, M.Sc. (Tech.)



Antti Inkilä

EVP, Housing segment, Deputy to
President and CEO
Born 1969, M.Sc. (Tech.)



Juha Kostiainen

EVP, Urban Development & ESG
Born 1965, M.Sc. (Tech.), D.Sc. (Adm.)



Pasi Tolppanen

EVP, Infrastructure segment
Born 1967, Ph.D. Engineering Geology

THE MAIN CHARACTERISTIC OF THE INTERNAL CONTROL AND RISK MANAGEMENT SYSTEMS CONNECTED WITH THE FINANCIAL REPORTING PROCESS

OBJECTIVES

The objective of YIT's internal control and risk management related to financial reporting is to ensure that the company's financial reporting provides an accurate picture of YIT's financial performance and position, as well as assurance that the company operates in accordance with internal guidelines and that YIT complies with the relevant laws and regulations as well as other obligations set out for 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 objectives by anticipating and managing potential threats and opportunities.

MAIN CHARACTERISTICS OF INTERNAL CONTROL

YIT's financial reporting, planning and control are based on the 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 the finances for each company, and group functions. The lowest levels of monitoring are the project level and the 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 centralised group-level financial functions. The businesses are responsible for project-related

financial reporting and the measurement of assets used in each business, for example. The centralised group-level financial functions engage in planning, guidance, training and coordination related to reporting, make key interpretations concerning accounting principles concerning financial reporting, and prepare financial reporting for review by YIT's Audit Committee and Board of Directors.

Monthly financial reporting to business-level and group-level management is a key control process for monitoring the achievement of financial targets. This internal financial reporting is prepared in accordance with the same IFRS accounting principles used for 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 monthly reported actual figures and projections. Self-developed projects and contracting projects constitute a key component of YIT's financial reporting as a whole. Changes to the project portfolio are reported on a monthly basis, and any material changes are analysed on a project-specific basis as necessary. The project-level financial reporting performed by the businesses is supported and supervised by the centralised group-level Business Controlling function.

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-level 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 on risk management principles is presented in the "[Risks and risk management](#)" section of the Annual Review.

FINANCIAL REPORTS PUBLISHED BY YIT

YIT publishes quarterly financial reports and annual financial statements. 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 as well as project reporting systems. YIT continued to harmonise its basic financial reporting systems in 2022. These harmonisation efforts led to financial processes becoming more consistent between different countries and companies. At the end of 2022, the common basic system for financial information was in use in Finland, Sweden and Norway. 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 centralised consolidation system, which produces group-level and segment-level financial reporting, including both actual figures and projections. 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 regulative principles. The members of the Board of Directors and Management Team members as well as certain other management key persons are obligated to notify the company of any possible related party transactions. Any possible related party transactions are reported in connection with the company's consolidated financial statements. During the financial year 2022, the company did not have any material-related party transactions that deviated from the company's normal business operations or that were not implemented on arms-length terms.

INSIDER ADMINISTRATION

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

The insider administration also ensures that trading restrictions and the obligation to give notification of transactions by managers and their closely associated persons are complied with. The insider administration is responsible for internal communications, training, supervision and monitoring regulatory changes in matters pertaining to the trading restriction and the 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

The 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 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 for the development of operations, thereby helping the company achieve its objectives. The internal audit also supports the sharing of best practices within the group. Group companies can report potential misconduct to the company's management through the internal audit function in addition to other reporting channels.

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 annually for the internal audit and approved by the Audit Committee. The internal audit focuses on identified business risks. The focus areas highlighted in the annual plan are reviewed on a quarterly basis. Administratively, the internal audit reports to the Corporate General Counsel. YIT has outsourced its internal audit to Deloitte Oy effective from 1 January 2022.

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 the 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 accounting, financial statements and administration for the financial year. The parent company's auditor must also audit the consolidated financial statements. The auditor reports regularly to the Board of Directors and its Audit Committee and gives YIT's shareholders 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 the invoice approved by the company. We comply with the provisions of the Auditing Act and the EU Statutory Audit Directive with regard to the maximum duration of the auditor's terms of office and, in electing the auditor, we also take 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 is the auditing firm PricewaterhouseCoopers. The chief auditor in 2022 was Authorised Accountant Samuli Perälä.

AUDIT FEES IN 2022

EUR million	2022	2021	2020
Statutory audit	1.1	1.1	1.0
Tax services	0.0	0.0	0.0
Other services	0.0	0.2	0.2
Total	1.1	1.3	1.2

BOARD OF DIRECTORS' REPORT

The Board of Directors issued its report for 2022 on 9 February 2023. The Corporate Governance Statement is published as a separate statement from the Report of the Board of Directors on the company's website at www.yitgroup.com/corporategovernance.



YIT is the largest Finnish and a significant North European development and construction company. We develop and build sustainable living environments: functional homes, future-proof public and commercial buildings, infrastructure for smooth mobility, and renewable energy solutions to benefit the climate. We employ around 5,000 professionals in nine countries: Finland, Sweden, Norway, Estonia, Latvia, Lithuania, the Czech Republic, Slovakia and Poland. Our revenue in 2022 was EUR 2.4 billion. YIT Corporation's share is listed on Nasdaq Helsinki. Read more: www.yitgroup.com

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